

**MEMORANDUM AND ARTICLES OF ASSOCIATION**

**OF**

**SOUTH LIVERPOOL HOUSING LIMITED**

**Date of Incorporation: 21st April 1998**

**Registration Number: 3550000**

Trowers & Hamlins  
Sceptre Court  
40 Tower Hill  
London EC3N 4DX  
Ref: PJH  
2.3.99



**The Companies Act 1985**

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

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**MEMORANDUM OF ASSOCIATION**

**-of-**

**SOUTH LIVERPOOL HOUSING LIMITED**

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1. The name of the Company is South Liverpool Housing Limited (hereinafter called "the Company").
2. The Company's Registered office is to be situated in England.
3. (a) The objects of the Company shall be to carry on in accordance with Clause 3(e) the industry business or trade of:
  - (i) providing, constructing, improving or managing housing to be kept available for letting or hostels;
  - (ii) providing land, amenities or services, or providing constructing, repairing or improving buildings, for the benefit of those persons occupying houses or hostels provided or managed by the Company; either exclusively or together with other persons;
  - (iii) acquiring, or repairing and improving, or creating by conversion of houses or other property, houses to be disposed of on sale, on lease or on shared ownership terms;

- (iv) constructing houses to be disposed of on shared ownership terms;
  - (v) managing houses which are held on leases or other lettings (not being houses to be kept available for letting, but including dwellings on which a licence to occupy has been granted) or blocks of flats;
  - (vi) providing services of any description for owners or occupiers of houses in arranging or carrying out works of maintenance, repair or improvement, or encouraging or facilitating the carrying out of such works;
  - (vii) encouraging or giving advice on the formation of other housing associations or providing services for, and giving advice on the running of, such associations and other voluntary organisations (being organisations whose activities are not carried on for profit) concerned with housing, or matters connected with housing;
  - (viii) disposing of houses by way of sale at less than the market value to residents of the Company;
  - (ix) acquiring, or constructing, or repairing and improving, or creating by the conversion of houses or other property, houses to be disposed of pursuant to equity percentage arrangements;
  - (x) enabling or assisting any residents of the Company
    - (a) to acquire, or to acquire and enter into occupation of, houses, or
    - (b) to procure the construction of separate dwellings for occupation by those residents (whether alone or with other persons), or to procure such construction and enter into occupation of the dwellings so constructed, by-
      - (aa) providing grants to or for such residents, or
      - (bb) in a case falling within sub-paragraph (a) above, by entering into assured percentage arrangements with such residents (or partly in the one way and partly in the other);
  - (xi) carrying on any other activity permitted under Section 2 of the Housing Act 1996 (as amended or re-enacted from time to time).
- (b) In furtherance of the foregoing objects but not otherwise the Company shall have power:-

- (i) to acquire commercial premises or businesses as an incidental part of a project or series of projects undertaken for the aforementioned purposes or objects;
  - (ii) to repair, improve or convert any commercial premises acquired as mentioned in Clause (i) of this rule or to carry on, for a limited period, any business so acquired;
  - (iii) to repair or improve houses, or buildings in which houses are situated, after the tenants have exercised, or claimed to exercise, acquisition rights under Part V of the Housing Act 1985 or Part 1 of the Housing Act 1996;
  - (iv) to exercise any other power falling within Section 2 of the Housing Act 1996 (as amended or re-enacted from time to time).
- (c) In furtherance of its objects the Company shall have power to pay the whole or part of the net profits of the Company to a Registered Social Landlord or Registered Social Landlords (as defined in Section 2 of the Housing Act 1996 as amended or re-enacted from time to time) or other body having rules or objects the same or similar to the Company (and to enter into a Deed or Deeds of Covenant for such purpose) provided that:
- either
- (i) the Company has effective control over such Registered Social Landlord or Registered Social Landlords or other body; or
  - (ii) if the rules or objects are not the same any sum so paid is held or applied by such Registered Social Landlord or Registered Social Landlords or other body on trusts prescribed by the Company.
- (d) In the furtherance of the said objects the Company shall at all times take into consideration the principles of equality of opportunity irrespective of age, gender, race, colour, nationality, ethnic origin, religion, sexual orientation or disability.
- (e) Until [1 April 2004] the objects of the Company shall be restricted exclusively to the benefit of the community of Speke and Garston. After [1 April 2004] the objects of the Company shall be directed primarily to the benefit of such Community.
4. In furtherance of the said objects but not further or otherwise the Company shall have power:-
- (i) Subject to Clause 5 hereof to employ and pay such employees, consultants, managers, agents, advisers or others as are necessary for the furtherance of the objects of the Company.

- (ii) To recruit and assist in the recruitment of voluntary workers for the promotion of the objects of the Company.
- (iii) To make all reasonable and necessary provision for the payment of pensions and superannuation to or on behalf of employees and their surviving partners and others.
- (iv) To insure and arrange insurance cover for and to indemnify its members, servants and voluntary workers from and against all such risks incurred in the proper performance of their duties as it shall consider appropriate and to pay any premium in relation to indemnity insurance in respect of liabilities of its Board Members or any of them which would otherwise attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty in respect of the Company **PROVIDED THAT** such insurance shall not extend to any liability in respect of an act or omission which such Board Member or Board Members knew or ought reasonably to have known was a breach of duty or trust or which was committed by such Board Member or Board Members recklessly without due regard as to whether such act or omission might be a breach of duty or trust.
- (v) For the furtherance of the objects of the Company but not otherwise to manage, maintain, purchase, take on lease or licence, exchange or otherwise acquire, sell, deal in, take and grant options on or hold as an investment any land or buildings or erections wherever situate or rights and interests therein and to demolish, construct, maintain, improve, alter and furnish the same or to procure such demolition, construction, improvement, alterations, maintenance or furnishing by any person to include but not be limited to any company or body corporate and local or national or other authority and to purchase, take on lease or licence, exchange, hire or otherwise acquire, sell or deal in any personal property and maintain and alter the same.
- (vi) To make regulations for the management of any property from time to time held by the Company **PROVIDED THAT** such regulations shall not be inconsistent with the Memorandum and Articles of Association of the Company.
- (vii) To invest any monies of the Company not immediately required for the furtherance of its objects in any investment from time to time authorised by law for the investment of trust funds such investments to include but not be limited to stocks or shares or debentures of any body corporate and to hold sell or otherwise deal with any investments made subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law.
- (viii) Subject to such consents as may be required by law and compliance with all formal guidance issued by the Company's regulators (if any) to purchase or otherwise acquire or to encourage or promote any in any way support or aid the establishment and development of any subsidiary company established for the purposes of carrying on any trade or business which is a proper trade and business either for the purpose of raising funds for the Company or for the furtherance of the objects of

