

**THE COMPANIES ACT 2006  
SPECIAL RESOLUTION  
HOUSING ASSOCIATION PROPERTY MUTUAL LIMITED  
No 01985799  
CHANGE OF ARTICLES OF ASSOCIATION**

At a general meeting of the members of the above named company, duly convened and held at 90 Fenchurch St, London on 1 December 2016.

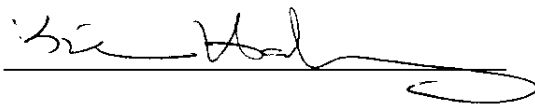
The following Special Resolution was duly passed:

That the Articles of Association of the company be modified as follows:

By the implementation of the new attached articles.

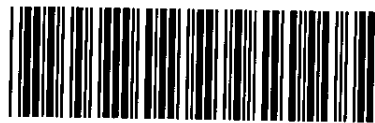
DATED: 24 October 2018

SIGNED:



Secretary

THURSDAY



A23 \*A7HCCK5E\*  
25/10/2018 #393  
COMPANIES HOUSE

**HAPM**

Company Number 1985799

**HOUSING ASSOCIATION PROPERTY MUTUAL  
LIMITED**

**ARTICLES OF ASSOCIATION**

**THE COMPANIES ACT 1985**

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**COMPANY LIMITED BY GUARANTEE AND NOT HAVNG A SHARE  
CAPITAL**

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**ARTICLES OF ASSOCIATION  
of  
HOUSING ASSOCIATION PROPERTY MUTUAL LIMITED  
(Adopted by Special Resolution passed on 1 December 2016)**

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**GENERAL**

1. In these Articles the following words and expressions have the meanings set opposite to them if not inconsistent with the subject or context:

**WORDS**

Articles

Company / Club

Certificate of Insurance

Class A Member

Class B Member

Contractor's Insolvency  
Insurance

**MEANINGS**

These Articles of Association as altered from time to time by Special Resolution.

Housing Association Property Mutual Limited

A certificate issued by the Company pursuant to the Rules including all endorsements to that Certificate of Insurance.

A Member who is for the time being bound by such undertaking as is referred to in Rule 2.3 or Rule 2.12.

A Member who is not a Class A Member.

Insurance by the Club of Contractor's Insolvency (as defined in the Rules).

Executive Directors	The Directors or employees of the Managers appointed to the Board in accordance with the Prudential Regulatory Authority requirements (SIMF 25) .
Directors	The members of the Board of Directors for the time being of the Company or where the context so requires the Directors present at a duly convened meeting of Directors at which a quorum is present.
Housing Association	<p>A Housing Association based in England, Scotland or Wales incorporated and/or registered under:</p> <ul style="list-style-type: none"><li>(i) The Co-operative and Community Benefit Societies Act 2014 ; or</li><li>(ii) The Companies Act 2006; or</li><li>(iii) The Housing Associations Act 1985; or</li><li>(iv) any other subsequent statute; or</li><li>(v) The Homes and Communities Agency, The Scottish Housing Regulator or equivalent body in Wales.</li></ul>
Inherent Defect Insurance	Insurance by the Club of Inherent Defects.
Insurance	Includes Inherent Defect Insurance, Contractor's Insolvency Insurance in respect of the same property.
Insured Property	Property situated at a single address listed on the schedule referred to in a valid Certificate of Insurance for Inherent Defect Insurance or Contractor's Insolvency Insurance.
Investment Managers	The investment managers for the time being of the Club.
Managers	The Managers for the time being of the Club.
Member	Such Housing Associations as are admitted to membership of the Club in accordance with the Articles and shall include Class A Members and Class B Members.
Month	Calendar month.
Office	The registered office for the time being of the Company.
Period of Insurance	The period specified as such in a Certificate of Insurance.
Policy Year	A year from 0000 hours in any 1 <sup>st</sup> July to 2400 hours on the next following 30 <sup>th</sup> June.

Premium	The premium payable to the Company by a Member in respect of Insurance pursuant to the Rules.
Reserve	A reserve fund for any contingency or purpose as the Directors may determine.
Risks	The risks insured as specified in the Cover documents issued pursuant to the Rules from time to time or in a Certificate of Insurance in respect of which a Member is insured by the Company.
Rules	The Rules of the Company as from time to time amended and for the time being in force.
Secretary	Includes a temporary or assistant Secretary and any person appointed by the Directors to perform any of the duties of Secretary of the Company.
Statutes	Every statute or statutory instrument or order, regulation or subordinate legislation made under a statute for the time being in force concerning limited companies and affecting the Company.
Technical Audit Unit	The unit from time to time employed or retained by the Company to audit technically properties to be constructed, refurbished, rehabilitated or purchased by a Member.
Writing	Includes any non-transitory form of visible reproduction of words.

