

The Companies Act 2006

Community Interest Company Limited by Guarantee
and not having a Share Capital

ARTICLES OF ASSOCIATION

of

East Midlands Community-Led Housing C.I.C

Company Number 7952697

25/01/18

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THE COMPANIES ACT 2006
COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL
ARTICLES OF ASSOCIATION OF
East Midlands Communiy-Led Housing C.I.C.
(the "Company")

DEFINITIONS

In these Articles unless the context otherwise requires the following defined terms shall have the meanings ascribed to them

"Act" the Companies Act 2006 and any statutory or re-enactment thereof currently in force.

"Articles" these Articles of Association as they may be amended from time to time.

"Asset Locked Body"

- a community interest company, or
- a charity, or
- a Permitted Industrial and Provident Society, or
- a body established outside the United Kingdom that is equivalent to any of those.

"Board" the board of management of the Company.

"Board Members" the directors of the Company and (save where expressly excluded) includes co-optees to the Board.

"C.I.C Regulator" the Regulator of Community Interest Companies.

"clear days" in relation to the period of a notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

"Co-opted Board Member" a person co-opted to the Board for such period as the Board determines.

"Member" any person, body corporate or unincorporated body admitted to membership of the Company in accordance with these Articles.

"Office" the Company's registered office.

"Permitted Industrial and Provident Society" an industrial and provident society which has a restriction on the use of its assets in accordance with Regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations 2006 or Regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations (Northern Ireland) 2006.

"Regulations" the Community Interest Company Regulations 2005

"Relevant Local Authority" any local authority (as defined in Section 67(3) of the Local Government and Housing Act 1989, with which the Company has a business relationship (as defined in Section 69(3) of that Act).

"Resident" a person who alone or jointly with others holds a tenancy, lease or licence to occupy one of the Company's premises for residential use.

"Seal" the common seal of the Company.

"Secretary" the Company secretary or any other person appointed to perform the duties of the secretary of the Company, including a joint assistant or deputy secretary.

"Subsidiary" a subsidiary of the Company as defined in the Friendly and Industrial and Provident Societies Act 1968 and/or the Housing and Regeneration Act 2008 and/or the Act.

"United Kingdom" the United Kingdom of Great Britain and Northern Ireland.

1.2 Words or expressions contained in these Articles bear the same meaning as in the Act on the date the Company is incorporated.

1.3 In these Articles a reference to a person shall, unless the context requires otherwise, include a body corporate or an unincorporated body, a reference to the singular shall include the plural, and a reference to the masculine shall include the feminine and vice versa.

2. NAME OF COMPANY

The name of the Company is East Midlands Community-Led Housing C.I.C

3. THE REGISTERED OFFICE

The registered office of the Company shall be situated in England and Wales.

4. ASSET LOCK

4.1 The Company shall not transfer any of its assets other than for full consideration.

4.2 Provided the conditions in Article 4.3 are satisfied, Article 4.1 shall not apply to:-

4.2.1 The transfer of assets to any specified Asset Locked Body, or (with the consent of the CIC Regulator) to any other Asset Locked Body, and

4.2.2 The transfer of assets made for the benefit of the community other than by way of a transfer of assets into an Asset Locked Body.

4.3 The conditions are that the transfer of assets must comply with any restrictions on the transfer of assets for less than full consideration which may be set out elsewhere in the Articles of the Company.

4.4 If

4.4.1 the Company is wound up under the Insolvency Act 1986, and

4.4.2 all its liabilities have been satisfied,

any residual assets shall be given or transferred to the Asset Locked Body specified in Article 4.5 below.

4.5 For the purposes of this Article 4, the CIC Regulator shall nominate an appropriate asset-locked body in consultation with the Board Members and Members of the Company pursuant to the Regulations.

5. NOT FOR PROFIT

The Company is not established or conducted for private gain any profits or assets are used principally for the benefit of the community and to further its objects.