the Company, and to subscribe to, purchase, or acquire in any other way, any chose in action (including but without prejudice to the generality of the foregoing any stock, share, security, unit, debenture or debenture stock in each case whether preferred, deferred or secured or unsecured) and to guarantee, indemnify and secure by mortgaging or charging all or any part of its assets the obligations and liabilities and to make available financial assistance or accommodation in any other way to any such subsidiary company and to acquire all or any part of the capital of any company limited by shares carrying on any trade or business including without limitation farming, agricultural, forestry, property development, property and/or estate management, health care, education and training, leisure and recreational companies.

- (ix) Subject to such consents as may be required by law to borrow and raise money in such manner as the Company shall think fit and to secure the repayment of any money borrowed raised or owing by mortgage charge lien or other security upon the whole or any part of the Company's property or assets (whether present or future) and also by a similar mortgage charge lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.
- (x)(a) the Company shall have the power to enter into and perform a rate cap transaction, or series of rate cap transactions, where the Board (or a duly authorised committee established under the Articles) considers entry by the Company into such transaction(s) to be in the best interest of the Company, provided that (i) at the time of entry into any such transaction(s) the sum of the Calculation Amount of any rate cap transaction previously entered into and remaining in effect and the Calculation Amount of the proposed rate cap transaction(s) shall not exceed either (x) the aggregate amount of the Company's Variable Rate Borrowings at the Effective Date or (y) having regard at the Effective Date to the Company's obligations to repay Variable Rate Borrowings, the amount of Variable Rate Borrowings which will be outstanding at any time on or prior to the proposed Termination Date and (ii) the counter party to each rate cap transaction is the Floating Rate Payer.
- (b) prior to exercising its power under Clause 4(x)(a) the Company shall obtain and consider proper advice on the question whether the rate cap transaction is satisfactory having regard to:-
  - (i) the possible fluctuations in the rate of interest payable by the Company under its Variable Rate Borrowings during the term of the rate cap transaction(s);
  - (ii) the Company's ability to meet its payment obligations under the Variable Rate Borrowings during the Term of the rate cap transaction(s) if that transaction was not entered into;
  - (iii) the payment obligations under the rate cap transaction(s); and

- (iv) the Company's actual and projected annual income and expenditure position.
- (c) for the purpose of Clause 4(x)(b) proper advice is the advice of a person who is reasonably believed by the Board to be qualified by his ability in and practical experience of financial matters and rate cap transactions, such advice may be given by a person notwithstanding that he gives it in the course of his employment as an executive officer.
- (d) a person entering into a rate cap transaction as Floating Rate Payer with the Company who has received a written certificate signed by the Secretary confirming the Company's compliance with Clauses 4(x)(b) and (c) shall not be concerned to enquire further whether or not the Company has complied with provisions of Clauses 4(x)(b) and (c) and such rate cap transaction shall be valid at the date it is entered into and throughout its term in favour of such person (or any assignee or successor in title) whether or not the provisions of Clauses 4(x)(b) and (c) have been complied with.

For the purposes of this Clause 4(x):-

"Calculation Amount" "Effective Date" "Floating Rate Payer" "Term" and "Termination Date" have the respective meanings given in the 1991 ISDA Definitions as amended from time to time;

"Variable Rate Borrowing" means any borrowing by the Company pursuant to Clause 4(ix) in respect of which the rate of interest has not been fixed for a term in excess of twelve months and the term "fixed" shall exclude any borrowing where the rate of interest is indexed in accordance with a retail prices index or other published index;

"Rate Cap Transaction" means a cap transaction within the meaning of "swap transaction" as defined in the 1991 ISDA Definitions as amended from time to time.

- (xi) Receive any money on deposit or loan upon such terms as the Company may approve and to guarantee the obligations and contracts of any person or corporation.
- (xii) To cooperate with and enter into any contracts or arrangements with any persons or bodies including without prejudice to the above any company or body corporate or any national or local or other authority.
- (xiii) Subject to such consents as may be required by law and compliance with all relevant formal guidance issued by the Company's regulators (if any) to subscribe to become a member of or amalgamate or co-operate with any other organisation institution society or body not formed or established for purposes of profit (whether incorporated or not and whether in Great Britain or Northern Ireland or elsewhere)

whose objects are wholly or in part similar to those of the Company and which by its constitution prohibits the distribution of its income and property amongst its members to an extent at least as great as is imposed on the Company under or by virtue of Clause 5 hereof and to purchase or otherwise acquire and undertake all such parts of the property assets liabilities and engagements as may lawfully be acquired or undertaken by the Company of any such organisation institution society or body.

- (xiv) To accept grants, subscriptions, donations, demises and bequests from any persons and to take and accept any gift of money property or other assets whether subject to any special trusts or not for any or more of the objects of the Company and (subject to any such special trusts) deal with such property and assets in accordance with this Clause 4.
- (xv) To issue appeals hold public meetings and take such other steps as may be required for the purpose of procuring contributions to the funds of the Company in the shape of donations subscriptions or otherwise.
- (xvi) Subject to such consents as may be required by law sell, let, license, mortgage, charge, dispose of or turn to account all or any of the property or assets of the Company.
- (xvii) To accept draw make discount and endorse execute negotiate and issue bills of exchange promissory notes and other negotiable or transferable instruments and to operate bank accounts.
- (xviii) To undertake and execute or manage any trusts which may lawfully be undertaken, executed or managed by the Company.
- (xix) To make donations, grants and loans to such persons and organisations and on such terms as the Company shall think fit to further the objects of the Company.
- (xx) To collect and provide or procure the collection and provision of information counselling advice and guidance in furtherance of the said objects or any of them.
- (xxi) To promote encourage or undertake any form of research relevant to the objects of the Company and to publish and disseminate the useful results of such research.
- (xxii) To hold or arrange exhibitions meetings lectures classes seminars and training courses either alone or with other organisations and whether public or private.
- (xxiii) To publish books pamphlets reports leaflets journals films tapes and other publications relating to the work of the Company.
- (xxiv) To do all or any of the things hereinbefore authorised either alone or in conjunction with any other organisation institution society or body with which this Company is authorised to amalgamate.



