

Company not having a share capital

## Memorandum of association

of

## The Dispute Service Limited

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Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company.

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Name of each subscriber

Authentication by each subscriber

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- Royal Institution of Chartered Surveyors  
(registered number RC 000487)
- National Association of Property  
Professionals (registered number 00897907)

Dated 26 September 2017

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COMPANIES HOUSE

26 September 2017

**THE COMPANIES ACT 2006**

**PRIVATE COMPANIES LIMITED BY GUARANTEE**

**ARTICLES OF ASSOCIATION**

**THE DISPUTE SERVICE LIMITED**

**(Adopted by Special Resolution passed on 26 September 2017)**

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## PART 1 INTERPRETATION AND LIMITATION OF LIABILITY

### 1. Defined terms

In the articles, unless the context requires otherwise—

“**articles**” means the company’s articles of association;

“**agent**” means any organisation or individual having as its principal object the letting of residential property in the rented property sector;

“**agent organisation**” means any organisation having as its principal object the promotion, protection and representation of the interests of agents;

“**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;

“**board**” means the board of directors of the company from time to time;

“**chair**” has the meaning given in article 16;

“**chair of the meeting**” has the meaning given in article 32;

“**chief executive**” the person responsible for the day to day running of the Company and other delegations from the board;

“**Companies Acts**” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

“**director**” means a director of the company, and includes any person occupying the position of director, by whatever name called;

“**document**” includes, unless otherwise specified, any document sent or supplied in electronic form;

“**electronic form**” has the meaning given in section 1168 of the Companies Act 2006;

“**executive director**” means a director who is also an employee of The Dispute Service Limited;

“**landlord organisation**” means any organisation having as its principal object the promotion, protection and representation of the interests of landlords;

“**member**” has the meaning given in section 112 of the Companies Act 2006;

“**member director**” means a member director appointed by each of NFOPP and RICS respectively;

“**NFOPP**” means the National Association of Property Professionals, a company registered in England with the registered number 00897907 and whose address is Arbon House, 6 Tournament Court, Edgehill Drive, Warwick, Warwickshire CV3 6LG;

“**non-executive director**” means a director who is not a representative of a member of the Company;

**“ordinary resolution”** has the meaning given in section 282 of the Companies Act 2006;

**“participate”**, in relation to a directors’ meeting, has the meaning given in article 14;

**“proxy notice”** has the meaning given in article 39;

**“RICS”** means the Royal Institution of Chartered Surveyors, a company incorporated by Royal Charter (England and Wales) with the registered number RC 000487 and whose address is 12 Great George Street, Parliament Square, London SW1 P 3AD;

**“scheme”** means any scheme established and administered by the company for the resolution of disputes or complaints and any other scheme established by the company from time to time;

**“scheme agent”** means an agent who has registered as a member of or is otherwise subject to the terms of a scheme;

**“scheme landlord”** means a landlord which has registered as a member of or is otherwise subject to the terms of a scheme;

**“special resolution”** has the meaning given in section 283 of the Companies Act 2006;

**“subsidiary”** has the meaning given in section 1159 of the Companies Act 2006;

**“tenant”** means a tenant, lessee, licensee, or occupier of residential premises owned or managed by a scheme landlord or a scheme agent;

**“tenant organisation”** means any organisation having as its principal object the promotion, protection and representation of the interests of residential tenants, and/or other tenants, lessees, licensees and occupiers of premises owned or managed by landlords; and

**“writing”** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

## **2. Liability of members**

- 2.1 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—
- (a) payment of the company’s debts and liabilities contracted before he ceases to be a member,
  - (b) payment of the costs, charges and expenses of winding up, and
  - (c) adjustment of the rights of the contributories among themselves.