6. THE OBJECTS

6.1 The Company is to be a Community Interest Company and is set up to be a Community Land Trust and to support the development of Community Land Trusts as defined by S79 of the Housing and Regeneration Act 2008 primarily but not exclusively in the area of Lincolnshire for the benefit of the people who live and/or work there ("the community")

6.2 The objects of the Company for the benefit of the community shall be the business of:-

6.2.1 reinforcing and enhancing the sustainability of local communities by the facilitation, acquisition, development, management and maintenance of land and property,

6.2.2 providing advice and assistance to local communities set up their own community land trust and pursue community right to build development orders,

6.2.3 acting as an advocate for sustainable rural communities,

6.2.4 undertaking research consultancy and pursuing innovation in activities which will reinforce or enhance rural community sustainability,

6.2.5 providing advice to local authorities, registered providers, and other public and charitable bodies to assist their adoption of policies and activities that further the objectives of the Company,

6.2.6 undertaking other income generating activities where the proceeds are re-invested in the Company to deliver its objects,

6.2.7 acquiring, developing, managing, maintaining and/or making disposals of affordable housing, including live/work units, whether rented, leased, on terms that ensures that such housing remains affordable in perpetuity,

6.2.8 acquiring, developing and/or making disposals of market housing by sale, lease or rent, where the income is re-invested in the Company to further its objectives,

6.2.9 acquiring, developing and/or managing land and property to facilitate self-build, on terms that ensure such housing remains affordable in perpetuity,

6.2.10 acquiring, developing, managing, maintaining and/or making any disposals of highly environmentally sustainable housing, including live/work units, either by rent or lease,

6.2.11 acquiring, developing, managing, maintaining and/or making any disposals of affordable commercial premises either by rent or lease, on terms that ensures that such premises remain affordable in perpetuity,

6.2.12 acquiring, developing, managing, maintaining and/or making any disposals of community facilities, either for sale, rent, lease, or free of charge, for the use and benefit of local communities, and

6.2.13 carrying out any other activities which are now or in the future become permissible objects for community land trusts which are community interest companies and which the Board considers to be for the benefit of the community to further its social, economic and/or environmental regeneration.

7. POWERS

The Company shall have power to do anything lawful which is necessary or desirable to achieve any of its objects including (without limitation)

7.1 acquire and manage any commercial premises or businesses as are incidental or ancillary to or part of a project or series of projects undertaken for the aforementioned purposes or objects,

7.2 repair, improve or convert or develop any commercial premises acquired and to carry on any business so acquired,

7.3 repair or improve houses, or buildings in which former Residents have exercised, or claimed to exercise, acquisition rights,

7.4 subject to Article 8 to employ and pay such employees, consultants, managers, agents, advisers or others as are necessary for the furtherance of the objects of the Company,

7.5 recruit and assist in the recruitment of voluntary workers for the promotion of the objects of the Company,

7.6 make all reasonable and necessary provisions for the payment of pensions and superannuation to or on behalf of employees and their widows and other dependants,

7.7 insure its property and assets and arrange insurance cover for and to indemnify its Board Members, officers and voluntary workers from and against all such risks incurred in the proper performance of their duties as it shall consider appropriate and to pay any premiums,

7.8 acquire, manage, dispose of, deal in, or hold as an investment any property or assets wherever situate and to demolish, construct, improve, alter, furnish and maintain the same (including procuring such works),

7.9 make regulations for the management of any property from time to time held by the Company which shall not be inconsistent with the Company's Articles,

7.10 invest any of the Company's funds in any investment from time to time authorised by law and to secure the repayment of any money lent,

7.11 promote and support in any way the establishment of a Subsidiary and to acquire shares in any Subsidiary,

7.12 borrow money or issue bonds, loan notes, loan stock or any other debt instrument or enter into any other transaction having the commercial effect of borrowing money on such terms and on such security (including, without limitation) floating charges as the Company thinks fit,

7.13 secure by way of fixed charge, legal mortgage, floating charge, assignment or any other form of security arrangement (including without limitation, guarantees or bonds) the Company's performance of any obligation or liability it may undertake or which may become binding on it,

7.14 lend money to and/or borrow money from any organisation or body and/or guarantee, enter into any contract of indemnity or suretyship or provide security for the borrowings of any organisation or body in each case on such terms as the Company shall think fit,

7.15 receive any money on deposit or loan upon such terms as the Company may approve,

7.16 enter into and perform any derivative transactions on such terms as the Company thinks fit for the purposes of hedging or otherwise managing any treasury risk or other exposure of the Company.