Unless the context otherwise requires, words denoting the singular number shall include the plural number and vice versa and words denoting the masculine shall also include the feminine.

References to “person” include a body corporate, an unincorporated association or business and a partnership.

Subject as aforesaid, any words or expressions defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meanings in these Articles. The Regulations contained in Table “C” forming part of the Companies (Tables A-F) Regulations 1985 and any statutory modification or re-enactment thereof shall apply to the Company except where inconsistent with these Articles and, in the event of any such inconsistency, the provisions of these Articles shall apply.

## **BUSINESS**

2. Any branch or kind of business which by the Memorandum of Association of the Company or by these Articles is either expressly or by implication authorised to be undertaken by the Company, may be so undertaken at such time or times as the Directors think fit, and terminated or suspended by them, whether such branch or kind of business may have been actually commenced or not, so long as the Directors may deem it expedient not to commence or proceed with such branch or kind of business.

## **MEMBERS**

- 3.1 The company shall consist of an unlimited number of Members.
- 3.2 Each Housing Association whose conditional application for Insurance by the Company, or whose application to be a Member, is accepted in accordance with the Rules shall, if not already a Member, be and become a Member of the Company as from the date upon which such application for membership or conditional application for Insurance is accepted or deemed accepted or such earlier date as may be agreed between the Housing Association and the Directors, and its name shall be entered in the Register of Members of the Company.
- 3.3 No person other than a Housing Association shall be a Member or be eligible to apply for membership of the Company.
- 3.4 Applications for membership of the Company shall be in such form as the Directors may from time to time determine. The Directors shall be at liberty to refuse any application from any person for membership of the company.
- 3.5 Membership shall not be transferable nor transmissible.
4. A Member shall cease to be a Member.
  - 4.1 Upon the withdrawal, suspension or cancellation of its registration under the Co-operative and Community Benefit Societies Act 2014; the Housing Associations Act 1985; or from The Homes and Communities Agency, The Scottish Housing Regulator or equivalent body in Wales
  - 4.2 Upon the passing of a resolution for its voluntary winding up;
  - 4.3 Upon an order being made for its compulsory winding up or for the appointment of an administrator of such Member;
  - 4.4 Upon its dissolution;
  - 4.5 Upon a receiver, an administrative receiver or manager of all or substantially all of its business or undertaking being appointed;
  - 4.6 Upon possession being taken by or on behalf of a secured party of all its Insured Properties
  - 4.7 Upon it commencing proceedings under any bankruptcy or insolvency laws to seek protection from its creditors or to reorganise its affairs;
  - 4.8 Upon the disposal of all of its Insured Properties;
  - 4.9 Upon a Member's Insurance with the club expiring or being terminated in accordance with the Rules – unless the Directors determine otherwise.

## **RULES**

5. The Rules, as originally made by the Directors, together with the Cover Documents referred to therein, shall be and remain in force subject to any alternations thereto or additions therein made as herein provided.
6. The Rules (and not the Cover Documents) may, notwithstanding any other provision of these Articles, be amended by a Special Resolution of the Members with immediate effect from the date of that Special Resolution, but with no effect retrospectively from that date. The Cover Documents may be amended at the discretion of the Directors as provided in the Rules but with no effect retrospectively from the date on which the amendment is made.
7. The Rules (and not the Cover Documents) shall provide inter alia for the calculation and payment of Premiums in respect of Insurance affected by the Company.
8. Notwithstanding anything contained in the Articles or the Rules, the Club shall have power:
  - 8.1 To limit or extend the Insurance afforded by the Rules;
  - 8.2 To arrange (and pay for at its own expense) insurance to be provided by a third party in respect of any property which has ceased to be insured by the club; and
  - 8.3 To continue to provide Insurance in respect of property which shall previously have been the property of a Member notwithstanding that such property has ceased to be property of a Member.