- (xxv) To pay out of funds of the Company the costs charges and expenses of and incidental to the formation and registration of the Company.
- (xxvi) To establish where necessary local committees.
- (xxvii) To do all such other lawful things as are necessary for the attainment of the above objects or any of them.

**PROVIDED THAT:-**

- (a) In case the Company shall take or hold any property which may be subject to any trusts, the Company shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.
  - (b) The objects of the Company shall not extend to the regulation of relations between workers and employers or organisations of workers and organisation of employers.
5. The income and property of the Company shall be applied solely towards the promotion of its objects as set forth in the Memorandum of Association and no portion thereof shall be paid or transferred, directly or indirectly, save as provided below by way of dividend, bonus or otherwise howsoever by way of profit, to Members and no Board Member (other than a co-opted Board Member) shall be appointed to any office of the Company paid by salary or fees or receive any remuneration or other benefit or money or money's worth from the Company.

**PROVIDED THAT** nothing herein shall prevent any payment in good faith by the Company:-

- (i) Of reasonable and proper remuneration (including pensions, contributory pension payments, payment of premiums to pension policies and terminal grants and gratuities) to any officer or employee of the Company (not being a Member or Board Member other than a co-opted Board Member) in return for any services rendered to the Company.
- (ii) Of reasonable and proper remuneration to the Local Authority Member or employees thereof (not being a Board Member) in return for any services rendered to the Company.
- (iii) Of reasonable and proper rent for premises demised or let by the Local Authority Member.
- (iv) Of fees, remuneration or other benefit in money or money's worth to a company of which a Board Member may be a member holding not more than 1/1000th part of the capital of the company and
- (v) To any Board Member of reasonable out-of pocket expenses.

- (vi) Of reasonable and proper interest on money lent by any body corporate notwithstanding that such body corporate shall be a Member or Board Member.

**PROVIDED FURTHER THAT** nothing shall prevent a disposal by the Company of a property whether by way of sale, lease, tenancy, licence or otherwise to any person in good faith and in pursuance of the objects of the Company notwithstanding the fact that such person may be a Member and/or Board Member and further nothing shall prevent the Company from managing a property in accordance with its objects notwithstanding the fact that the tenant, lessee or licensee of such property may be a Member or Board Member **SUBJECT TO** the proviso that any Board Member who is a beneficiary of the Company shall not be entitled to speak in any debate or cast his/her vote in respect of any matter relating solely to the property of which he/she is lessee, tenant or licensee and shall absent himself/herself from such proceedings but such Board Member shall be entitled to speak and vote in respect of matters which relate not only to such property but also to other properties owned or managed by the Company.

6. The liability of the Members is limited.
7. Every Member undertakes to contribute to the assets of the Company, in the event of the same being wound up while he/she is a Member, or within one year after he/she ceases to be a Member, for payment of the debts and liabilities of the Company contracted before he/she ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound.
8. If, upon the winding up or dissolution of the Company, there remains, after the satisfaction of all its debts and liabilities any property whatsoever, the same shall not be paid to or distributed amongst the Members, but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Company, and which shall prohibit the distribution of its or their income and property to an extent at least as great as is imposed on the Company under or by virtue of Clause 5 hereof. The decision as to which such institution or institutions is to be determined by the Members at or before the time of dissolution, and in so far as effect cannot be given to such provision, then to some other similar object **PROVIDED THAT** if the Company is registered under Part 1 of the Housing Act 1996 such disposal shall be governed by paragraph 15 of Schedule 1 to the Housing Act 1996 (as reenacted or amended from time to time).

**WE** the several persons whose names and addresses are subscribed, are desirous of being formed into a company in pursuance of this Memorandum of Association.

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**NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS**

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**DATED** this                      day of                      1998

**WITNESS** to the above signatures:

**THE COMPANIES ACT 1985**  
**COMPANY LIMITED BY GUARANTEE**  
**AND NOT HAVING A SHARE CAPITAL**

**ARTICLES OF ASSOCIATION**  
**OF**  
**SOUTH LIVERPOOL HOUSING LIMITED**

**DEFINITIONS AND INTERPRETATION**

1. In the Articles unless the context otherwise requires:

|                                |  |
|--------------------------------|--|
| "the Act"                      | means the Companies Act 1985 (as amended by the Companies Act 1989) and any statutory modification or re-enactment thereof for the time being in force.                                      |
| "the Articles"                 | means these Articles of Association as originally adopted or as altered from time to time.   |
| "Board Members"                | means the directors for the time being of the Company and shall (save where expressly excluded) include co-optees to the Board pursuant to Article 34(8).                                    |
| "clear days"                   | in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect. |
| "executed"                     | includes any mode of execution.  |
| "Local Authority Board Member" | means a Board Member appointed by the Local Authority Member pursuant to Article 33(1).  |
| "Local Authority Member"       | means Liverpool City Council or any successor body thereto;  |
| "Local Authority Person"       | means any person:<br><br>(i) who is or has been a member of a Relevant Local Authority in the preceding four years; or   |

(ii) who is an officer of a Relevant Local Authority (apart from a non-managerial or non-housing employee) ; or

(iii) who is or has been both an employee and either a director, manager, secretary or other similar officer of a company which is under the control of a Relevant Local Authority in the preceding four years; or

(iv) and in the case of Board Members (but for the avoidance of doubt not Members) who is a spouse, cohabiting partner, parent, child, brother or sister of a person falling within category (i), (ii) or (iii) above.

"Member" means any person, firm, company or other organisation who is admitted to membership of the Company in accordance with the provisions of these Articles.