7.16.1 in exercising this power, the Company shall comply with any regulatory requirements applicable to the Company at the relevant time, relating to the use of derivative transactions. A person entering into a derivative transaction with the Company who has received a written certificate signed by the Secretary confirming that the Company is entering into such transaction for the purpose specified in this Article 7.16 and confirming the Company's compliance with such regulatory requirements shall not be concerned to enquire further as to the purpose for which the Company is entering into the transaction, nor as to whether the Company has complied with such requirements, and such transaction shall be valid at the date that it is entered into and throughout its term in favour of such person (or any assignee or successor in title) whether or not it was entered into for the purpose specified in this Article 7.16 and whether or not such regulatory requirements have been complied with.

7.16.2 for the purpose of this Article 7.16 "**derivative transaction**" means any transaction which is a forward, swap, future, option or other derivative transaction on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, economic indices or measures of economic risk or value, or other benchmarks against which payments or deliveries are to be made, or any combination of these transactions,

7.17 cooperate with and enter into any contracts or arrangements with any persons or bodies whether private, voluntary or public,

7.18 subscribe to become a member of or amalgamate or co-operate with any other organisation subject to all legal and regulatory requirements relating thereto,

7.19 accept grants, donations, bequests and gifts for any or all of the objects of the Company,

7.20 take all necessary steps for procuring contributions to the Company's funds,

7.21 subject to such consents as may be required by law sell, transfer, lease, license, mortgage, charge by way of fixed or floating charge, assign by way of security, dispose of or turn to account all or any of the Company's assets,

7.22 accept, draw, discount, endorse, execute, negotiate and issue bills of exchange, promissory notes and other negotiable or transferable instruments and to operate bank accounts,

7.23 undertake and execute or manage any trusts If the Company acquires any property which is subject to any trusts, it shall only deal with or invest in as allowed by such trusts,

7.24 make donations, grants and loans to third parties on such terms as the Company thinks fit,

7.25 promote research which is relevant to the Company's objects and to publish the results, and

7.26 pay the costs, charges and expenses of the Company's formation and registration.

8. APPLICATION INCOME AND PROPERTY

8.1 The income and property of the Company shall be applied solely towards the promotion of its objects.

8.2 None of the income and property of the Company shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit to its Members. This does not prevent the payment in good faith by the Company:-

8.2.1 of reasonable and proper remuneration (including pensions & termination) to any employee of the Company.

8.2.2 to any board member or officer of reasonable out of pocket expenses.

AND PROVIDED FURTHER THAT nothing shall prevent a disposal by the Company of a property whether by way of sale, lease, tenancy, licence or otherwise to any person in good faith and in pursuance of the Company's objects even though such person may be a Member and/or Board Member and nothing shall prevent the Company from managing a property in accordance with its objects even though the tenant, lessee or licensee of such property may be a Member or Board Member.

9. EQUAL OPPORTUNITIES

The Company shall at all times take into consideration the principles of equality of opportunity irrespective of age, gender, race, nationality, ethnic origin, religion, sexual orientation or disability.

10. MEMBERS

10.1 The subscribers to the Memorandum of Association of the Company, and the

persons listed in Article 10.2 shall be Members of the Company.

10.2 The Company's membership shall comprise:-

- (a) the then current Board Members and
- (b) any interested individuals or Community Land Trusts in the company's area of operation who apply for membership and are accepted as a member at the discretion of the Board, whose decision shall be final.

10.3 Every person or organisation who wishes to become a member shall deliver to the Company an application for membership in such form (and containing such information) as the Board Members require and executed by the applicant.

