

The Companies Act 1985 to 2006

Company Limited by Guarantee

Articles of Association

of

Green Heat Coop Ltd

INDEX TO THE ARTICLES

PART 1 INTERPRETATION AND LIMITATION OF LIABILITY

1. Defined terms
2. Liability of members

PART 2 SOCIAL ENTERPRISE, OBJECTS, AND ASSET LOCK

3. Social enterprise
4. Objects
5. Asset Lock
6. Not for profit

PART 3 DIRECTORS DIRECTORS' POWERS AND RESPONSIBILITIES

7. Directors' general authority
8. Directors' duties
9. Statement of Responsible Business Principles
10. Members' reserve power
11. Directors may delegate
12. Committees

DECISION-MAKING BY DIRECTORS

13. Directors to take decisions collectively
14. Unanimous decisions
15. Calling a directors' meeting
16. Participation in directors' meetings
17. Quorum for directors' meetings
18. Chairing of directors' meetings
19. Casting vote
20. Conflicts of interest
21. *(Deleted as redundant to 14)*
22. Records of decisions to be kept
23. Directors' discretion to make further rules

APPOINTMENT OF DIRECTORS

24. Methods of appointing directors
25. Termination of director's appointment
26. Directors' remuneration
27. Directors' expenses

PART 4 MEMBERS BECOMING AND CEASING TO BE A MEMBER

28. Applications for membership
29. Membership criteria
30. Member commitment
31. Non-transfer of membership
32. Termination of membership
33. Removal of a member

ORGANISATION OF GENERAL MEETINGS

34. General meetings
35. Attendance and speaking at general meetings
36. Quorum for general meetings
37. Chairing general meetings
38. Attendance and speaking by directors and non-members
39. Adjournment

VOTING AT GENERAL MEETINGS

40. Voting: general
41. Errors and disputes
42. Poll votes
43. Content of proxy notices
44. Delivery of proxy notices
45. Resolutions
46. Amendments to resolutions

PART 5

ADMINISTRATIVE ARRANGEMENTS

47. Means of communication to be used
48. Company seals
49. Minutes
50. Records and accounts
51. No right to inspect accounts and other records

DIRECTORS' INDEMNITY AND INSURANCE

52. Indemnity
53. Insurance

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise—
 - “articles” means the company’s articles of association;
 - “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;

“chairman” has the meaning given in article 18;

“chairman of the meeting” has the meaning given in article 37;

“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;

“Entrenched” has the meaning given by section 22 of the Companies Act 2006 and as detailed under the heading ‘Resolutions’ (Article 47);

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

“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 16;

“primary social object” means the object of the company as set out in Article 4, which for the avoidance of doubt is its primary object;

“proxy notice” has the meaning given in article 43;

“social enterprise” means a business that trades primarily for a social purpose set out in its Articles and which reinvests or applies the majority of its profits in or towards achieving its purpose, in accordance with principles set out in its Articles. A social enterprise generates the majority of its income through trade, is independent of the state or third party commercial interests and is accountable and transparent;

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

“statement of responsible business principles” means the statement of responsible business principles set out in the appendix and incorporated into these Articles;

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

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.

Liability of members

2. 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.

PART 2

SOCIAL ENTERPRISE, OBJECTS, AND ASSET LOCK

Social enterprise

3. The company shall operate as a social enterprise.

Objects

4.

- (1) The company’s primary social object is to carry out such business operations and related activities as will in the opinion of the directors promote the transition to low carbon heating (heat pumps) for the benefit of residents, homeowners, and heat pump installers in North Herts and globally including but not exclusively through consumer education, tailored and impartial advice to homeowners, and supply chain engagement, and result in a material positive impact on society and the environment, taken as a whole; and
- (2) The company’s secondary and subsidiary object is, as a result of the advancement by the company of its primary social object, to promote the success of the company for the benefit of its members as a whole.
- (3) This article is Entrenched in accordance with section 22 of the Act; any alteration to this article requires the approval of 100% of the Members.