"office" means the registered office of the Company.

"Independent Board Member" means a Board Member who is not a Local Authority Board Member or a Tenant Board Member.

"Ordinary Member" means any Member designated as such pursuant to Article 3(3).

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

"the seal" means the common seal of the Company.

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

"Tenant" means an individual who holds a lease of a flat or an assured tenancy from and occupies a residential property belonging to the Company.

"Tenant Board Member" means a Board Member appointed by the Tenant Members pursuant to Article 34(3).

"Tenant Member" means a Member who is at the time of admission to membership a Tenant and is designated as such in accordance with Article 3(3).

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

2. (1) Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the Company.
- (2) In these Articles words importing individuals shall, unless the context otherwise require, include corporations and words importing the singular number shall include the plural, and vice versa.

### **ADMISSION OF MEMBERS**

3. (1) The subscribers to the Memorandum of Association of the Company and such other persons as are admitted to membership in accordance with these Articles shall be Members of the Company. No person shall be admitted as a Member of the Company unless he/she is approved by the Board Members. The Board Members are entitled at their absolute discretion to grant or refuse any application for membership. Every person who wishes to become a Member shall deliver to the Company an application for membership, in such form as the Board Members require, executed by him/her.
  - (2) Notwithstanding anything herein contained, the Board Members may not admit any Local Authority Person (other than the Local Authority Member) to membership of the Company.
  - (3) Every Member (other than the Local Authority Member) shall, on admittance, be designated by the Board Members as a Tenant Member or an Ordinary Member as required by Article 1 and such status shall be stated in the register of Members. The decision of the Board Members as to the designation of the Members shall be final and binding.
4. Any partnership or other unincorporated association may nominate one of its partners members or officials to act as its representative, apply in its name for membership and sign the application as its representative and exercise the rights of membership on its behalf. The partnership or other unincorporated association shall deposit with the Board Members the nomination of such applicant and shall give all information that may be reasonably required by the Board Members regarding such applicant.
  5. A partnership or other unincorporated association which has nominated a representative in accordance with Article 4 or this Article may from time to time revoke the nomination of such partner member or official and, subject to the consent of the Board Members (such consent not be unreasonably withheld), nominate another representative in his place. Upon receipt by the Board Members of any such revocation such person shall ipso facto cease to be or act as or be entitled to be or recognised as a representative of such partnership or association, and any person nominated in his place shall, if duly approved by the Board Members, be and become the representative of such partnership or association in the place of the representative whose nomination has been so revoked.

6. All nominations and revocations mentioned in Articles 4 and 5 shall be in writing signed in the case of a partnership by any one of its partners or other authorised representative and in the case of an unincorporated association by its secretary or other authorised representative. Each such partnership or association shall at the date of each nomination, if requested, give to the Board Members in writing full particulars of the nature of the partnership or association and its places of business, and of the name and private address of each partner or member thereof and all such further particulars as the Board Members shall require, and thereafter shall give such particulars when and as often as may be required by the Board Members.
7. A corporation being a Member shall be invited to nominate a person to act as its representative in the manner provided in Section 375 of the Act. Such representative shall have the right on behalf of the corporation (and to the extent only to which the corporation would if a person be entitled to do so) to attend meetings of the Company and vote thereat, and generally exercise all rights of membership on behalf of the corporation. A corporation may from time to time revoke the nomination of such representative, and nominate another representative in his place. All such nominations and revocations shall be in writing.

#### **CESSATION OF MEMBERSHIP**

8. Any Member may resign from the Company by giving three (3) months' notice in writing duly signed to the Secretary and thereupon such Member shall be deemed to have ceased to be a Member from the date of the expiration of such notice.
9. Any Member may be removed from the Company, on the ground of failure to observe any of the Rules or Byelaws of the Company or on any other ground, by a resolution of the Company passed by a majority of at least three-quarters of the votes cast at a General Meeting of which not less than twenty-eight clear days' notice specifying the intention to propose such resolution shall have been sent to the Member whose removal is proposed and to all the other Members of the Company. Notice of the general nature of the grounds on which such resolution is proposed shall be sent to the Member whose removal is proposed at least twenty-eight clear days before the meeting, and he or its representative for this purpose shall be entitled to be heard by the meeting.
10. (1) The rights of any Member shall be personal and shall not be transferable and shall automatically cease if the Member, being a corporation, passes a resolution for winding-up (otherwise than for the purpose of a solvent amalgamation or reconstruction where the resulting entity assumes all of the obligations of the Member) or a court makes an order to that effect, or being a partnership is dissolved, or being an individual commits any act of bankruptcy, becomes incapable by reason of mental disorder or dies, or if the Member (whether a corporation or not) ceases to carry on its business or substantially the whole of its business, or becomes or is declared insolvent or commits any act of bankruptcy or convenes a meeting of or makes or proposes to make any arrangement or composition with its creditors or if a liquidator, receiver, administration, trustee, manager or similar officer is appointed in relation to any of the assets of the Member or any analogous step is taken in connection with the Member's insolvency, bankruptcy or dissolution.

- (2) A Member shall automatically cease to be a Member if they become a Local Authority Person.
- (3) A Tenant Member shall automatically cease to be a Member if they cease to be a Tenant PROVIDED THAT this Article 10(3) shall not apply in respect of a Tenant Member temporarily ceasing to be a Tenant as a result of the demolition of or works carried out to that Tenant Member's home.
- (4) An Ordinary Member shall automatically cease to be a Member if they become a Tenant.
- (5) A Member shall automatically cease to be a Member if they do not participate in any general meeting of the association from one annual general meeting to the next inclusive nor deliver written apologies in advance.
- (6) The cessations referred to in Articles 10(1) to (4) above shall take place forthwith upon the occurrence of the events set out in such Articles and without the need of notice being given to the Member concerned.