## **INSURANCE AND PREMIUMS**

9. An account shall be maintained by the Company in respect of the insurance business of the Company from which shall be debited all payments necessarily or properly made by or on behalf of the company in connection with the Risks including all payments of claims, expenses and other outgoings. There shall also be debited to each sub account the general expenses of the Company as the Directors may determine.
10. The funds necessary to meet the amounts debited to the account referred to in Article 9 above and the funds thought proper to meet, provide for and reserve against outstanding anticipated and future claims, expenses and outgoings of the Company (including such sums as the Company may be required by an governmental legislation, regulations or orders to set aside to provide an adequate solvency margin or guarantee fund in respect of each Policy Year) shall be provided by Premiums to be paid by Members in accordance with the Rules. The Directors shall have the power from time to time to direct that Premiums shall be paid to the Company at such time and in such amount as the Directors shall consider necessary or expedient. Such Premiums may, if the Directors so determine, be made payable in one amount or by instalments.

11. Every engagement or liability of a Member in respect of any Insurance shall for all purposes relating to enforcing such engagement or liability be deemed to be an engagement or liability by or on the part of such Member to the Company, and not to any other Member or other person and all moneys payable thereunder shall be paid to the Company.
12. All claims in respect of Insurance shall be made and enforced against the Company only, and not against any Member. The Company shall not be liable to any Member or other persons for the amount of any loss, claim or demand, except to the extent of the funds which the Company is able to recover from the Members or other persons liable for the same and which are applicable to that purpose.
13. The Directors may, notwithstanding the provisions of these Articles or the Rules, accept or vary applications for Insurance upon such special terms as to Premiums and as to the nature and extent of the Risks covered and otherwise howsoever as they may think fit. The Directors may also cede the whole or any portion of the Risks assumed by the Company upon such terms as they think fit.
14. The Directors may at any time resolve that a Member making default in the payment of Premiums or any other sum due to the Company shall cease to be a Member at the expiry of three months after the date of so resolving unless within that period that Member shall have paid the sum in question to the Company.
15. The Directors may, upon payment of such amount by the Company or upon such other terms as they shall think proper, release any Member or former Member from liability to pay further Premiums in respect of any present or former Policy Year.

#### **GENERAL MEETINGS**

16. The Company shall in each calendar year hold a General Meeting as its Annual General Meeting in addition to any other Meeting of the Company and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and the next. The Annual General Meeting shall be held at such time and place as the Directors may determine. All other general meetings of the Company shall be called Extraordinary General Meetings of the Company.
17. The Directors may whenever they think fit, and shall on the requisition of Members representing not less than one-tenth of the total voting rights of the Members having at that date the right to vote at general meetings, in accordance with the Statutes, convene an Extraordinary General Meeting and in default such Extraordinary Meeting may be convened by the requisitioning Members in accordance with the Statutes

#### **NOTICE OF GENERAL MEETINGS**



18. In the case of an Annual General Meeting or of a meeting at which a Special Resolution is to be considered not less than twenty one clear days' notice and in any other case not less than fourteen clear days' notice specifying the time and place of the meeting and specifying also in the case of any special business the general nature of the business to be transacted thereat (and in the case of an Annual General Meeting specifying the meetings as such) shall be given by notice sent by post by the Secretary or other officer of the company, or any other person appointed by the Directors to do so, to such Members as are entitled to receive notices from the Company and to the Auditors. In every notice calling a General Meeting or an Annual General Meeting there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him who should also be a Member or the duly authorised representative of a body corporate which is a Member.
19. The accidental omission to give notice of any meeting to, or the non-receipt of such notice by, any Member shall not invalidate the proceedings or any resolution passed at any such meeting.
20. Notwithstanding the provisions of Article 18, a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in Article 18, be deemed to have been duly called if it is so agreed:
  - 20.1 In the case of a meeting called as the Annual General Meeting, by all the Members entitled to attend and vote thereat; and
  - 20.2 In the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together representing not less than 95 per cent of the total voting rights at the meeting of all Members.
21. Subject to the provisions of the Statutes, it shall be the duty of the Company, on the requisition in writing of such number of Members as is specified in the Statutes and (unless the Company otherwise resolves) at the expense of the requisitionists, to give to Members entitled to receive notice of the next Annual General Meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting and to circulate to Members entitled to have notice of any General Meeting sent to them any statements of not more than one thousand words with respect of the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