## **3. Objects and Powers**

- 3.1. The company's objects are:
- (1) to devise and administer schemes for the investigations of complaints and the resolution of disputes arising between:
    - (a) landlords and their tenants in the rented property sector;
    - (b) tenants and agents of landlords in the rented property sector; and

- (c) landlords and their agents or other representatives in the rented property sector;
  - (2) to devise and administer such other complaint and dispute resolution schemes in relation to the acquisition, ownership, letting and disposal of property in the rented property sector as the company may determine from time to time;
  - (3) to devise and/or administer such other complaint and dispute resolution schemes as the company may determine from time to time; and
  - (4) generally to assist in and to promote the improvement of management standards in the rented property sector or other sectors as the company may determine from time to time, in such ways as the board of directors of the company, acting reasonably, deems appropriate from time to time.
- 3.2 To achieve the above objects only, the company may:
- (1) engage and remunerate any appropriate person or body in connection with the objects set out in article 3.1 hereof;
  - (2) engage or employ (including by secondment) any other persons in any capacity in connection with the company's objects and to pay salaries, fees or remuneration as it sees fit;
  - (3) co-operate with any person on matters concerning the acquisition, ownership, letting and disposal of property and the settlement of related complaints and disputes;
  - (4) discharge any of its liabilities and obligations in any way it sees fit;
  - (5) levy, charge, collect and receive subscriptions, fees and interest and other payments from persons whether members of the company or not, and use them to achieve all or any of its objects or to pay its expenses;
  - (6) establish, promote or co-operate with any organisations, incorporated or not incorporated, whose objects may seem able to advance any of the company's objects;
  - (7) acquire and hold all or any part of the share or loan capital or other securities of any other company;
  - (8) become a member of, act as or appoint trustees, agents or delegates for any such organisations;
  - (9) control, manage, supervise or give financial or other help towards the work of any such organisations;
  - (10) set up and maintain any trusts which may help to achieve any of the company's objects;
  - (11) have written and printed or otherwise reproduced and circulated (freely or for payment), periodicals, magazines, books, leaflets or other documents, films or recorded tapes, compact discs, DVDs or any electronic or other media;
  - (12) hold meetings, lectures, seminars and courses either alone, or with or for others;
  - (13) encourage and do research relevant to its objects and disseminate the results;
  - (14) to co-operate and enter into arrangements with any authorities, national, local or otherwise and with other bodies or organisations, including without limitation, trade and professional bodies or associations;
  - (15) issue appeals, hold public meetings and take whatever steps may be needed to raise funds for the company through donations or subscriptions or in any other way;
  - (16) acquire property by, for example, buying, leasing, exchanging or hiring it; making any necessary alterations to suit the company's objects; and, subject to consents required by law, maintain it for the company's purposes;
  - (17) sell, lease or mortgage any of its property or dispose of it in any other way;
  - (18) draw, make, accept, endorse, discount, execute and issue promissory notes,

- bills, cheques and other negotiable instruments, and to operate bank accounts;
- (19) borrow, or raise money on any terms and (subject to consents required by law) on any security as it sees fit, as long as the company does not become involved in any permanent trading activities in raising funds for the company's objects;
  - (20) accept any gift of money, property or other assets, whether subject to any special trust or not, for any of the company's objects;
  - (21) invest any of its money not immediately needed for its objects in or on such investments, securities or property as may be thought fit, subject to any conditions and consents imposed or required by law;
  - (22) make any charitable donation, in cash or assets, to advance the company's objects;
  - (23) insure and arrange insurance cover for and to indemnify its officers, servants, voluntary workers, and those of its members from and against all such risks incurred in the course of the performance of their duties, as may be thought fit;
  - (24) pay reasonable amounts or premiums, annually or otherwise for or towards the provision of pensions, health insurance, life insurance and medical expenses insurance for officers or staff who work for the company;
  - (25) pay from company funds the costs, charges and expenses of forming and registering the company;
  - (26) establish local branches (whether autonomous or not); and
  - (27) do anything allowed by law to advance the company's objects.

#### **4. Using income and property**

4.1 Unless otherwise determined by the board of directors of the company, the company's income and property must be used only to promote its objects and no dividends, bonuses or profit share shall be paid or transferred out of company income or property, directly or indirectly, to members of the company provided that nothing shall prevent any payment in good faith by the company:

- (1) of reasonable and proper remuneration to any member, officer or employee of the company in return for services rendered;
- (2) of reasonable and proper expenses incurred by any director for attending board and other company meetings; and
- (3) of reasonable and proper rent for premises demised or let or reasonable and proper payment for equipment and services provided by any member of the company or of its board of directors.