#### **GENERAL MEETINGS AND RESOLUTIONS**

- 11. All general meetings other than annual general meetings shall be called extraordinary general meetings.
- 12. The Board Members may call general meetings and, on the requisition of Members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient Board Members to call a general meeting, any Board Member or any Member may call a general meeting.
- 13.
  - (1) An Annual General Meeting and an Extraordinary General Meeting called for the passing of a special resolution or a resolution appointing a person as a Board Member shall be called by at least twenty-one clear days' notice. All other Extraordinary General Meetings shall be called by at least fourteen clear days' notice but a General Meeting may be called by shorter notice if it is so agreed:
    - (a) in the case of an Annual General Meeting, by all the Members entitled to attend and vote thereat; and
    - (b) in the case of any other General Meeting by a majority in number of the Members having a right to attend and vote being a majority together holding (subject to the provisions of any elective resolution of the Company for the time being in force) not less than ninety-five per cent of the total voting rights at the Meeting of all Members.
  - (2) The notice shall specify the time and place of the Meeting and, in the case of an Annual General Meeting, shall specify the Meeting as such.



- (3) The Notice shall be given to all the Members and to the Board Members and Auditors.
  - (4) Any Member entitled to attend at a General Meeting shall be entitled to appoint another person (whether a Member or not) as his proxy to attend instead of him and any proxy so appointed shall have the same right as the Member to speak at the Meeting.
14. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
15. (1) No business shall be transacted at any general meeting unless a quorum is present at the time where the meeting proceeds to business. Five Members present in person or by proxy shall be a quorum **PROVIDED THAT** this includes at least the Local Authority Member, one Ordinary Member and one Tenant Member.
- (2) If a quorum is not present within half an hour from the time appointed for a General Meeting the General Meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Board Members may determine.
- (3) If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting then the meeting shall stand adjourned and the provisions of Article 15 (2) shall apply as if the same were repeated herein in extenso save that if at such further adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting then notwithstanding Article 15(1) the Members present shall constitute a quorum.
16. The Chair, if any, of the Board or in his absence some other Board Member nominated by the Board Members shall preside as Chair of the meeting, but if neither the Chair nor such other Board Member (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Board Members present shall elect one of their number to be Chair and, if there is only one Board Member present and willing to act, he shall be Chair.
17. If no Board Member is willing to act as Chair, or if no Board Member is present within fifteen minutes after the time appointed for holding the meeting the Members present and entitled to vote shall choose one of their number to be Chair.
18. A Board Member shall, notwithstanding that he is not a Member, be entitled to attend and speak at any general meeting or meeting of a class or type of Member.
19. (1) The Chair may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or

more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

(2) The Chair may also, without the consent of the meeting, adjourn the meeting (whether or not it has commenced or is quorate) either indefinitely or to such other time and place as he or the Board Members decide if it appears to him that:-

- (a) The number of persons wishing to attend cannot be conveniently accommodated in the place appointed for the meeting; or
- (b) the unruly conduct of persons attending the meeting prevents or is likely to prevent the orderly holding or continuance of the meeting; or
- (c) an adjournment is otherwise necessary for the business of the meeting to be properly conducted; or
- (d) a proposal of such importance is made that the consideration of a larger number of members is desirable.

(3) When a meeting is adjourned indefinitely, the time and place for the adjourned meeting shall be fixed by the Board Members. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of the original meeting. Except where these Articles otherwise require, it shall not be necessary to give notice of an adjournment or of the business to be transacted at the adjourned meeting.

(4) If the Chair considers that the meeting place specified in the notice convening the meeting is inadequate to accommodate all those entitled and wishing to attend, the meeting shall nevertheless be duly constituted and its proceedings valid provided that the Chair is satisfied that adequate facilities are available to ensure that members who cannot be accommodated are able to participate in the business of the meeting and to see and hear all persons present who speak (whether by the use of microphones, loud-speakers, audio visual communications equipment or otherwise), whether in the meeting place or elsewhere, and to be seen and heard by all other persons in the same manner.

### **VOTES OF MEMBERS**

20. (1) A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:-

- (a) by the Chair; or
- (b) by at least two Members having the right to vote at the meeting; or
- (c) by the Local Authority Member.

and a demand by a person as proxy for a Member shall be the same as a demand by a Member.

- (2) On a show of hands, every Member present in person (or represented in accordance with Article 7) shall have one vote.
  - (3) On a poll the Members present in person or by proxy shall be entitled to vote in accordance with the following percentages of the total votes cast:
    - (a) The Local Authority Member: 33⅓%.
    - (b) The Ordinary Members: 33⅓% apportioned equally between them.
    - (c) The Tenant Members: 33⅓% to be cast as a single vote in accordance with the votes of the majority of the Tenant Members voting in such poll.
  - (4) In the case of an equality of votes, whether on a show of hands or on a poll, the Chair shall not be entitled to a casting vote in addition to any other vote he may have.
21. Unless a poll is duly demanded a declaration by the Chair that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
  22. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the Chair and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
  23. A poll shall be taken as the Chair directs and he/she may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
  24. A poll demanded on the election of a Chair or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the Chair directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
  25. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

26. A resolution in writing executed by or on behalf of each Member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more Members.
27. 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 tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the Chair whose decision shall be final and conclusive.
28. An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Board Members may approve):-

"  
**Limited**  
**I/We,**  
,  
being a Member/Members of the above-named company, hereby appoint  
of  
, or failing him/her,  
of , as my/our proxy to vote in my/our name[s] and on  
my/our behalf at the annual/extraordinary general meeting of the Company to be held on  
19 , and at any adjournment thereof. Signed on 19 ."

29. Where it is desired to afford Members an opportunity of instructing the proxy how he/she shall act the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Board Members may approve):-

"  
**Limited**  
**I/We,**  
being a Member/Members of the above-named company, hereby appoint  
of  
, or failing him/her,  
of , as my/our proxy to vote in my/our name[s] and on  
my/our behalf at the annual/extraordinary general meeting of the Company to be held on  
19 , and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No. 1 \*for \*against  
Resolution No. 2 \*for \*against

\*Strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he/she thinks fit or abstain from voting.

