

The Companies Act 2006

Company Limited by Guarantee and Not Having a Share Capital

ARTICLES OF ASSOCIATION

OF

PELFASGED CYF

Incorporated in England and Wales

Company Number: 08273793

(Adopted by Special Resolution dated 24th July 2016)

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION

OF

PELFASGED CYF (the "Company")

(Adopted by special resolution passed on 2016)

Interpretation, objects and limitation of liability

1. INTERPRETATION

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

2012 Agreement:	means the agreement made on 30 June 2012 between FIBA, the British Basketball Federation and each of the Home Nation Basketball Associations;
Act:	the Companies Act 2006;
Annual General Meeting:	means an annual meeting of the Members of the Company;
Appointor:	has the meaning given in Article 19.1;
Articles:	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;
Board:	the Company's board of Directors from time to time;
Board Member:	a member of the Board;

Business Day:	any day (other than a Saturday, Sunday or public holiday in England) when banks in London are open for business;
Conflict:	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;
Director:	a Director of the Company and includes any person occupying the position of Director, by whatever name called;
document	includes, unless otherwise specified, any document sent or supplied in electronic form;
electronic form:	has the meaning given in section 1168 of the Act;
Eligible Director:	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 15, any Director whose vote is not to be counted in respect of the particular matter);
FIBA:	means the International Basketball Federation or any successor body;
FIBA Regulations:	means the general statutes and regulations of FIBA as from time to time amended;
General Meeting:	means a general meeting of the Company held in accordance with the Act;
Home Nation Basketball Associations:	means each of: (a) Basketball England; (b) Basketball Scotland Limited; and (c) the Company;
Interested Director:	has the meaning given in Article 15.1;
Member:	a person whose name is entered in the Register of Members of the Company and Membership shall be construed accordingly; and
Model Articles:	the model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (<i>SI 2008/3229</i>) 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;

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;
Rules:	the Official Basketball Rules as published and amended by FIBA from time to time;
secretary:	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 1159 of the Act;
writing:	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.

1.2.

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. Model Article 3 (Directors' general authority) shall be amended by the insertion of the words "in accordance with its objects" after the words "the management of the Company's business".
- 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. To the extent that any of the terms of the 2012 Agreement are not specifically referred to within these Articles, or resulting regulations and bye laws, and there is a conflict between a provision of these Articles (and the resulting regulations or bye laws) the provisions of the 2012 Agreement will take precedence.

2. **OBJECT**

- 2.1. The Company's objects are to develop, promote and facilitate the playing of basketball and to encourage interest in the sport in Wales.
- 2.2. The Objects for which Company is established are:
 - 2.2.1. To develop strategic partnerships and official policies for the smooth administration of the sport and the enhancement of its development.
 - 2.2.2. To develop services and support systems for members and groups.
 - 2.2.3. To promote basketball participation and development opportunities at all levels.
 - 2.2.4. To collaborate with the British Basketball Federation to establish and agree a strategic framework to help grow participation of basketball in Great Britain.
 - 2.2.5. To accept responsibility for carrying out any functions which may be transferred from time to time from the British Basketball Federation on such terms as may be agreed unanimously between the Home Country Basketball Associations.
 - 2.2.6. To comply with, and give effect to, the terms of the 2012 Agreement.
 - 2.2.7. To provide representation and quality governance of the sport in a way that reflects the needs of the basketball community.
 - 2.2.8. To support coach, official and volunteer education and development opportunities.
 - 2.2.9. To work in partnership with international, national, regional and local groups and clubs along with other key stakeholders in the delivery, development and promotion of the sport.
 - 2.2.10. To purchase, take on lease or in exchange, hire or otherwise acquire real or personal property and rights or privileges, and to construct, maintain and alter buildings or erections.

- 2.2.11. To sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Company.
- 2.2.12. To undertake and execute any charitable trusts which the Company may lawfully undertake.
- 2.2.13. To borrow or raise money on such terms and on such security as may be thought fit.
- 2.2.14. To invest the moneys of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided.
- 2.2.15. To establish and support or aid in the establishment and support of any charitable associations or institutions and to subscribe or guarantee money for charitable purposes.
- 2.2.16. To do all such other things as are incidental or conducive to the attainment or furtherance of the said objects or any of them.