4.2 Surplus income over and above that required for the promotion of the Company's objects may, on a winding up or dissolution of the company (provided that all debts and liabilities have been paid), be returned to the Participating Members on a pro rata basis in a manner determined by the board of directors at the relevant time. For the purpose of this clause 'Participating Members' means the agents and landlords who have subscribed for and paid a subscription fee for the company's services (as required by the Housing Act 2004) during the 12 month period immediately preceding such winding up or dissolution of the company.



**PART 2 DIRECTORS  
DIRECTORS' POWERS AND RESPONSIBILITIES**

**5. Directors' general authority**

5.1 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.

**6. Board's responsibilities**

The Board is responsible to:

**(1) Strategy**

- (a) define and ensure compliance with the vision, mission and objectives of the company and ensure these are set out in each annual report;
- (b) establish policies and plans to achieve those objectives;
- (c) approve each year's budget and accounts prior to publication;
- (d) establish and oversee a framework of delegation and systems of control;
- (e) agree policies and make decisions on all matters that create significant risk to the company or which affect material issues of principle;
- (f) review Codes of Conduct and arrangements for probity including to review annually the declaration of interest;
- (g) set the quorum for the transaction of the business of the board from time to time but subject to it being not less than four directors, of which at least one half of the quorum shall be non-executive directors;
- (h) approve any material changes in accounting policies and practices.

**(2) Performance**

- (a) monitor the company's performance in relation to these plans, budget controls and decisions;
- (b) satisfy itself that the company's affairs are conducted in accordance with generally accepted standards of performance and propriety;
- (c) authorise any payment of any fine or regulatory penalty levied on the company;
- (d) approve of the disposal of any asset, building or land or interest in land;
- (e) appoint bankers, solicitors, internal auditors and external auditors;
- (f) approve the write off of any individual or corporate debt in excess of £10,000.

**(3) Staffing and directors**

- (a) appoint (and if necessary remove) the chief executive;
- (b) approve the arrangements for authorising regulatory returns and submissions;
- (c) ensure appropriate arrangements are in place for the appraisal of the chair, Chief Executive and other directors;
- (d) ensure appropriate arrangements are in place for the remuneration of the chair, Chief Executive and other directors;
- (e) oversee the training and development of the directors;
- (f) ensure arrangements are in place for the replacement of directors;
- (g) appoint the chair, Chief Executive and directors;
- (h) oversee the development, implementation and review of the company's Health and Safety Policies;
- (i) monitor implementation of the company's Equal Opportunities and Diversity policy.

**(4) Finance, audit and risk**

- (a) discuss issues arising from any interim and final audit, and any matters the external auditors may want to discuss (in the absence of the executive directors if necessary);
- (b) review the external auditors' management letters and management's response;
- (c) agree and review any internal audit programme, consider major findings of internal audit investigations and the monitor the implementation of both external and internal audit recommendations;
- (d) keep under constant and at least annual review the effectiveness of internal control systems;
- (e) oversee Treasury management, including monitoring the performance of investments;
- (f) agree, review and monitor the implementation of policies, strategies and procedures in respect of risk management so as to minimise and take appropriate action in respect of those risks which will adversely affect the company's ability to meet its business objectives and deliver services successfully;
- (g) ensure the company's assets are protected including the maintenance of adequate insurance cover;
- (h) ensure arrangements are in place for disaster recovery and business continuity for the company.

**7. Members' reserve power**

- (1) The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- (2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

**8. Directors may delegate**

- (1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—
  - (a) to such person or committee;
  - (b) by such means (including by power of attorney);
  - (c) to such an extent;
  - (d) in relation to such matters or territories; and
  - (e) on such terms and conditions;as they think fit.
- (2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- (3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.
- (4) The directors' will set out a terms of reference between the board and the chief executive.

**9. Committees**

- (1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

- (2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

## **DECISION-MAKING BY DIRECTORS**

### **10. Directors to take decisions collectively**

- (1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 11.

### **11. Unanimous decisions**

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

### **12. Calling a directors' meeting**

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

### **13. Participation in directors' meetings**

- (1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—
  - (a) the meeting has been called and takes place in accordance with the articles; and
  - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

- (2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- (3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

#### **14. Quorum for directors' meetings**

- (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than four, and unless otherwise fixed it is four. At least one half of the quorum must be made up of non-executive directors.
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—
  - (a) to appoint further directors; or
  - (b) to call a general meeting so as to enable the members to appoint further directors.