**PROCEEDINGS AT GENERAL MEETINGS**

22. All business shall be deemed special that is transacted at an Extraordinary General Meeting. All business that is transacted at an Annual General Meeting shall be deemed special, with the exception of the consideration of the accounts, balance sheet and reports of the Directors and Auditors, the appointment of Directors and Executive Directors in the place of those retiring by rotation nor otherwise, the appointment of Auditors and the fixing of the remuneration of the Directors and the Auditors.
23. Where by a provision contained in the Statutes special notice is required of a resolution, the resolution shall not be effective unless notice of the intention to move it has been given to the Company not less than twenty-eight days (or such shorter period as the Statutes permit before the meeting at which it is moved, and the Company shall give to the Members notice of any such resolution as required by and in accordance with the provisions of the Statutes.
24. No business shall be transacted by any General Meeting unless a quorum is present. Save as otherwise provided in these Articles five Members and an Executive Director present either in person or in the case of a Member which is a Corporation by its duly appointed representative or by proxy shall be a quorum.
25. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of or by Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place and no notice of such adjournment need be given and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the Members present in person or by proxy shall be a quorum for the purpose of considering the matter referred to in the original notice of the meeting but no other matters.
26. The Chair of the meeting may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. Whenever a meeting is adjourned for fourteen days or more, seven clear days' notice at least, specifying the place, the day and the hour of the adjourned meeting shall be given as in the case of original meeting, but save as aforesaid it shall not be necessary to give any notice of an adjournment or the nature of the business to be transacted at the adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.
27. The Chair (if any) of the Directors or in his absence the Vice Chair or in the absence of all of them any one of the Directors nominated by the Directors, shall preside at every General Meeting, but if at any meeting neither the Chair nor the Vice Chair nor such other Directors be present within fifteen minute after the time appointed for holding the same, or if none of them be willing to act as Chair of the meeting, the Directors shall choose one of their number to

be Chair of the meeting, or if no Director be present, or if all the Directors present decline to take the Chair, the Members present shall choose one Member present to be Chair of the meeting. Any Director shall, notwithstanding that he is not a Member, be entitled to attend and speak at any General Meeting.

28. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless before, or upon the declaration of the result of, the show of hands a poll is demanded by the Chair of the meeting or by at least three members present in person or by proxy having the right to vote at the meeting or by a Member or Members (if less than three) present in person or by proxy representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting. Unless a poll is so demanded a declaration by the Chair of the meeting that a resolution has been carried or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and any entry to that effect in the book containing the minutes of proceedings of General Meetings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.
29. The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to demand or join in demanding a poll, and for the purposes of the last preceding Article a demand by a person as proxy for a Member shall be the same as a demand by the Member.
30. If any vote shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it is pointed out at the meeting or adjourned meeting at which the vote is given, and not in that case unless it shall in the opinion of the Chair of the meeting be of sufficient magnitude to vitiate the result of the voting.
31. A poll demanded on the election of a Chair of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such time (not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was demanded) and place as the Chair of the meeting shall direct and no notice need be given of a poll not taken immediately. A poll shall be taken in such manner (including the use of ballot or voting papers) as the Chair of the meeting shall direct. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll shall not prevent the continuance of a meeting or the transaction of any business other than the question on which the poll has been demanded.
32. In the case of an equality of votes, whether on a show of hands or on a poll, the Chair of the meeting shall be entitled to a further casting vote.

## **VOTE OF MEMBERS**

33. Every Class A Member who is present in person or, in the case of a corporation, by its duly authorised representative, shall have three votes on a show of hands, and upon a poll every Class A Member present in person or by proxy shall have three votes. Every Class B Member who is present in person or, in the case of a corporation, by its duly authorised representative shall have one vote on a show of hands, and upon a poll every Class B Member present in person or by proxy shall have one vote.
34. No Member shall, unless the Directors otherwise determine, be entitled to vote at the General Meeting, either personally or by proxy, or to exercise any privilege as a Member unless all sums presently due from him to the Company have been paid.
35. On a poll votes may be given either personally or by proxy.
36. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chair of the meeting, whose decision shall be final and conclusive.
37. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, in the case of a corporation, executed as a deed or under the hand of a duly authorised officer of the corporation.
38. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certificated copy of such power or authority:
  - 38.1 shall be deposited at the Office, or at such other place in the United Kingdom as is specified for the purpose in the notice convening the meeting or in the instrument of proxy issued by the Company, not less than forty-eight hours before the time appoint for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
  - 38.2 in the case of a poll taken more than 48 hours after it was demanded, deposited as aforesaid after the poll has been demanded and not less than twenty-four hours before the poll is proposed to be taken; or
  - 38.3 where the poll is not taken forthwith but not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the Chair or to the Secretary or to any Director; and in default the instrument of proxy shall not be treated as valid.
39. An instrument of proxy may be in any common form or in such other form as the Directors shall approve and may include an instruction by the appointer to the proxy either to vote for or to vote against any resolution or resolutions to be put to the meeting or meetings at which it is to be used. Instruments of proxy need not be witnessed.