3. **POWERS**

- 3.1. Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company. In pursuance of the object set out in Article 2, the Company has the power to:
 - 3.1.1. take all such steps as shall be deemed necessary or advisable for preventing infringements of the Rules, or other improper methods or practices in relation to basketball in Wales;
 - 3.1.2. adopt the FIBA anti-doping rules and to regulate, maintain and enforce doping control in basketball and to impose clear prohibitions and controls on doping in Wales in conjunction with the British Basketball Federation and in accordance with the FIBA Regulations governing anti-doping and the mandatory provisions of the World Anti-Doping Code;
 - 3.1.3. to ensure compliance with the FIBA Regulations;
 - 3.1.4. to collaborate with the British Basketball Federation to ensure there are clear skills requirements and transparent procedures in place for the selection and presentation of candidates to FIBA commissions;
 - 3.1.5. collaborate with the British Basketball Federation or any Home Nation Basketball Association in relation to the provision of appropriate training programmes, any commercial programme designed to generate revenue and value in kind for British Basketball Federation or any Home Nation Basketball Association or to assist, collaborate and implement any other programme, training or development that is established in pursuit of the Company's objects;
 - 3.1.6. 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;

- 3.1.7. 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;
- 3.1.8. 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;
- 3.1.9. 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;
- 3.1.10. incorporate subsidiary companies to carry on any trade; and
- 3.1.11. 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.
- 3.1.12. The voting Members may, by special resolution, direct the Directors to take, or refrain from taking, specified action. No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

4. **INCOME**

- 4.1. The income and property of the Company from wherever derived shall be applied solely in promoting the Company's 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.

Directors

5. **UNANIMOUS DECISIONS**

- 5.1. A decision of the Directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 5.2. Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 5.3. A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at such a meeting.

6. CALLING A DIRECTORS' MEETING

- 6.1. Any Director may call a Directors' meeting by giving not less than 1 months notice of the meeting (or such lesser notice as all the Directors may agree) to the Directors or by authorising the secretary (if any) to give such notice.
- 6.2. Notice of a Board meeting shall be given to each Director in writing.
- 6.3. 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.

7. QUORUM FOR DIRECTORS' MEETINGS

- 7.1. Subject to Article 7.2, the quorum for the transaction of business at a Board meeting is any 5 Eligible Directors.
- 7.2. For the purposes of any meeting (or part of a meeting) held pursuant to Article 13 to authorise a Conflict, if there is only one Eligible Director in office other than the Interested Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 7.3. If the total number of Directors in office for the time being is less than the quorum required, the Directors must not take any decision other than a decision:
 - 7.3.1. to appoint further Directors; or
 - 7.3.2. to call a General Meeting so as to enable the Members to appoint further Directors.
- 7.4. Attendance to general meetings may also include video conferencing as detailed in the 2006 Act.

8. POWERS OF BOARD

- 8.1. Subject to the provisions of the Act, the Articles and to any directions given by special resolution of the Company, 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 which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation 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.
- 8.2. The Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking or property or any part thereof as security for any debt, liability or obligation of the Company.
- 8.3. The Board may from time to time make such bye laws as it may deem necessary or expedient or convenient for the proper conduct and management of the Company and for the purposes of prescribing classes of and conditions of membership and in particular without prejudice to the generality of the foregoing it may by such bye laws regulate:
 - 8.3.1. the admission and classification of members of the Company, and the rights and privileges of such members, and the conditions of membership and the terms on which members may withdraw or have their membership terminated and the entrance fees, subscriptions and other fees or payments to be made by members;