10.4 No employee of the Company may be a Member of the Company

10.5 The liability of the Members is limited.

10.6 Every Member undertakes to contribute to the assets of the Company, in the event of the same being wound up while he/she is a Member, or within one year after he/she ceases to be a Member, for payment of the debts and liabilities of the Company contracted before he/she ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound.

11. CESSATION OF MEMBERSHIP

11.1 A Member may resign from the Company by giving written notice to the Secretary and shall cease to be a Member and Board Member (as appropriate) from the date set out in such notice or, if no date is given, the date of receipt of such notice.

11.2 A Member may be removed from the Company by a resolution passed by a majority of at least three-quarters of the votes cast at a general meeting of which notice has been sent to the Member concerned and to all other Members. The notice shall specify the intention to propose such resolution and include the grounds on which it is proposed. The Member whose removal is proposed or their representative shall be entitled to attend and be heard at the meeting. If the resolution is passed, the Member shall immediately cease to be a Member and a Board Member.

11.3 A Member shall automatically cease to be a Member if

11.3.1 they die or cease to exist, or

11.3.2 they do not participate in, nor deliver written apologies in advance to, a general meeting of the Company in the period starting with one annual general meeting up to and including the next annual general meeting.

11.4 Member's rights are personal, may not be transferred and shall automatically cease if the Member becomes insolvent, bankrupt, incapable, dies or is wound up.

12. GENERAL MEETINGS

All general meetings other than annual general meetings shall be called general meetings.

13. ANNUAL GENERAL MEETING

13.1 The Company shall hold an annual general meeting each year in addition to any other meetings held that year and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and the next.

13.2 The functions of the annual general meeting shall be

13.2.1 to receive the annual report which shall contain

13.2.1.1 the revenue accounts and balance sheets for the last accounting period,

13.2.1.2 the auditor's report on those accounts and balance sheets, and

13.2.1.3 the Board's report on the affairs of the Company and how it has met the community interest test requirements of the CIC Regulator.

13.2.2 to appoint the auditors,

13.2.3 to elect Board Members and,

13.2.4 to transact any other general business of the Company included in the notice convening the meeting.

14. CONVENING GENERAL MEETINGS

14.1 The Board may call general meetings and, on the requisition of Members pursuant to the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient Board Members to call a general meeting, any Board Member or Member may call a general meeting.

14.2 An annual general meeting shall be called by at least twenty one clear *days'* notice. All other general meetings shall be called by at least fourteen clear *days'* notice but a general meeting may be called by shorter notice if

14.2.1 in the case of an annual general meeting, all the Members entitles to attend and vote thereat agree, or

14.2.2 in the case of any other general meeting a majority in numbers of the Members having a right to attend and vote holding (subject to the provisions of any elective resolution of the Company for the time being in force) not less than ninety five per cent of the total voting rights at the meeting of all Members agree.

14.3 The notice shall specify the time and place of the meeting and in the case of an annual general meeting shall specify the meeting as such Notice shall be given to all the Members, Board Members and the Company's auditors.

14.4 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person shall not invalidate the proceedings at that meeting.

15. ATTENDANCE AT GENERAL MEETINGS

15.1 Any Member entitled to attend at a general meeting shall be entitled to appoint another person (whether a Member or not) as their proxy to attend instead of him/her and any proxy so appointed shall have the same right as the Member to speak and vote at the meeting.

15.2 A Board Member shall be entitled to attend and speak at any general meeting.

16. QUORUM FOR GENERAL MEETINGS

16.1 No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Three Members or 10% of the membership whichever is the greater shall be a quorum

16.2 If a quorum is not present within half an hour from the time appointed for a general meeting it shall stand adjourned to the same day in the next week at the same time and place or to such later day and time and/or other place as the Members present decide. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Members present shall constitute a quorum.

17. CHAIR

The chair of the Board or in his/her absence some other Member who is present in person and nominated by the Members shall chair the meeting.

18. ADJOURNMENTS

18.1 The chair may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned

meeting other than business which might properly have been transacted at the original meeting.

18.2 The chair may also, without the consent of the meeting, adjourn the meeting (whether or not it has commenced or is quorate) either indefinitely or to such other time and place as (s)he may decide if the unruly conduct of persons attending the meeting is preventing the orderly holding or continuance of the meeting.