Asset lock

5. (1) The company shall not transfer any of its assets other than for full consideration. Provided the condition specified in the Article 5.2 is satisfied, this requirement shall not apply to:

(a) the transfer of assets to any specified Asset Locked Body or (with the consent of 75% of the Members) to any other Asset-Locked Body;

(b) the transfer of assets made for the benefit of the community other than by way of a transfer of assets into an Asset-Locked Body;

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

(3) If the Company is wound up under the Insolvency Act 1986; and all its liabilities have been satisfied then any residual assets shall be given or transferred to the Asset Locked Body specified in the Article below.

(4) For the purposes of this Article, the following bodies are specified as a potential recipient of the company's assets:

Name	Royston Environmental Group
Status	Constituted Community Organisation
Contact	chairman@roystonenvironmentalgroup.org.uk

Name	Cambridge Carbon Footprint
Status	Private company limited by guarantee, charity
Contact	info@cambridgecarbonfootprint.org
Charity Reg No.	1127376
Company Reg No.	05750297
Registered Office	Cambridge Carbon Footprint The Bike Depot 140 Cowley Road CAMBRIDGE CB4 0DL

Application of profit

6. The Company is not established or conducted for private gain. The profit of the Company shall be applied in the following ways, in such proportions and in such manner as the general meeting shall decide from time to time:

(a) To create a general reserve for the continuation and development of the Company;

(b) To make payment for social, co-operative, and community purposes which would further the community benefit.

PART 3 DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

7.—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.

Directors' duties

8.

- (1) A director must act in the way he or she considers, in good faith, would be most likely to promote the objects of the company and must not promote the secondary and subsidiary object of the company in any way which he or she considers, in good faith, would be likely to undermine the promotion of the primary object of the company.
- (2) In promoting the objects of the company and carrying out their duties, a director shall have regard (amongst other matters) to:
 - (a) the likely consequences of any decision in the long term;
 - (b) the interests of the company's employees;
 - (c) the need to foster the company's business relationships with suppliers, customers and others;
 - (d) the impact of the company's operations on the community and the environment;
 - (e) the desirability of the company maintaining a reputation for high standards of business conduct; and
 - (f) the need to act fairly as between members of the company.
- (3) Nothing in this Article express or implied, is intended to or shall create or grant any right or any cause of action to, by or for any person (other than the company).

Statement of Responsible Business Principles

9. The directors shall seek, in good faith, to ensure that the company carries out its business in accordance with the statement of responsible business principles.

Members' reserve power

10.—(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.

Directors may delegate

11.—(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.

Committees

12.—(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

Directors to take decisions collectively

13.—(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 14.

(2) If—

- (a) the company only has one director, and
- (b) no provision of the articles requires it to have more than one director,

the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

Unanimous decisions

14.—(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.

Calling a directors' meeting

15.—(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.

Participation in directors' meetings

16.—(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.

Quorum for directors' meetings

17.—(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 two, and unless otherwise fixed it is two.

(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.

Chairing of directors' meetings

18.—(1) The directors may appoint a director to chair their meetings.

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

Casting vote

19.—(1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

(2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

Conflicts of interest

20.—(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) 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;

(b) 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

(c) 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 decided by a majority decision of the other directors.

Records of decisions to be kept

22. 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.

Directors' discretion to make further rules

23. 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

Methods of appointing directors

24.—(1) Those persons notified to the Registrar of Companies as the first directors of the Company shall be the first directors.

(2) Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—

- (a) by ordinary resolution, 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 (2), 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.

Termination of director's appointment

25. 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, or an order is made against that person in individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
- (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) *[paragraph omitted pursuant to The Mental Health (Discrimination) Act 2013]*
- (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;
- (g) at a general meeting of the Company, a resolution is passed that the director be removed from office, provided the meeting has invited the views of the director concerned and considered the matter in light of such views.

Directors' remuneration

- 26.**—(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.

Directors' expenses

- 27.** 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 4 MEMBERS

BECOMING AND CEASING TO BE A MEMBER

Applications for membership

- 28.** 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
 - (c) that person is approved by the directors as meeting the criteria for membership set out in these Articles.