- 8.3.2. the conduct of members of the Company in relation to one another, and to the Company's servants;
 - 8.3.3. the procedure at General Meetings, Annual General Meetings and meetings of the Board and committees of the Board in so far as such procedure is not regulated by the Articles;
 - 8.3.4. the administration and governance of Basketball in Wales, the services and support systems for the promotion and development of the sport and the needs and participation of members of the Company, the strategies and procedures for encouraging best standards of play, coaching and match conduct, the definition of unacceptable and unfair behaviour in the sport, and the adjudication of disputes, complaints, lapses in discipline and illegal practices involving members of the Company or persons associated with members as players, coaches, office bearers, referees, supporters or otherwise; and
 - 8.3.5. generally, all such matters as are commonly the subject matter of company rules as a national sports organisation.
- 8.4. The Board shall adopt such means as they deem sufficient to bring to the notice of the members of the Company all such bye laws. The Company in General Meeting shall have the power to alter or repeal bye laws and to make additions thereto. For this purpose a majority of 66 percent of members represented and entitled to vote shall be required at a meeting called by a notice stating the terms of the proposed change. Unless and until so altered or repealed, they shall be binding on all members of the Company; provided, nevertheless, that no bye law shall be inconsistent with, or shall affect or repeal anything contained in the Articles of the Company. In the event that any such bye law is inconsistent then the Articles shall prevail.
- 8.5. The Board may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such occasions as they determine, including authority for the agent to delegate all or any of his powers.
- 8.6. The Board has the power to appoint committees as they see fit to carry out specific tasks as directed by the Board.

9. PROCEEDINGS OF THE BOARD

- 9.1. The Board may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second and casting vote.
- 9.2. The Board shall meet at least 4 times in each calendar year as a minimum but can meet more if they see fit.
- 9.3. The Board may from time to time vote or take a business decision despite the meeting being inquorate. However any such vote or decision is subject to future ratification by the Board before it is effective.
- 9.4. Three Board Members may, and at the request of three Board Members the Secretary shall, at any time, summon a meeting of the Board by notice served upon the several members of the Board. A Board Member who is absent from the United Kingdom shall not be entitled to notice of a meeting.

- 9.5. The Chairman shall chair meetings of the Board. Should the Chairman be absent or where he is not present after the time appointed for a meeting or if he is unwilling to take the chair then the members of the Board present shall choose one of their number to chair the meeting.
- 9.6. A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers and discretion by or under the regulations of the Company for the time being vested in the Board generally
- 9.7. The meetings and proceedings of any committee of the Board shall be governed by the provisions of these Articles for regulating meetings and proceedings of the Board so far as applicable and so far as the same shall not be superseded by any regulations made by the Board.
- 9.8. The Board shall cause proper records to be kept of all written resolutions. The Board shall cause proper minutes to be made of all appointments of officers made by the Board and of the proceedings of all meetings of the Company and of the Board and of committees of the Board, and all business transacted at such meetings. All such records and minutes shall be entered in books provided for the purpose. Any such record purporting to be signed by a Board Member or by the Secretary shall be evidence of the proceedings in agreeing to the written resolution and until the contrary is proved the requirements of the Act with respect to those proceedings shall be deemed to be complied with. Any such minutes of any meeting if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated.
- 9.9. A resolution in writing signed by all the members for the time being of the Board or of any committee of the Board who are entitled to receive notice of a meeting of the Board or of such committee shall be as valid and effectual as if it had been passed at a meeting of the Board or of such committee duly convened and constituted.
- 9.10. The continuing Board Members or a sole continuing Board Member may act notwithstanding any vacancies in their number, but, if the number of Board Members is less than the number fixed as the quorum, the continuing Board Members or Board Member may act only for the purpose of filling vacancies or of calling a General Meeting.
- 9.11. All acts done by a meeting of Board Members, or of a committee of the Board, or by a person acting as a Board Member shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Board Member or any committee member or that any of them 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 or committee member and had been entitled to vote.
- 9.12. Save as otherwise provided by the Articles, a Board Member shall not vote at a meeting of the Board or of a committee of the Board on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company unless his interest or duty arises only because the case falls within one or more of the following paragraphs:
- 9.12.1. the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of an obligation incurred by him for the benefit of, the Company;

- 9.12.2. the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the Company for which the Board Member has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by giving of security.
- 9.13. A Board Member shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
- 9.14. The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a Board Member from voting at a meeting of Board Members or of a committee of the Board of which he is a member.
- 9.15. Where proposals are under consideration concerning the appointment of two or more Board Members to offices or employment with any body corporate in which the Company is interested the proposals may be divided and considered in relation to each Board Member separately and (provided he is not for another reason precluded from voting) each of the Board Members concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
- 9.16. If a question arises at a meeting of Board Members or of a committee of Board Members as to the right of a Board Member to vote, the question may, before the conclusion of the meeting, be referred to the Chairman of the meeting and his ruling in relation to any Board Member other than himself shall be final and conclusive.