40. The Directors may at the expense of the Company send, by post, or otherwise, to the Members instruments of proxy (with or without stamped envelopes for their return), for use at any General Meeting either blank or nominating in the alternative any one or more persons. If for the purpose of any meeting invitations to appoint as proxy a person or one of a number of persons specified in the invitations are issued at the expense of the Company, such invitations shall be issued to all (and not to some only) of the Members entitled to be sent a notice of the meeting and to vote thereat by proxy.
41. A vote given in accordance with terms of an instrument of proxy shall be valid notwithstanding the death or insanity of the principal or the revocation of the instrument of proxy or of the authority under which the instrument of proxy was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office three hours at least before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.

#### **DIRECTORS**

42. Unless otherwise determined by the Company by Ordinary Resolution, the number of Directors shall not be less than two nor more than twenty.
43. No person shall be eligible for appointment or re-appointment as a Director unless he is either a Director of or employed, engaged or recently engaged by a Member. Notwithstanding the foregoing the Company shall be entitled to appoint up to two persons who are not Directors of or employed or engaged by a Member.
44. In addition to those Directors appointed under Article 43 no more than two Executive Directors serving concurrently will be eligible for appointment to the Board.
45. No remuneration shall be payable to the Directors by the Company.
46. The Directors shall, however, be entitled to be paid all travelling, hotel and other expenses reasonably incurred by them respectively in or about the performance of their duties as Directors including the expenses of travelling to and from meetings of the Directors and/or General Meetings.

#### **APPOINTMENT, ROTATION, DISQUALIFICATION AND REMOVAL OF DIRECTORS**

47. One-third of the Directors for the time being or if their number is not three or a multiple of three then the number nearest to, but not exceeding, one-third shall retire from office at each Annual General Meeting.

48. One of the Executive Directors in rotation shall retire from office at each Annual General Meeting. A retiring Executive Director shall be eligible for re-appointment and shall act as such throughout the meeting at which he retires.
49. Subject to the provisions of the Statutes and of these Articles, the Directors to retire at each Annual General Meeting shall be those Directors who have been longest in office since their last appointment. As between Directors of equal seniority, those Directors to retire shall in the absence of agreement be selected from among them by lot. Subject as aforesaid, a retiring Director shall be eligible for re-appointment and shall act as such throughout the meeting at which he retires.
50. The Company may by Ordinary Resolution at the meeting which any Director or Executive Director retires in the manner aforesaid fill up the vacated office and in default thereof the retiring Director or Executive Director shall if offering himself for re-election be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director or Executive Director shall have been put to the meeting and lost.
51. No person other than a Director or Executive Director retiring at the meeting shall, unless recommended by the Directors for appointment, be eligible for appointment to the office of Director or Executive Director at any General Meeting unless not less than twenty-eight and not more than forty-five clear days before the day appointed for the meeting, there shall have been given to the Company notice in writing by some Member duly qualified to be present and vote at the meeting of his intention to propose such person for appointment and also notice in writing, signed by the person to be proposed, of his willingness to be appointed.
52. The Company may by Ordinary Resolution increase or reduce the number of Directors and determine in what rotation such increased or reduced number shall go out of office.
53. The Directors may from time to time and at any time appoint any person to be a Director either to fill a casual vacancy or as an additional Director provided that the total number of Directors shall not exceed the maximum number fixed by or in accordance with these Articles. Subject to the provisions of the Statutes, a director so appointed shall hold office only until the Annual General Meeting following next after his appointment, when he shall retire, but shall then be eligible for re-appointment. A Director who retires under this Article shall not be taken into account in determining the rotation or retirement of Directors or the numbers of Directors to retire at such a meeting.
54. The office of a Director or Executive Director shall be vacated forthwith:
- If he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- 54.1 If he becomes of unsound mind;

54.2 If he ceases to be a Director or Executive Director, or is prohibited from being a Director or Executive Director by an order made under any provision of the Statutes;

54.3 If he resigns his office by notice in writing to the Company; and

54.4 If he shall have absented himself (such absence not being absence with leave or by arrangement with the Directors on the affairs of the Company) from meetings of the Directors for a consecutive period of twelve months and the Directors resolve that his office shall be vacated.