Membership criteria

- 29.** The criteria for membership that shall be applied by the directors follows below.
- (1) User members – any regular user of the services of the company may be admitted into membership;

(2) Employee members - All Employees on taking up employment with the Company may be admitted to membership, except that the Company in a general meeting may by a majority vote decide to exclude from membership:

(a) Newly appointed Employees during such reasonable probationary period as may be specified in their terms and conditions of employment;

(b) Employees working less than a prescribed number of hours per week (or per month);

provided that any such criteria for exclusion are applied equally to all Employees.

(3) Supporter members - Any natural person, unincorporated body, firm, partnership or corporate body that operates in an associated field of activity to the Company or that has an interest in supporting the Company's business.

(a) A corporate body which is a Member shall, by resolution of its governing body appoint a representative who has attained the age of 16. The representative may, during the continuance of her/his appointment, be entitled to exercise all such rights and powers as the corporate body would exercise if it were an individual person. Each corporate body Member shall supply notification in Writing to the Company of its choice of representative.

(4) In accordance with the principal of voluntary and open membership, whilst the Company shall undertake to encourage those persons meeting the membership criteria to become Members, membership must be voluntary and as a result cannot be a condition of employment.

Member commitment

30. All Members agree to attend general meetings and take an active interest in the operation and development of the Company and its business. Members have a duty to respect the confidential nature of the business decisions of the Company. The Company shall provide potential Members with information about what the role of a Member is within the Company. The Company shall support its Members by ensuring that meetings are accessible and encourage participation.

Non-transfer of membership

31. Membership is not transferable to anyone else.

Termination of membership

32.—(1) A member may withdraw from membership of the company by giving 7 days' notice to the company in writing.

(2) A person's membership terminates when that person dies or ceases to exist.

Removal of a Member

33. A Member may be expelled from membership by a resolution of the company stating that it is in the best interests of the company that her/his/its membership is terminated. A resolution to remove a Member from membership may only be passed if:

(a) The Member has been given at least 21 days' notice in Writing of the general meeting at which the resolution to expel them will be proposed and the reasons why it is to be proposed; and

(b) The Member or, at the option of the Member, an individual who is there to represent them (who need not be a Member of the company) has been allowed to make representations to the general meeting.

ORGANISATION OF GENERAL MEETINGS

General meetings

34. (1) The Company shall in each calendar year hold a general meeting of the Members as its annual general meeting and shall specify the meeting as such in the notices calling it. The first annual general meeting shall be held within 21 months of incorporation.

(2) The business of an annual general meeting shall comprise, where appropriate:

- (a) Consideration of accounts and balance sheets;
- (b) Consideration of Director's and auditor's reports;
- (c) Elections to replace retiring Directors;
- (d) Appointment and remuneration of the auditor (or their equivalent).

(3) The Board of Directors may convene a general meeting or, in accordance with the Companies Acts, 10% of the membership may, in Writing, require the Directors to call a general meeting.

(4) The Directors shall call the Annual General Meeting giving 14 clear days' notice to all Members. All other general meetings shall be convened with at least 14 clear days' notice but may be held at shorter notice if so agreed in Writing by a majority of Members together holding not less than 90% of the total voting rights of the Company.

(5) All notices shall specify the date, time and place of the meeting along with the general nature of business to be conducted and any proposed resolutions. The notice must also contain a statement setting out the right of each Member to appoint a proxy.

Attendance and speaking at general meetings

35.—(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.

Quorum for general meetings

36. No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. Unless amended by special resolution of the Company, a quorum shall be ten Members or one-third of the membership, whichever is the lesser.

Chairing general meetings

37.—(1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

(2) If the directors have not appointed a chairman, or if the chairman 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 chairman 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 chairman of the meeting”.

Attendance and speaking by directors and non-members

38.—(1) Directors may attend and speak at general meetings, whether or not they are members.

(2) The chairman of the meeting may permit other persons who are not members of the company to attend and speak at a general meeting.

Adjournment

39.—(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 chairman of the meeting must adjourn it.

(2) The chairman 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 chairman 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 chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

(4) When adjourning a general meeting, the chairman 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 7 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

Voting: general

- 40.** (1) 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.
- (2) Each Member shall have one vote on any question to be decided in general meeting. This article is Entrenched in accordance with section 22 of the Act; any alteration to this article requires the approval of 100% of the Members.
- (3) In the case of an equality of votes, whether on a show of hands or a poll, the chairperson shall have a second or casting vote.