#### **15. Chairing of directors' meetings**

- (1) The directors may appoint a director to chair their meetings.
- (2) The person so appointed for the time being is known as the chair.
- (3) The directors may terminate the chair's appointment at any time.
- (4) If the chair is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

#### **16. Casting vote**

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

#### **17. Conflicts of interest**

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

- (a) where he or she is an employee, consultant, officer or agent of a university, higher or further education corporation or any other body and that organisation is doing or has commissioned research into a scheme, rented housing or anything else relevant to a scheme or the company;
  - (b) solely by being a scheme landlord or an employee, officer, member, representative or nominee of a scheme landlord or a landlord organisation;
  - (c) solely by being a scheme agent or an employee, officer, member, representative or nominee of a scheme agent or an agent organisation;
  - (d) solely by being a tenant or an employee, officer, member, representative or nominee of a tenant organisation; or
  - (e) solely by being an employee, officer, member, representative or nominee of a member of the company;
  - (f) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
  - (g) subscription, or an agreement to subscribe, for securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and
  - (h) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.
- (5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- (6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chair whose ruling in relation to any director other than the chair is to be final and conclusive.
- (7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chair, the question is to be decided by a decision of the directors at that meeting, for which purpose the chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

## **18. Records of decisions to be kept**

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

## **19. Directors' discretion to make further rules**

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

## APPOINTMENT OF DIRECTORS

### 20. Composition of the Board

The number of directors of the company is not subject to a minimum number but shall at all times be subject to a maximum of eleven directors, which shall consist of the following:

- (1) a member director appointed by each of NFOPP and RICS respectively;
- (2) at least one *non-executive* director; and
- (3) at least one executive director (a director who is an employee of the company).

The number of directors appointed by the members shall not at any time constitute a majority of the board.

### 21. Methods of appointing directors

- (1) Each of NFOPP and RICS shall be entitled to appoint a member director by notice in writing to the company, which appointment shall take effect immediately (or on such later date, if any, specified in the notice).
- (2) Any other person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—
  - (a) by ordinary resolution of the members; or
  - (b) by a decision of the directors.
- (3) In any case where, as a result of death, the company has no members and no directors, the personal representatives of the last member to have died have the right, by notice in writing, to appoint a person to be a director.
- (4) For the purposes of paragraph (3), where 2 or more members die in circumstances rendering it uncertain who was the last to die, a younger member is deemed to have survived an older member.

### 22. Termination of director's appointment

- (1) A director appointed by either of NFOPP or RICS may only be removed by the member who appointed such director, which shall be by notice in writing to the company to take effect immediately (or on such later date, if any, specified in the notice).
- (2) Any other director may be removed by –
  - (a) *ordinary resolution*; or
  - (b) a decision of the directors.
- (3) A person ceases to be a director as soon as—
  - (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
  - (b) a bankruptcy order is made against that person;
  - (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
  - (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
  - (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;

- (f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms; and
- (g) the company passes an ordinary resolution of which special notice has been given in accordance with section 168 of the Companies Act 2006. A director removed in this way may not be reappointed at a general meeting unless recommended by the board.

**23. Directors' remuneration**

- (1) Directors may undertake any services for the company that the directors decide.
- (2) Directors are entitled to such remuneration as the directors determine—
  - (a) for their services to the company as directors, and
  - (b) for any other service which they undertake for the company.
- (3) Subject to the articles, a director's remuneration may—
  - (a) take any form, and
  - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- (4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- (5) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

**24. Directors' expenses**

The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—

- (a) meetings of directors or committees of directors,
  - (b) general meetings, or
  - (c) separate meetings of the holders of debentures of the company,
- or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

**PART 3 MEMBERS  
BECOMING AND CEASING TO BE A MEMBER**

**25. Members**

The members of the Company at the adoption of these articles shall be RICS and NFOPP.