Signed this            day of            19 ,"

30. This instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Board Members may:-

- (a) be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- (c) where the poll is not taken forthwith but is taken 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 Board Member;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

31. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

#### **NUMBER OF BOARD MEMBERS**

32. (1) Unless otherwise determined by Special Resolution, the number of Board Members (other than co-optees appointed pursuant to Article 34(8)) shall be fifteen **PROVIDED THAT** in the event that the number of Board Members shall consist of fewer than the number determined in accordance with this Article the remaining Board Members shall use reasonable endeavours to appoint further Board Members in compliance with this Article and may act notwithstanding this Article **PROVIDED FURTHER THAT** after a period of six months from the date on which the vacancy leading to breach of this Article arose the remaining Board Members may act only to fill the vacancy in such a manner that once the vacancy is filled this Article shall then be complied with.
- (2) Notwithstanding the provisions of Article 33 at no time shall the number of Board Members (for the purpose of this Article 32(2) the term "Board Member" excludes co-optees pursuant to Article 34(8)) who are Local Authority Persons exceed 33⅓ per cent of the total number of Board Members. If at any time the number of Board Members who are Local Authority Persons exceed 33⅓ per cent of the total

number of Board Members then the remaining Board Members shall have the power to remove from office such of those Board Members who are Local Authority Persons as the remaining Board Members may decide so as to ensure that the number of Board Members who are Local Authority Persons does not at any time exceed 49 per cent of the total number of Board Members.

- (3) Notwithstanding the provisions of Article 33 at no time shall the number of Board Members who are Tenants exceed 49 per cent of the total numbers of Board Members. If at any time the number of Board Members who are Tenants exceeds 49 per cent of the total number of Board Members then the remaining Board Members shall have the power to remove from office such of those Board Members who are Tenants as the remaining Board Members may decide so as to ensure that the number of Board Members who are Tenants does not at any time exceed 49 per cent of the total number of Board Members.
- (4) Notwithstanding the provisions of Article 33 at no time shall the aggregate number of Board Members (for the purpose of this Article 32(4) the term "Board Member" excludes co-optees pursuant to Article 34(8)) who are Local Authority Persons and Tenants exceed  $66\frac{2}{3}$  per cent of the total number of Board Members. If at any time the aggregate number of Board Members who are Local Authority Persons and Tenants exceeds  $66\frac{2}{3}$  per cent of the total number of Board Members then the remaining Board Members shall have the power to remove from office such of those Board Members who are Local Authority Persons or Tenants as the remaining Board Members may decide so as to ensure that the aggregate number of Board Members who are Local Authority Persons and Tenants does not at any time exceed  $66\frac{2}{3}$  per cent of the total number of Board Members.
- (5) The First Board Members shall be those persons named in the statement delivered pursuant to Section 10(2) of the Act who shall be deemed to have been appointed under the Articles. Future Board Members shall be appointed as provided subsequently in the Articles.

#### **APPOINTMENT OF BOARD MEMBERS BY RELEVANT MEMBERS**

- 33. (1) Subject to Article 32 the Local Authority Member shall have the power from time to time and at any time to appoint five persons as Local Authority Board Members and to remove from office any such Board Member:
- (2) Appointment or removal pursuant to Article 33(1) shall be effected by an instrument in writing signed by the Local Authority Member and shall take effect upon lodgment at the registered office of the Company or such date later than such lodgment as may be specified in the instrument.
- (3) Subject to Articles 32 and 34 the Tenants shall have the power to elect five persons as Tenant Board Members.

## **APPOINTMENT AND RETIREMENT OF BOARD MEMBERS**

34. (1) At the first annual general meeting of the Company all the Independent Board Members shall retire from office. At every subsequent annual general meeting one third or the nearest number thereto of the Independent Board Members shall retire from office. The Independent Board Members to retire at any such subsequent annual general meeting shall be those who have been longest in office since they last became Independent Board Members but as between persons who became Board Members on the same day those to retire shall be chosen by lot.
- (2) At the first annual general meeting of the Company and at every annual general meeting thereafter all the Local Authority Board Members shall retire from office.
- (3) At the first annual general meeting of the Company all the Tenant Board Members shall retire from office. At every subsequent annual general meeting one third or the nearest number thereto of the Tenant Board Members shall retire from office. The Tenant Board Members to retire at any such subsequent annual general meeting shall be those who have been longest in office since they last became Tenant Board Members, but as between persons who became Board Members on the same day those to retire shall be chosen by lot. Prior to the first and thereafter every annual general meeting, elections shall be held among the Tenants for the number of Tenant Board Members to be appointed thereat. The mode and manner of such elections shall be as the Board may from time to time agree.
- (4) The Company Secretary shall announce the results of the Tenants elections referred to in Article 34(3) at each relevant annual general meeting and the Tenants so elected shall be duly appointed as Tenant Board Members.
- (5) If the Company, at the meeting at which a Board Member retires in accordance with Article 34(1), does not fill the vacancy the retiring Board Member shall, if willing to act, be deemed to have been reappointed unless a resolution for the reappointment of the Board Member is put to the meeting and lost.
- (6) Subject to Articles 32, 33(1) and (2), 35 and 36, the Company may by Ordinary Resolution in General Meeting appoint any person (other than a Local Authority Person) who is willing to act to be a Board Member to fill a vacancy or as an extra Board Member provided that the appointment does not cause the number of Board Members to exceed the maximum number of Board Members.
- (7) Subject to Article 32 the Board Members may appoint a person (other than a Local Authority Person) who is willing to act to be a Board Member, either to fill a vacancy or as an additional Board Member PROVIDED THAT the Board Members may only fill vacancies occurring among Local Authority Board Members where the Local Authority Member shall have failed within one month of a written request by the Company to make the appropriate appointments pursuant to Article 33(1). A Board Member so appointed shall hold office only until the next

following annual general meeting. If not reappointed at such annual general meeting he shall vacate office at the conclusion thereof.

- (8) The Board Members may from time to time co-opt up to a maximum of three of the Company's executive officers to the Board and may at any time revoke such co-option.
35. No person other than an Independent Board Member retiring by rotation or a person elected pursuant to Article 34(3) shall be appointed or reappointed a Board Member at any general meeting unless

he/she is recommended by the Board.

36. Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a Board Member retiring by rotation at the meeting) who is recommended by the Board for appointment or reappointment as a Board Member at the meeting. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the Company's register of Board Members.