18.3 When a meeting is adjourned indefinitely, the time and place for the adjourned meeting shall be fixed by the Board. It shall not be necessary to give any notice of the adjourned meeting unless it is adjourned for fourteen days or more when at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted.

19. PROCEEDINGS AT GENERAL MEETINGS

A Member may, with the consent of the chair, attend a general meeting notwithstanding that they are not physically present provided that the chair is satisfied that adequate facilities are available to ensure that both such Member and all the other Members attending the meeting are able to participate in the business of the meeting and to hear all persons present who speak (whether by the use of microphones, loud speakers, audio visual communications equipment or otherwise).

20. VOTES OF MEMBERS

20.1 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of the show of hands a poll is duly demanded Subject to the provisions of the Act, a poll may be demanded before or immediately after the vote.

20.1.1 by the chair, or

20.1.2 by a Member having the right to vote at the meeting, and a demand by a person as proxy for a Member shall be the same as a demand by a Member.

20.2 On a show of hands, every Member present in person shall have one vote.

20.3 On a poll every Member present in person or by proxy shall have one vote.

20.4 Unless a poll is duly demanded a declaration by the chair that a resolution has been earned or carried unanimously, or by a particular majority, or lost, or not earned by a particular majority shall be final and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

20.5 A demand for a poll may be withdrawn before the poll is taken but only

with the consent of the chair. A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made if a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

20.6 A poll shall be taken immediately. The results of the poll shall be the resolution of the meeting at which the poll was demanded.

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

21. WRITTEN RESOLUTIONS

A resolution in writing sent to all the Members by post, fax and/or email or delivered by hand and signed by all the Members shall be as valid and effective as if it had been passed at the general meeting duly convened and held and may consist of several documents in the like form each signed by or on behalf of one or more Members.

22. APPOINTMENT OF PROXIES

22.1 An appointment of a proxy shall be in writing, signed by or on behalf of the appointor and shall be in such form as the Board may approve.

22.2 The document appointing a proxy and any authority under which it is signed or a copy of such authority certified notarially or in some other way approved by the Board shall be deposited at the Company's registered office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 24 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. An instrument of proxy which is not deposited or delivered in this matter shall be invalid.

22.3 A vote given or poll demanded by proxy or by the duly authorised representative of a Member shall be valid unless the termination of the proxy's representative's authority is received by the Company at the office or the place at which the meeting is held before the meeting begins.

23. SIZE AND COMPOSITION OF THE BOARD

23.1 The Board shall consist of seven Board Members (excluding Co-opted Board Members).

23.2 A maximum of three positions on the Board will be allocated to Community

Land Trust organisational members.

23.3 If the number of Board Members shall fall below the number required for a quorate Board meeting, the remaining Board Members shall continue to act solely for the purpose of recruiting Board Members.

23.4 The Members may from time to time by ordinary resolution vary the size of the Board up to a maximum of twelve and down to a minimum of five PROVIDED THAT such increase or reduction has first been approved by the Board.

24. APPOINTMENT AND RETIREMENT OF BOARD MEMBERS

24.1 The Board Members shall be elected in accordance with a procedure set out by the Board (who may vary or amend it from time to time). The Board may set selection criteria for candidates wishing to stand for election as Board Members and these may provide for prospective candidates to be approved by the Board before they become eligible to stand for election as Board Members.

24.2 The chosen candidates shall be put forward to the relevant annual general meeting as the candidates for election as Board Members. The Members shall vote on the election of the candidates put forward at the relevant annual general meeting. In doing so, the Members shall use their reasonable endeavours to ensure that the successful candidates have the requisite skills and experience as may be requested by the Board. Each successful candidate shall become a Board Member and serve for a term of three years, expiring at the annual general meeting in their third year of office. A retiring board member may be selected by the Board for re-election subject to serving a maximum of three consecutive terms.

24.3 A vacancy for a Board Member arising because there were insufficient candidates elected at the relevant annual general meeting, or because of a retirement or for whatever other reason may be filled by the Board and such replacement shall hold office for the remainder of the period of office of his/her predecessor.