55. In addition to any power to remove a Director conferred on the Company by the Statutes the Company may by Ordinary Resolution remove any Director or Executive Director before the expiration of his period of office and may, if thought fit, by Ordinary Resolution appoint another person in his stead. The person so appointed shall be subject to retirement by rotation at the same time as if he had become a Director or Executive Director on the day on which the Director or Executive Director in whose place he is appointed was last appointed as a Director or Executive Director.

#### **POWERS OF THE DIRECTORS**

56. The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company, and do on behalf of the Company, all such acts as may be exercised and done by the Company and as are not by the Statutes or by these Articles or by the Rules required to be exercised or done by the company in General Meeting subject nevertheless to any regulations of these Articles, to the provisions of the Statutes and the Rules, and to such regulations, being not inconsistent with the aforesaid regulations or provisions as may be described by the Company in General Meeting but no regulation made by the company in General Meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

57. Without prejudice to the generality of the foregoing provisions:

57.1 The Directors shall exercise all the powers and discretions conferred upon them in the Rules in relation to assessing and enforcing payment of Premiums and determining the amount of any payments to be made by or to any Member or former Member.

57.2 The Directors may from time to time appoint any person, firm or corporation to be the Manager or Managers of the Company, the Investment Managers or the Technical Audit Unit to the Company for such period and upon such terms as they think fit and subject to the provisions of the Statutes and these Articles may vest in or delegate to such Manager or Managers, or Investment Managers or Technical Audit Unit or the servants or agents of such Manager or Managers, or Investment Managers or Technical Audit Unit such of the powers, duties or discretions hereby vested in the Directors as they may think

- fit, and such powers may be made exercisable for such period and upon such conditions and subject to such restrictions and generally upon such terms as the Directors may determine. A Manager, Investment Manager and Technical Audit Unit shall receive such remuneration (whether by way of fees, commission, or otherwise as the Directors may determine).
- 57.3 The Directors may make such arrangements as may be thought fit for the management of the Company's affairs in the United Kingdom or abroad, and may for this purpose appoint Local Boards, Attorneys and Agents and fix their remuneration, and delegate to them such powers as may be deemed requisite or expedient.
- 57.4 The Directors may from time to time and at any time by power of attorney under an instrument signed by any two Directors or by any one Director and the Secretary appoint any corporation or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under the Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
- 57.5 The Directors may exercise without limitation all the powers of the Company to borrow money and to mortgage or charge its undertaking and property any part thereof or to issue debentures and other securities.
- 57.6 The Directors may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on by or through one or more subsidiary companies and the Directors may make such arrangements on behalf of the company as they may consider advisable for taking the profits or bearing the losses of any branch or business so carried on.
- 57.8 The Directors shall have the power to purchase and maintain insurance for the benefit of any persons who are or were at any time Directors, officers or employees of the Company, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution of their duties or powers or otherwise in relation to their duties, powers or offices in relation to the Company.
- 58.1 No Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit released by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.



The nature of the interest of a Director must be declared by him at the meeting of Directors at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of that meeting interested in the proposed contract or arrangement at the next meeting of the Directors held after he became so interested, and, in a case where the Director becomes interested in a contract or arrangement after it is made, at the first meeting of the Directors that he is a member of any specified firm or company and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with such firm or company shall (if such Director shall give the same at a meeting of the Directors or shall take reasonable steps to secure that the same is brought up and read at the next meeting of the Directors after it is given) be deemed to be a sufficient declaration of interest in relation to such contract or arrangement under this Article, and after such general notice it shall not be necessary to give any special notice relating to any particular contract or arrangement with such firm or company. A Director shall not as such Director vote in respect of any contract or arrangement which he shall make with the Company or in which he is so interested as aforesaid and if he does so vote his vote shall not be counted nor shall he be counted in the quorum present upon a motion in respect of any such contract or arrangement, but neither of these prohibitions shall apply to any contract by or on behalf of the Company to give to the Directors, or any of them, any security by way of indemnity or in respect of advances made by them or any of them nor to any contract or dealing with a corporation where the sole interest of such Director is that he is a Director, officer, member or creditor of such corporation, and these prohibitions may at any time be suspended or relaxed to any extent by the Company by Ordinary Resolution.

58.2 No Director may vote upon any proposal for acceptance of an application for membership of the Company in which he is in any way interested or vote upon any claim against the Company in which he is in any way interested.