Errors and disputes

- 41.**—(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 chairman of the meeting whose decision is final.

Poll votes

- 42.**—(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 chairman 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 chairman of the meeting consents to the withdrawal.
- (4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

Content of proxy notices

- 43.**—(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.

Delivery of proxy notices

- 44.**—(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.

Resolutions

- 45.** (1) Decisions at general meetings shall be made by passing resolutions:
- (a) Decisions involving an alteration to articles that have been Entrenched in accordance with section 22 of the Act require the approval of 100% of the Members.
 - (b) The following decisions must be made by special resolution:
 - (i) Decisions involving an alteration to the Articles of the Company, except where an article is Entrenched as detailed above;
 - (ii) Decisions to expel Members;
 - (iii) Decisions to remove Directors;
 - (iv) Other decisions which are required so by statute.
 - (c) All other decisions shall be made by ordinary resolution.
- (2) A special resolution is one passed by a majority of not less than 75% of votes cast at a general meeting and an ordinary resolution is one passed by a simple majority (51%) of votes cast.

Amendments to resolutions

- 46.**—(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 chairman of the meeting may determine), and
- (b) the proposed amendment does not, in the reasonable opinion of the chairman 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 chairman 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 chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 5 ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

- 47.**—(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 that Act 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.

Company seals

- 48.**—(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) For 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.

Minutes

- 49.** (1) The directors must cause minutes to be made in books kept for the purpose:
- (a) of all appointments of officers made by the directors;

(b) of all resolutions of the Company and of the directors (including, without limitation, decisions of the directors made without a meeting); and
(c) of all proceedings at meetings of the Company and of the directors, and of committees of directors, including the names of the directors present at any such meeting.

(2) The minutes must be kept for at least 10 years from the date of the meeting, resolution, or decision.

Records and accounts

50. (1) The directors shall comply with the requirements of the Companies Acts as to maintaining a members' register, keeping financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies of:

- (a) annual reports;
- (b) annual returns; and
- (c) annual statements of account.

No right to inspect accounts and other records

51. 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.

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

52.—(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),
- (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.

Insurance

53.—(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 or employees’ share scheme 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.

APPENDIX

STATEMENT OF RESPONSIBLE BUSINESS PRINCIPLES

The company commits to follow the five principles of a purpose driven business developed by Blueprint for Better Business as set out below:

2. **Has a purpose which delivers long term sustainable performance**
 - (1) Operates true to a purpose that serves society, respects the dignity of people and so generates a fair return for responsible investors.
 - (2) Enables and welcomes public scrutiny of the alignment between stated purpose and actual performance.
3. **Honest and fair with customers and suppliers**
 - (1) Seeks to build lasting relationships with customers and suppliers.
 - (2) Deals honestly with customers, providing good and safe products and services.
 - (3) Treats suppliers fairly, pays promptly what it owes and expects its suppliers to do the same.
 - (4) Openly shares its knowledge to enable customers and suppliers to make better informed choices.
4. **A responsible and responsive employer**
 - (1) Treats everyone with dignity and provides fair pay for all.
 - (2) Enables and welcomes constructive dialogue about its behaviour in keeping true to its purpose.

- (3) Fosters innovation, leadership and personal accountability.
- (4) Protects and nurtures all who work for it to ensure people also learn, contribute and thrive.

5. **A good citizen**

- (1) Considers each person affected by its decisions as if he or she were a member of each decision-maker's own community.
- (2) Seeks and provides access to opportunities for less privileged people.
- (3) Makes a full and fair contribution to society by structuring its business and operations to pay promptly all taxes that are properly due.

6. **A guardian for future generations**

- (1) Honours its duty to protect the natural world and conserve finite resources.
- (2) Contributes knowledge and experience to promote better regulation for the benefit of society as a whole rather than protecting self-interest.
- (3) Invests in developing skills, knowledge and understanding in wider society to encourage informed citizenship.