10. **APPOINTMENT AND RETIREMENT OF BOARD**

- 10.1. Until and unless otherwise determined by the Company in General Meeting, the Board will consist of 13 Directors (a Chairman of the Board, British Basketball Relations Director and Finance Director). In addition, if the Board decides they are missing a specific skill set within the Board, the Board may co-opt additional members as they see fit.
- 10.2. The business of the Company shall be managed by the Directors who shall consist;-
 - 10.2.1. three Directors elected by the Members to those positions stated in 10.1; and
 - 10.2.2. seven Directors elected by the Members following nomination;
 - 10.2.3. three Directors appointed by the Directors;
 - 10.2.4. if appointed the Chief Executive Officer or such person would be included within five Director appointed positions
- 10.3. The Company shall follow the agreed recruitment process for all Director appointments and elections.
- 10.4. Nominations for election of Directors must be made by a Member holding voting rights. Nominations must be submitted (together with the nominee's written consent) on the Company's approved form. The nomination must be received by the Company at least six weeks before the date of the Annual General Meeting or General Meeting in which the election is to take place. Confirmation of receipt of valid nominations will be sent in writing to the nominator as soon as reasonably practicable after such receipt.

- 10.5. New nomination details shall be forwarded to all voting Members at least 14 days prior to the meeting at which the election is to take place.
- 10.6. All elected Directors shall hold office for four years, retiring at the Annual General Meeting held in the fourth year, unless they shall have previously resigned or ceased to be a Director by virtue of Article 11 below.
- 10.7. Appointed Directors shall usually hold office for up to two years and are eligible for re-appointment, subject to the provisions on the total number of years served set out in Article 10.8.
- 10.8. Nothing shall prevent an existing or previous Director serving a further term or terms should they be re-elected or re-appointed, except that no Director (other than the Chief Executive Officer) whether elected and/or appointed, may be considered for further election or appointment if they have served for eight years or more in the preceding 12 years prior to their consideration for election or appointment.
- 10.9. At the end of the maximum term served stated in 10.8 a person shall be ineligible for nomination, election or appointment as a Director.
- 10.10. Any term served by any Director before the adoption of these Articles shall not be included in the reckoning of the number of years served for the purposes of 10.8 above but will be used to set up a rolling term election system as agreed by the Board, such that Directors in position as at the adoption of these Articles may have their term of office varied.
- 10.11. The Directors may fill a casual elected vacancy, subject to 10.8, in their number of Directors, by appointment or election, to act for the appropriate period remaining on the original Director term. Any part of a year served in such circumstances by a newly appointed or elected Director will be treated as if it were a full year for the purposes of Article 10.8.
- 10.12. The Directors for the time being of the Board may act notwithstanding any vacancy in their body.
- 10.13. Any person who is willing may act as a Director of the Company if permitted by law to do so; a person may be chosen to be a Director
 - 10.13.1. by ordinary resolution, or
 - 10.13.2. by a decision of the Directors

11. TERMINATION OF DIRECTOR'S APPOINTMENT

- 11.1. A person ceases to be a Board Member as soon as:-
 - 11.1.1. that person ceases to be a Board Member by virtue of any provisions of the Act or is prohibited from being a Board Member by law;
 - 11.1.2. a bankruptcy order is made against that person;
 - 11.1.3. a composition is made with that person's creditors generally in satisfaction of that person's debts;

- 11.1.4. a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Board Member and may remain so for more than three months;
 - 11.1.5. notification is received by the Company from the Board Member that the Director is resigning from office, and such resignation has taken effect in accordance with its terms;
 - 11.1.6. he receives a copy of a notice signed by persons holding a majority of the votes able to be cast at General Meeting and Annual General Meetings of the Company effecting his removal as a Director of the company;
 - 11.1.7. he receives notification from the Company that the other Board Members have unanimously agreed that he should be removed from the Board.
- 11.2. Any cessation of Board membership under this Article is without prejudice to any contractual rights of the Board Member in question.