**26. Applications for membership**

No person shall become a member of the company unless—

- (a) that person has completed an application for membership in a form approved by the directors; and
- (b) the directors have approved the application; and
- (c) each of the existing members of the company from time to time have approved the application.

**27. Termination of membership**

- (1) A member may withdraw from membership of the company by giving seven days' notice to the company in writing.
- (2) Membership is not transferable.
- (3) A person's membership terminates when that person dies or ceases to exist.
- (4) A corporate member shall be deemed to have withdrawn its membership if it undergoes a change of control, enters into administration, appoints a receiver or is otherwise dissolved.

**ORGANISATION OF GENERAL MEETINGS**

**28. Attendance and speaking at general meetings**

- (1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- (2) A person is able to exercise the right to vote at a general meeting when—
  - (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
  - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- (3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- (4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- (5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.



## **29. Quorum for general meetings**

No business other than the appointment of the chair of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

## **30. Chairing general meetings**

- (1) If the directors have appointed a chair, the chair shall chair general meetings if present and willing to do so.
- (2) If the directors have not appointed a chair, or if the chair is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start—
  - (a) the directors present; or
  - (b) if no directors are present, the meeting must appoint a director or member to chair the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.
- (3) The person chairing a meeting in accordance with this article is referred to as “the chair of the meeting”.

## **31. Attendance and speaking by directors and non-members**

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

## **32. Adjournment**

- (1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chair of the meeting must adjourn it.
- (2) The chair of the meeting may adjourn a general meeting at which a quorum is present if—
  - (a) the meeting consents to an adjournment; or
  - (b) it appears to the 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.
- (3) The chair of the meeting must adjourn a general meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the chair of the meeting must—
  - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—
  - (a) to the same persons to whom notice of the company's general meetings is required to be given; and
  - (b) containing the same information which such notice is required to contain.

- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## VOTING AT GENERAL MEETINGS

### 33. Voting: general

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.

### 34. Voting: representatives

Any organisation which is a member of the company may authorise any person to act as its representative at any meeting of the company. This person is called a representative. The organisation's committee or other governing body must pass a resolution to appoint a representative, who can then exercise the same powers on behalf of the organisation as if it were an individual member.

### 35. Errors and disputes

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

### 36. Poll votes

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

### 37. Content of proxy notices

- (1) Proxies may only validly be appointed by a notice in writing (a "proxy notice") which—

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

### **38. Delivery of proxy notices**

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

### **39. Amendments to resolutions**

- (1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—
  - (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chair of the meeting may determine); and
  - (b) the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—
  - (a) the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- (3) If the 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.

## PART 4 ADMINISTRATIVE ARRANGEMENTS

### 40. Means of communication to be used

- (1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of the Companies Act 2006 to be sent or supplied by or to the company.
- (2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- (3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

### 41. Company seals

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

### 42. Accounts and financial information

- (1) The Board shall make sure that accounting records are kept to comply with sections 386 and 388 of the Companies Act 2006.
- (2) Accounting records shall be kept at the registered office of the Company or, at any other place which the Board thinks fit. The Directors shall always have the right to inspect the accounting records.
- (3) The directors shall approve the annual accounts.

### 43. Provision for employees on cessation of business

The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

### 44. Company secretary

Notwithstanding section 270 of the Companies Act 2006, the Board shall appoint a company secretary, who, for the avoidance of doubt, may be an employee of the company. The board of directors shall decide the payment for, and conditions of, the

appointment. The board of directors may remove the company secretary. A director may not be paid an additional salary for acting as company secretary.

#### **45. Borrowing powers**

Subject to the prior written consent of the members, the board of directors may exercise all the powers of the company to borrow money, mortgage or charge the whole or any part of its undertaking and property and issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the company or any third party.

### **DIRECTORS' INDEMNITY AND INSURANCE**

#### **46. Indemnity**

- (1) Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against—
  - (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company;
  - (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006); or
  - (c) any other liability incurred by that director as an officer of the company or an associated company.
- (2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- (3) In this article—
  - (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
  - (b) a "relevant director" means any director or former director of the company or an associated company.

#### **47. Insurance**

- (1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.
- (2) In this article—
  - (a) a "relevant director" means any director or former director of the company or an associated company;
  - (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund of the company or associated company; and
  - (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.