25. CO-OPTED BOARD MEMBERS

25.1 The Board may from time to time co-opt up to a maximum of three persons to the Board, who may be Executive Officers and the Board may at any time revoke such co-option.

25.2 Co-opted Board Members will serve until the next annual general meeting at which they will stand down.

25.3 Previously Co-opted Board Members who have been removed after serving their term may be appointed by the Members as full Board Members following the procedures for appointing Board Members as detailed elsewhere in these articles.

26. DISQUALIFICATION AND REMOVAL OF BOARD MEMBERS

Board Members shall immediately cease to hold office if

26.1 they cease to be a Board Member by virtue of any provision of the Act or become prohibited by law from being a director,

26.2 they become insolvent, bankrupt or make any arrangements or composition with their creditors generally,

26.3 they are suffering from mental disorder and either

26.3.1 they are admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or

26.3.2 an order is made by a court having jurisdiction in matters concerning mental disorder for their detention or for the appointment of a receiver, curator bens or other person to exercise powers with respect to their property or affairs,

26.4 they resign their office and/or their membership of the Company by written notice to the Secretary,

26.5 they have been absent for more than six months from Board meetings without permission of the Board and the Board resolves that they cease to be a Board Member.

26.6 the members resolve by a simple majority to remove them from office,

26.7 they have been co-opted to the Board and their co-option is revoked,

26.8 they are (in the reasonable opinion of a majority of members) in breach of the Company's code of conduct for Board Members.

26.9 they are subject to a custodial sentence imposed by a Court in respect of any criminal act or omission, unless the Board resolves that they should remain a Board Member.

26.10 they are a Resident of one of the Company's properties and (in the reasonable opinion of a majority of Board Members) they are in breach of their tenancy agreement, lease or licence, and/or

26.11 they are convicted of any other indictable offence and the Board resolves that they should cease to be a Board Member.

27. POWERS OF THE BOARD

Subject to the provisions of the Act, the Articles and to any directions given by special resolution, the business of the Company shall be managed by the Board

who may exercise all the powers of the Company. No alteration of the Articles and no such direction shall invalidate any prior act of the Board. The powers given by this Article shall not be limited by any special power given to the Board by the Articles and a meeting of the Board at which a quorum is present may exercise all powers exercisable by the Board. The Board may appoint any person to be the agent of the Company for such purposes and on such conditions as it determines including authority for the agent to delegate all or any of their powers.

28. BORROWING POWERS

The Board may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as it thinks fit, and to grant any mortgage, fixed or floating charge or other security over its present and future undertaking and property, or any part thereof, and to issue any debenture, whether outright or as security for any debt, liability or obligation of the Company or any third party

29. GRANTING OF SECURITY

The Board may exercise all the powers of the Company to enter into any guarantees, bonds or contracts of indemnity or suretyship and provide security, including, without limitation, the powers set out in Articles 7.12, 7.13 and 7.14

30. DELEGATION OF BOARD'S POWERS

The Board may delegate any of their powers to any committee consisting of one or more Board Members together with such other persons (if any) as the Board shall determine. They may also delegate to any Board Member or any executive officer of the Company or to some other person or persons such of their powers as they consider desirable to be exercised by him/her. Any such delegation may be made subject to such conditions as the Board may impose and may be revoked or altered. Subject to any such conditions, the proceedings of such committees shall be governed by these Articles regulating the proceedings of the Board so far as they are capable of applying.

31. BOARD MEMBERS' PAYMENTS AND EXPENSES

Board Members may be paid reasonable travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings or otherwise in connection with the discharge of their duties.

32. BOARD MEMBERS' INTERESTS

32.1 No Board Member, Co-opted Board Member or member of a committee shall have any financial interest:-

32.1.1 personally, or

32.1.2 as a member of a firm, or

32.1.3 as a director or other officer of a business trading for profit, or

32.1.4 in any other way whatsoever,

in any contract or other transaction with the Company, unless it is (i) expressly permitted by these Articles, or (ii) made in accordance with the Company's code of governance and any policy relating to conflicts of interest and in all cases is not prohibited by law.