#### **DISQUALIFICATION AND REMOVAL OF BOARD MEMBERS**

37. The office of a Board Member shall be vacated if:-

- (a) he/she ceases to be a Board Member by virtue of any provision of the Act or he/she becomes prohibited by law from being a Board Member; or
- (b) he/she becomes bankrupt or makes any arrangement or composition with his/her creditors generally; or
- (c) he/she is, or may be, suffering from mental disorder and either:-
  - (i) he/she is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
  - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his/her detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his/her property or affairs; or



- (d) he/she resigns his/her office by notice to the Company; or
- (e) he/she shall for more than six consecutive months have been absent without permission of the Board Members from meetings of Board Members held during that period and the Board Members resolve that his/her office be vacated; or
- (f) he/she is called upon in writing by at least three quarters of all the other Board Members from time to time to resign office; or
- (g) in the case of a Board Member who is a Member or representative of a Member he/she ceases to be a Member of the Company or the representative of a Member (as the case may be) or if the Member whom the Board Member represents ceases to be a Member; or
- (h) in the case of a Board Member who is a Tenant he/she ceases to be a Tenant of the Company PROVIDED THAT this Article 37(h) shall not apply in respect of a Tenant Board Member temporarily ceasing to be a Tenant as a result of the demolition of or works carried out to that Tenant Board Member's home; or
- (i) in any period of 12 months, he/she shall have been absent (without the permission of the Board Members) from at least 60% of the meetings of Board Members held during that period and the Board Members resolve that his office be vacated;
- (j) he/she is a co-optee pursuant to Article 34(8) and his co-option is revoked by the other Board Members

### **POWERS OF BOARD MEMBERS**

- 38. Subject to the provisions of the Act, the Memorandum and the Articles and to any directions given by special resolution, the business of the Company shall be managed by the Board who may exercise all the powers of the Company. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the Board by the Articles and a meeting of the Board at which a quorum is present may exercise all powers exercisable by the Board.
- 39. The Board may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

### **BORROWING POWERS**

- 40. The Board may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and to grant any mortgage, charge or standard security over its undertaking and property, or any part thereof,

and to issue any debenture, whether outright or as security for any debt, liability or obligation of the Company or of any third party.

#### **DELEGATION OF BOARD MEMBERS' POWERS**

41. The Board may delegate any of their powers to any committee consisting of one or more Board Members together with such other persons as the Board sees fit. They may also delegate to any Board Member holding any executive office such of their powers as they consider desirable to be exercised by him/her. Any such delegation may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of the Board so far as they are capable of applying.

#### **ALTERNATE BOARD MEMBERS**

42. No Board Member shall be entitled to appoint any person as an alternate Board Member.

#### **BOARD MEMBERS' EXPENSES**

43. The Board Members may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of the Board or committees of the Board or general meetings or separate meetings of classes or types of Member or of the holders of debentures of the Company or otherwise in connection with the discharge of their duties.

#### **BOARD MEMBERS' APPOINTMENTS AND INTERESTS**

44. Subject to the provisions of the Act to compliance with Schedule 1 of the Housing Act 1996 and to Clause 5 of the Memorandum, and provided that he/she has disclosed to the Board the nature and extent of any material interest of his/her, a Board Member notwithstanding his office:-
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
  - (b) may be a Board Member or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
  - (c) shall not, by reason of his/her office, be accountable to the Company for any benefit which he/she derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

45. For the purposes of Article 44:-

- (a) a general notice given to the Board that a Board Member is to be regarded as having an interest of the nature and extend specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Board Member has an interest in any such transaction of the nature and extend so specified; and
- (b) an interest of which a Board Member has no knowledge and of which it is unreasonable to expect him/her to have knowledge shall not be treated as an interest of his/her.

46. The Board may exercise the powers of the Company conferred by Clause 5 of the Memorandum of Association and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

#### **PROCEEDINGS OF BOARD MEETINGS**

47. (1) The Board may regulate their proceedings as they think fit and the quorum for the transaction of the business of the Board at the time when the meeting proceeds to business shall be six comprising no fewer than two Tenant Board Members, two Independent Board Members and two Local Authority Board Members. 33⅓ per cent of the total number of Board Members (or such whole number of Board Members nearest to but not exceeding 33⅓ per cent) may call a meeting of the Board Members provided that a meeting of the Board shall be held at least once in every three month period and for that purpose only may be called by any Board Member or the Secretary at the request of a Board Member. It shall not be necessary to give notice of a meeting to a Board Member who is absent from the United Kingdom.
- (2) If a quorum is not present within half an hour from the time appointed for a Board Meeting the Board Meeting shall if requested by a majority of those Board Members present, be adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Board Members present may determine.
- (3) If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting then notwithstanding Article 47(1) the Board Members present shall constitute a quorum.
- (4) Questions arising at a meeting shall be decided by a majority of votes and each Board Member present in person shall be entitled to one vote. In the case of an equality of votes, the Chair shall not have a second or casting vote.
48. A Board Member may not vote, at any meeting of the Board Members or of any committee of the Board on any resolution that it in any way concerns or relates to a matter in which

he/she has, directly or indirectly, any kind of interest whatsoever, unless permitted by Article 44 or Clause 5 of the Memorandum and if he/she shall vote on any such resolution as aforesaid his/her vote shall be counted; and in relation to any such resolution as aforesaid he/she shall (whether or not he/she shall vote on the same) be taken into account in calculating the quorum present at the meeting.

49. (1) At the first Board meeting following each annual general meeting the Board Members shall appoint one of their number to be the Chair of the Board to hold office until the next annual general meeting and may at any time remove him/her from that office
  - (2) No Board Member may serve as Chair of the Board for more than five years in aggregate in any seven year period.
  - (3) Unless he/she is unwilling to do so, the Board Member so appointed shall preside at every meeting of Board Members at which he/she is present. But if there is no Board Member holding that office, or if the Board Member holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the Board Members present may appoint one of their number to be Chair of the meeting.
50. All acts done by a meeting of the Board, or of a committee of the Board or by a person acting as a Board Member shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Board Member or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Board Member and had been entitled to vote.
51. A resolution in writing signed by all the Board Members entitled to receive notice of a meeting of the Board or of a committee of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board or (as the case may be) a committee of the Board duly convened and held and may consist of several documents in the like form each signed by one or more Board Members.
52. If a question arises at a meeting of the Board Members or of a committee of the Board as to the right of a Board Member to vote, the question may, before the conclusion of the meeting, be referred to the Chair of the meeting and his ruling in relation to any Board Member other than himself/herself shall be final and conclusive.