59. The Directors may join in the promotion or support of any association or organisation having for its object the defence or promotion of the interests of Housing Associations and may make calls upon Members for the purpose of contributing from time to time to the funds of such associations or organisation such sums as they may deem necessary. The Directors may elect and send representatives to take part in the deliberations or management or any such associations or organisations.

60. All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time determine by resolution.

## **PROCEEDINGS OF THE DIRECTORS**

61. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes the Chair shall have a second or casting vote.
62. The Chair may, and on the request of any Director the Secretary shall, summon a meeting of the Directors. The Directors shall determine from time to time the notice necessary for such meetings and the persons to whom such notice shall be given.
63. The quorum necessary for the transaction of the business of the Directors shall be five Directors and one Executive Director or such higher number as from time to time may be fixed by the Directors. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.
64. The continuing Directors may at any time act notwithstanding any vacancy in their body; provided that in case the Directors shall at any time be reduced in number to less than the minimum number fixed by or in accordance with these Articles, the continuing Directors may act for the purpose of appointing an additional Director or Directors to make up such minimum or of summoning a General Meeting of the Company but for no other purpose. If there be no Directors or Director able or willing to act, then any two Members may summon a General Meeting of the Company for the purpose of appointing Directors.
65. The Directors may from time to time appoint and remove a Chair or Vice-Chair. The Chair, or in his absence the Vice-Chair, shall preside at all meetings of the Directors but if no such Chair or Vice-Chair be appointed, or if at any meeting neither the Chair nor the Vice Chair be present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be Chair of such meeting.
66. The Directors by resolution may delegate any of their powers, duties or discretions (other than the power to borrow money) to committees consisting of such members of their body as they think fit. Any committee so formed shall in the exercise of any power so delegated conform to any regulations that may from time to time be imposed upon it by the Directors.
67. The meetings and proceedings of any such committee of two or more members shall be governed by the provisions of these Articles, regulating the meetings and proceedings of the Directors so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.
68. All acts done by any meeting of the Directors or of a committee of the Directors, or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of

them had vacated office, be as valid as if every such person had been duly appointed and had continued to be a Director.

69. The Directors shall cause minutes to be made of all proceedings of General Meetings of the Company and of meetings of the Directors and committees and of the attendances thereat and of all appointments of officers made by the Directors. Any such minutes, if purporting to be signed by the Chair of the meeting at which the proceedings were held or by the Chair of the next succeeding meeting, shall be evidence of the proceedings.
70. A resolution in writing signed by each of the Directors for the time being entitled to receive notice of a meeting of the Directors or by all the members of a committee for the time being duly convened and held shall be as valid and effectual as a resolution passed at a meeting of the Directors or, as the case may be, of such committee and such resolution may consist of several documents in the like form each signed by one or more Directors.

#### **SECRETARY**

71. The Secretary shall be appointed by the Directors for such time, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them. Anything by the Statutes required or authorised to be done by or to the Secretary may, if the office is vacant or there is for any other reason no Secretary capable of acting, be done by or to any assistance or deputy Secretary, or if there is no assistance or deputy Secretary capable of acting, by or to any officers of the Company authorised generally or specifically in that behalf by the Directors: provided that any provision of the Statutes or these Articles requiring authorising a thing to be done by a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as a Director and as, or in the place of, the Secretary.

#### **THE MANAGERS AND TECHNICAL AUDIT UNIT**

72. Except in such cases as the Directors may from time to time determine, the Managers and the Technical Audit Unit shall be entitled to attend all meetings of the Directors and of committees of the Directors and all General Meetings of the Company.
73. A document signed by any two Directors or by any one Director and the Secretary and expressed (in whatever form of words) to be executed by the Company shall have the same effect as if executed under common seal of the Company.

#### **AUTHENTICATION OF DOCUMENTS**

74. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the

constitution of the Company (including the Memorandum and Articles of Association) and any resolutions passed by the Company or the Directors, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies of extracts; and where any books, records, documents or accounts are elsewhere than at the Office, the local manager or other officers of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.