32.2 Any Board Member, Co-opted Board Member or member of a committee, having an interest in any arrangement between the Company and someone else shall disclose their interest, before the matter is discussed by the Board or any committee. The Board/committee shall decide, having regard to the Company's code of governance and any Company policy governing conflicts of interest whether such Board Member may remain present and/or whether the Board Member concerned shall have a vote on the matter in question. In the absence of a specific decision by the Board, the Board Member must withdraw from the meeting whilst the matter is discussed and may not vote on the matter. Any decision of the Board or of a committee shall not be invalid because of the subsequent discovery of an interest which should have been declared.

32.3 Every Board Member, Co-opted Board Member and member of a committee shall ensure that the Secretary at all times has a list of all other bodies in which they have an interest as

32.3.1 a director or officer, or

32.3.2 a trustee of a charity, or

32.3.3 as a member of a firm, or

32.3.4 as an official or elected member of any statutory body, or

32.3.5 as the owner or controller of more than 2% of a company the shares in which are publicly quoted or more than 10% of any other company, or

32.3.6 as the occupier of any property owned or managed by the Company,

Or

32.3.7 any other significant or material interest.

32.4 If requested by a majority of the Board or members of a committee at a meeting convened specially for the purpose, a Board Member, Co-opted Board Member or member of a committee failing to disclose an interest as required by these rules shall vacate their office either permanently or for such period of time as the Board decides.

32.5 The Company may pay

32.5.1 properly authorised expenses when actually incurred on the Company's business.

32.5.2 insurance premia in respect of insurance taken out to insure Board Members, officers and/or employees against any claim brought against them in respect of any act or omission which is or is alleged to be a breach of trust or breach of duty.

32.6 A Board Member, Co-opted Board Member or member of a committee shall not have an interest for the purpose of this Article 32 as a Board member, director, or officer of any other body whose accounts are or ought to be consolidated with the Company's accounts.

32.7 Board Members, Co-opted Board Members or members of committees who are Residents of the Company shall not have an interest for the purpose of this Article 32 merely because they are a Resident.

33. PROCEEDINGS OF THE BOARD

33.1 The Board may regulate their proceedings as they think fit and the quorum for the transaction of business shall be three Members. The Board may set a higher number. The Board shall meet at least four times a year and Board meetings may be called by any Board Member or the Secretary at the request of a Board Member. It shall not be necessary to give notice of a meeting to a Board Member who is absent from the United Kingdom.

33.2 If a Board meeting is duly called and no quorum is reached within 30 minutes of the time stated in the notice calling that meeting then the meeting may be adjourned to the same day at the same time and place in the following week. If a quorum is not reached within 30 minutes of the time the adjourned meeting has started then those Board Members present may carry out the business of the meeting.

33.3 Meetings of the Board can take place in any manner or through any medium which permits all those attending to hear and comment on the proceedings and whether or not all are assembled in one place.

34. VOTING AT BOARD MEETINGS

34.1 Questions arising at a meeting shall be decided by a majority of votes.

34.2 If a question arises at a meeting of the Board or of a committee of the Board over the right of a person to vote, the question may before the conclusion of the meeting be referred to the chair of the meeting and his/her ruling in relation to anyone other than himself/herself shall be final and conclusive.

35. CHAIR AND DEPUTY CHAIR

35.1 At the first Board meeting following each annual general meeting the Board shall appoint one of their number to chair the Board and one to be deputy chair.

The chair and deputy chair shall each hold office until the next annual general meeting. The Board may at any time remove the chair and/or deputy chair from office and appoint a replacement.

35.2 Unless(s)he is unwilling to do so, the chair (or in his/her absence the deputy chair) shall preside at every meeting of the Board at which (s)he is present. But if there is no chair or deputy chair, or if they are unwilling to proceed or are not present within 30 minutes after the time appointed for the meeting, the Board members present may appoint one of their number to chair the meeting.