#### **SECRETARY**

53. Subject to the provisions of the Act, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them.

## **MINUTES**

54. The Board Members shall cause minutes to be made in books kept for the purpose:-
- (a) of all appointments of officers made by the Board Members; and
  - (b) of all proceedings at meetings of the Company and of the Board Members, and of committees of Board Members and of any class or type of Member, including the names of the Board Members present at each such meeting.

## **THE SEAL**

55. (1) If the Company has a seal it shall only be used with the authority of the Board or of a committee of the Board. The Board may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Board Member and by the Secretary or second Board Member.
- (2) The Company may exercise the powers conferred by Section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Board Members.

## **NOTICES**

56. Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the Board Members need not be in writing.
57. The Company may give any notice to a Member either personally or by sending it by post in a prepaid envelope addressed to the Member at his registered address or by leaving it at that address. A Member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him/her shall be entitled to have notices given to him/her at that address, but otherwise no such Member shall be entitled to receive any notice from the Company.
58. A Member present, either in person or by proxy, at any meeting of the Company or any class or type of Member shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
59. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.

## **INDEMNITY**

60. (1) Every Board Member or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto, including any liability incurred by him/her in defending any

proceedings, whether civil or criminal, in which judgment is given in his/her favour or in which he/she is acquitted or in connection with any application under Section 727 of the Act in which relief is granted to him/her shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his/her office or in relation thereto **PROVIDED THAT** this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.

- (2) The Company may indemnify the Auditor of the Company out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his/her favour or in which he/she is acquitted or in connection with any application under Section 727 of the Act in which relief is granted to him/her shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his/her office or in relation thereto **PROVIDED THAT** this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.
- (3) The Board Members shall have power to purchase and maintain for any Board Member, officer or Auditor of the Company insurance against any such liability as is referred to in Section 310(1) of the Act.

### **RULES OR BYE LAWS**

61. The Board Members may from time to time make and amend such Rules and Byelaws as they may from time to time deem necessary or expedient or convenient for the proper conduct and management of the Company and for the purposes of prescribing the conditions of membership, **PROVIDED THAT** such rules or byelaws shall be subject to the approval of the Housing Corporation from time to time and in particular but without prejudice to the generality of the foregoing, they shall by such Rules and Bye laws regulate:
  - (1) the admission of Members of the Company, and the rights and privileges of the terms on which Members may resign or have their membership terminated insofar as these are not provided in the Articles;
  - (2) the conduct of Members of the Company in relation to one another, and to the Company's employees;
  - (3) the setting aside of the whole or any part of parts of the Company's premises at any particular time or times or for any particular purpose or purposes;

- (4) the procedure at General Meetings and meetings of the Board Members and Committees of the Company in so far as such procedure is not regulated by these Articles;
- (5) and, generally, all such matters as are commonly the subject matter of Company rules.

The Company in General Meeting shall have power to alter or repeal the Rules and Bye laws and to make additions thereto (**PROVIDED THAT** such rules or byelaws shall be subject to the approval of the Housing Corporation from time to time) and the Board Members shall adopt such means as they deem sufficient to bring to the notice of Members of the Company all such Rules and Bye laws, which so long as they shall be in force, shall be binding on all Members of the Company provided nevertheless, that no Rule or Bye law shall be inconsistent with, or shall affect or repeal anything contained in, the Memorandum or Articles of the Company.

#### **AMENDMENT OF ARTICLES**

- 62. The Local Authority Member, the Ordinary Members and the Tenant Members shall be regarded for the purposes of these Articles as different classes of membership. The rights attached to any class may be varied with the written consent of the holders of a simple majority of the members of that class or with the sanction of an Ordinary Resolution passed at a separate general meeting of the holders of that class. To every such separate general meeting the provisions of these Articles relating to general meetings shall apply except that:-
  - (a) The necessary quorum shall be 2 members of that class whether present in person or by proxy.
  - (b) Each member of the class who is present in person or by proxy at such general meeting shall be entitled to one vote whether on a show of hands or on a poll.
  - (c) Any member of the class in question present in person or by proxy may demand a poll.
- 63. Without prejudice to the generality of the provisions of Article 62 above, the rights conferred by Articles 15 (1), 20 (1), 20 (3), 20 (4), 32 (1), 33, 34, 62 and this Article 63 are hereby declared to be class rights.

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**NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS**

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**DATED** this                      day of                      1998

**WITNESS** to the above signatures:



## SOUTH LIVERPOOL HOUSING LIMITED

### BYELAWS

1. The words and expressions defined in the Articles of Association of South Liverpool Housing Limited shall have the same meaning in these Byelaws as they do in the Articles of Association.
2. The Board Members shall devise and from time to time review a detailed Membership Policy relating to the admission of Members pursuant to Article 3(1) **PROVIDED THAT** it shall be a provision of such Membership Policy that:
  - (i) Each Tenant shall be invited to become a Member of the Company.
  - (ii) Organisations representing the local community to be served by the Company be encouraged to apply for Membership so as to encourage a balance of interests amongst the Ordinary Members including religious groups, charities, advice organisations, residents organisations (other than organisations representing Tenants) and equal opportunities organisations.
  - (iii) The Board Members seek to ensure that there are at least:-
    - (a) Two Tenant Members;
    - (b) Two Ordinary Members; and
    - (c) The Local Authority Member
3. The various powers in the Articles to appoint and remove Board Members shall be exercised subject to the following constraints:
  - (i) The Independent Board Members to be appointed pursuant to Articles 34(5) or (6) may not include any Tenants.
5. In the event of any inconsistency between these Byelaws and the Memorandum and Articles of Association of the Company, the Memorandum and Articles of Association shall prevail.
6. These Byelaws shall be subject to alteration from time to time in accordance with the Articles.