## **RESERVES**

- 73.1 The Directors may establish and maintain Reserves and any moneys for the time being in the hands of the Company and not immediately required to meet any claims, expenses and outgoings to which under these Articles or the Rules the same are applicable and such other sums as the Directors think fit may be carried to such Reserves as the Directors think proper. Any moneys for the time being standing to the credit of any Reserve may, subject to the Rules, be invested in such investments as the Directors think fit. The Directors may transfer sums from one Reserve to another for any purpose they think fit.
- 73.2 Moneys standing to the credit of any Reserve may, on the recommendation of the Directors (but not otherwise) be applied for any purpose for which such funds may be properly applied even though the sum be paid in respect of a different Policy Year or Years from that from which the funds originated or subject to the relevant provisions of the Rules may be divided amongst the Members (including for the purposes of this Article, if thought fit, former Members), in such proportions and on such terms and conditions as may be provided by the Rules or as the Members (excluding any former Members) may by Extraordinary Resolution determine.

## **ACCOUNTS**

74. The Directors shall cause proper books of account to be kept in accordance with the provisions of Statutes.
75. The books of account shall be kept at the Office, or (subject to the provisions of the Statutes) at such other place as the Directors shall think fit, and shall always be open to the inspection of the Directors. No person (not being a Director or Auditor or other person whose duty requires and entitles him to do so) shall have any right to inspect any account or book or document of the Company except as conferred by the Statutes or authorised by the Directors or by the Company in General Meeting.
76. The Directors shall from time to time in accordance with the provisions of the Statutes cause to be prepared and to be laid before the Company in General Meeting such income and expenditure accounts, profit and loss accounts, balance sheets and reports as are specified in the Statutes.

77. A copy of every balance sheet (including every document required by the Statutes to be annexed thereto) which is to be laid before the Company in General Meeting, together with a copy of the Auditors' report, shall twenty-one days at the least before the date of the meeting be delivered or sent by post to the registered address of every Member and to the Auditors.
78. The Auditors' report shall be open to inspection by any Member.
79. The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office until the next Annual General Meeting.
80. A Director or Officer of the Company shall not be capable of being appointed as an Auditor of the Company.
81. The provisions of the Statutes shall be observed with regard to audit of the Company's accounts and the appointment and removal of Auditors.

### **NOTICES**

82. A notice or other document may be served by the Company upon any Member either by sending it through the post in a pre-paid letter or by facsimile process addressed to such Member at his address as appears in the Register of Members.
83. Any Member described in the Register of Members by an address not within the United Kingdom, shall from time to time give to the Company an address within the United Kingdom at which notices may be served upon him but save as aforesaid no Member other than a Member described in the Register of Members by an address within the United Kingdom shall be entitled to receive any notice from the Company.
84. Any notice or other document if served by post shall be deemed to have been served on the day after it posted, and in providing such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the post as a pre-paid letter. Any notice served by facsimile shall be deemed to have been served on the day on which it was transmitted.
85. Every legal personal representative, committee, receiver, curator bonis or other legal curator, trustee in bankruptcy or liquidator of a Member shall be bound by a notice given as aforesaid if sent to the last registered address of such Member.

### **WINDING UP**

86. In the event of the winding up of the Company, after its liabilities have been satisfied, the remaining assets of the Company shall be distributed to the Members by reference to the Liquidation Proportion of each eligible Member, calculated as follows:
  - 86.1 The Liquidation Proportion of each eligible Member shall be a fraction (a) the numerator of which is the sum obtained by aggregating the amount of the Premium calculated in accordance with the Rules paid

by such Member and shown in each Certificate of Insurance issued to each Member for the Policy Year in which the winding up is commenced and (to the extent applicable) for all preceding open Policy Years and subtracting therefrom the amount of any claims paid to such Member and of any estimated claims for such year or years, net of reinsurance recoveries or, as the case may be, potential reinsurance recoveries and (b) the denominator of which is the sum obtained by aggregating the sums obtained pursuant to (a) hereof in respect of all eligible Members (such fraction being expressed as a percentage to two decimal places).

- 86.2 A Member shall be eligible and entitled to participate in a distribution to be made pursuant to this Article if it remains insured by the Company at the commencement of the winding up of the Company.

### **INDEMNITY**

87. Subject to the provisions of the Act but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director, secretary, auditor or other officer of the Company shall be entitled to be indemnified by the Company against all losses and liabilities sustained or incurred by him in the execution of his duties or in the exercise of his powers or otherwise in connection with his office including, but without prejudice to the generality of the foregoing, any liability incurred by him (a) in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or which are otherwise disposed of without any finding or admission of any material breach of duty on his part, or (b) in connection with any application in which relief is granted to him by the Court from liability in respect of any act or omission done or alleged to be done by him as an officer or employee of the Company.