36. DEFECT IN APPOINTMENT OR DISQUALIFICATION

All acts done by a meeting of the Board or of a committee of the Board or by a person acting as a Board Member shall, notwithstanding that it is later discovered that there was a defect in their appointment or that they were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Board Member and had been entitled to vote.

37. WRITTEN RESOLUTIONS

A resolution sent to all Board Members or all members of a committee and approved by all the Board Members or (as the case may be) all of the members of a committee shall be as valid and effective as if it had been passed at a properly called and constituted meeting of the Board or that committee and may constitute of documents in the same form and signed by one or more persons. Approval may be by signing a copy of the resolution or by email.

38. SECRETARY

Subject to the provisions of the Act, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as they think fit, and may be removed and/or replaced by the Board. The Board may appoint one or more deputy secretaries.

39. MINUTES

The Secretary shall cause minutes to be made in books kept for the purpose

39.1 of all appointments of officers made by the Board, and
39.2 of all proceedings at meetings of the Company and of the Board, and of committees of the Board, including the names of the persons present at each such meeting.

40. THE SEAL

The Company may have a seal, kept by the Secretary. If the Company has a seal it shall only be used with the authority of the Board. It must be affixed by one Board Member signing and either the Secretary or another Board Member countersigning or in such other way as the Board resolves. The Board may in the alternative

authorise the execution of deeds in any other way permitted.

41. AUDIT AND ACCOUNTS

The Company shall comply with the provisions of the Act in respect of the keeping and auditing of accounting records,

41.2 the provision of accounts and the preparation of an annual report of the Board,
and

41.3 the making of an annual return.

42. NOTICES

42.1 Save as otherwise provided in these Articles, any notice to be given to or by any person pursuant to the Articles shall be in writing.

42.2 The Company may give notice to a Member (i) personally or (ii) by email or (iii) by sending it by post in a pre-paid envelope addressed to the Member at his/her registered address or by leaving it at that address. A Member whose registered address is not within the United Kingdom and who gives the Company an address within the United Kingdom at which notices may be given to him/her shall be entitled to have notices given to him/her at that address, but not otherwise.

42.3 A Member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and of the purpose for which it was called.

42.4 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.

43. INDEMNITY

43.1 Subject to the provisions of and as so far as may be consistent with the Act, every Board Member, auditor, Secretary, or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by them in the execution and/or discharge of their duties and/or exercise of their powers and/or otherwise in relation to or in connection with his duties, powers or office.

43.2 The Board shall have power to purchase and maintain for any Board Member, auditor, Secretary or other officer of the Company insurance against any liability to the fullest extent permitted by section 233 of the Companies Act 2006.

44. RULES OR BYE LAWS

The Board may from time to time make and amend such rules and bye-laws

as they deem necessary, or expedient or convenient for the proper conduct and management of the Company **PROVIDED THAT** nothing in such rules or bye-laws shall be inconsistent with these Articles. The Company in general meetings shall have the power to alter or repeal the rules and bye-laws and to make additions thereto and the Secretary shall notify all Members of all such rules and bye-laws, which so long as they shall be in force, shall be binding on all Members.

45. CHANGES TO THE ARTICLES OF ASSOCIATION

Any amendment to these Articles of Association must first be approved by the Board. The amendment must then be passed as a special resolution by a three quarters majority of Members in accordance with the Act or by a written resolution of all Members in accordance with Article 21.

46. STAKEHOLDER GROUP

46.1 The Company may create and support a Stakeholder Group the purpose of which will be to add value to the workings of the Company in pursuit of its main objects.

46.2 The Stakeholder group will meet at least annually to receive reports on the working of the Company and to comment on its activities.

46.3 Stakeholder group meetings will be attended by at least one director of the Company who will feed back the views of the meeting to the Board of Directors.

47 APPLICATION OF SURPLUS .

47.1 The surplus of the Company shall be applied in the following ways, in such proportions and in such manner as decided by the Board of Directors :

- (a) First, to creating a general reserve for the continuation and development of the Company,
- (b) Secondly, to make payments for social and charitable purposes in furtherance of its objects.