12. **CASTING VOTE**

If the numbers of votes for and against a proposal at a meeting of Directors are equal, the Chairman or other Director chairing the meeting shall have a casting vote.

13. **DIRECTORS' CONFLICTS OF INTEREST**

- 13.1. The Directors may, in accordance with the requirements set out in this article, authorise any Conflict proposed to them by any Director which would, if not authorised, involve a Director breaching his duty to avoid conflicts of interest under section 175 of the Act.
- 13.2. Any authorisation under this Article 13 shall be effective only if:
 - 13.2.1. to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
 - 13.2.2. any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - 13.2.3. the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 13.3. Any authorisation of a Conflict under this Article 13 may (whether at the time of giving the authorisation or subsequently):
 - 13.3.1. extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 13.3.2. provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
 - 13.3.3. provide that the interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;

- 13.3.4. impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
 - 13.3.5. provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he shall 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
 - 13.3.6. permit the Interested Director to absent himself 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.
- 13.4. Where the Directors authorise a Conflict, the Interested Director shall be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 13.5. The Directors may revoke or vary such authorisation at any time, but this shall not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- 13.6. 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 he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in General Meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 13.7. Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 13.7.1. may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
 - 13.7.2. shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
 - 13.7.3. shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
 - 13.7.4. may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;
 - 13.7.5. may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and

13.7.6. shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

14. 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. The Company must keep the records for a minimum of ten years.

15. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of Directors shall not be less than eight.

16. ACCOUNTS

16.1. Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a member.

17. 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.

18. CHANGE OF COMPANY NAME

18.1. The name of the Company may be changed by:

18.1.1. a decision of the Directors; or

18.1.2. a special resolution of the Members,

or otherwise in accordance with the Act.

Members: becoming and ceasing to be a member

19. MEMBERSHIP

19.1. The Company shall admit to Membership an individual which:

19.1.1. applies to the Company using the application process approved by the Directors; and

19.1.2. 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.

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

20. **EXPULSION OF MEMBER**

- 20.1. The Directors 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:

20.1.1. 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

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

20.1.3. has failed to observe the terms of these Articles.

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

- 20.2. 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.

- 20.3. A Member whose Membership is terminated under this Article shall not be entitled to a refund of any subscription or Membership fee and shall remain liable to pay to the Company any subscription or other sum owed by him.

Decision making by members

21. **VOTES OF MEMBERS**

- 21.1. Subject to the Act, at any General Meeting:

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

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

- 21.2. A voting Member or proxy holder must be at least 18 years old at the time of voting.

22. **POLL VOTES**

- 22.1. 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.

- 22.2. 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.

23. **PROXIES**

- 23.1. Proxies may only validly be appointed by a notice in writing (a "proxy notice") which;-

23.1.1. states the name and address of the Member appointing the proxy;

- 23.1.2. identifies the person appointed to be that Member's proxy and the General Meeting in relation to which that person is appointed;
- 23.1.3. is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine;
- 23.1.4. 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.
- 23.2. The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes, proxy notices must be received by the Company at least 48 hours before the start of the meeting to which the proxy refers.
- 23.3. Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 23.4. Unless a proxy notice indicates otherwise, it must be treated as;-
 - 23.4.1. 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
 - 23.4.2. 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.

Administrative arrangements

24. MEANS OF COMMUNICATION TO BE USED

- 24.1. Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
 - 24.1.1. 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);
 - 24.1.2. if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - 24.1.3. if properly addressed and sent or supplied by electronic means, [one] hour after the document or information was sent or supplied; and
 - 24.1.4. 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.

- 24.2. 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.

25. **RULES**

The Directors may 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.

26. **INDEMNITY AND INSURANCE**

- 26.1. Subject to Article 26.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

26.1.1. 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:

- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
- (b) 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

26.1.2. 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 26.1.1* and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

- 26.2. 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.

- 26.3. 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.

- 26.4. In this article:

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

26.4.2. 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

- 26.4.3. 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).

27. **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.

28. **GUARANTEE**

- 28.1. 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:-

28.1.1. payment of the Company's debts and liabilities contracted before he ceases to be a Member,

28.1.2. payment of the costs, charges and expenses of the winding up, and

28.1.3. adjustment of the rights of the contributories among themselves.