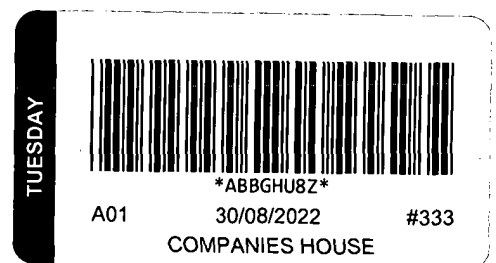


**COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY GUARANTEE**

**ARTICLES OF ASSOCIATION**  
**OF**  
**CHEADLE HULME SCHOOL**



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**CHEADLE HULME SCHOOL**

*(Adopted by special resolution passed on 27 April 2022)*

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**INTRODUCTION**

**1. INTERPRETATION**

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

**Act:** means the Companies Act 2006, as amended from time to time;

**articles:** means the Company's articles of association for the time being in force;

**Business Day:** means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

**Charity Commission:** means the Charity Commission for England and Wales;

**Company:** means Cheadle Hulme School, company number 03823129;

**Conflict:** means a situation in which a Governor has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company;

**Eligible Governor:** means a Governor who would be entitled to vote on any given matter at a meeting of Governors but excluding, in relation to the authorisation of a Conflict pursuant to article 27, any Governor whose vote is not to be counted in respect of that matter;

**General meeting:** means meetings of the Board, the Annual General Meeting (AGM) of the Board and termly full-Board business meetings, either in person or remotely or a mixture of both.

**Governor:** means a governor appointed in accordance with these articles, and each governor so appointed shall fulfil the role of director of the Company; and

**Member:** means a member of the Company.

**1.2** Save as otherwise specifically provided in these articles, words and expressions which have particular meanings in the Act shall have the same meanings in these articles.

**1.3** Headings in these articles are used for convenience only and shall not affect the construction or interpretation of these articles.

**1.4** A reference in these articles to an "article" is a reference to the relevant article of these articles unless expressly provided otherwise.

**1.5** Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:

- (a) any subordinate legislation from time to time made under it; and
  - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 The model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) shall not apply to the Company.

## **OBJECTS AND POWERS**

### **2. OBJECTS**

The object for which the Company is established is to carry on in Great Britain, and/or pursuant with Company's objectives overseas, a school or schools at which infants, children and students may obtain education and instruction in academic, sporting, musical, cultural, scientific, technical, religious, vocational, social and commercial subjects, activities and crafts of every description.

### **3. POWERS**

- 3.1 In pursuance of the object set out in article 2, the Company shall have the following powers:
  - (a) to carry on the business of Cheadle Hulme School and any related enterprises that meet the same objects;
  - (b) to set out, in the absolute discretion of the Governors, one or more places for Foundationers and to admit and/or maintain and/or educate Foundationers being children aged four years or more at admission, one or both of whose parents or guardians have died or become unable by reason of ill-health or other hardship to maintain the child or provide the education originally envisaged for that child and to do so on such terms and subject to such conditions as the Governors shall in their absolute discretion decide from time to time;
  - (c) to admit children who are not Foundationers and for whom fees shall be paid and who shall satisfy the admission requirements set by the Head from time to time subject to the approval of the Governors;
  - (d) to institute, establish, contribute towards and administer scholarships, exhibitions, bursaries, grants, awards and other benefactions tenable at Cheadle Hulme School or where it has related enterprises;
  - (e) subject to such consents as shall be required by law, to purchase, take on lease, or in exchange, hire or otherwise acquire any property (whether real or personal and whether in the United Kingdom or elsewhere) and any rights or privileges the acquisition of which the Company may think necessary or convenient for any purpose of the Company, including but not restricted to the power to acquire the property, rights and privileges and associated liabilities of Cheadle Hulme School;
  - (f) to construct, maintain, add to, improve, furnish, equip and alter any building or erection necessary for the work of the Company;
  - (g) to provide a school or schools, classrooms, offices, board, lodgings and other facilities for children, teachers and others instructed or employed by the Company, including facilities for study, research, recreation and also performance of artistic and cultural activities of every description;
  - (h) to sell, lease, mortgage, turn to account, manage and improve all or any of the property or assets of the Company subject to such terms and conditions as may be thought expedient and to exercise any rights, privileges or advantages, easements or

other benefits attached to such property or assets and to undertake, maintain, execute and do all such lawful acts, matters and things as the Company may be obliged or required or ought to do as the owner of such property or assets;

- (i) to procure, obtain, collect and receive money and funds by way of fees, contributions, donations, subscriptions, legacies, grants, licence fees, appeals for funds, trading receipts, letting of premises or any other lawful method, and to accept and receive any gifts or property of any description, whether subject to any special trust or not, provided always that any moneys so received by the Company shall be used by the Company for or towards its charitable objects;
- (j) to act as trustee and to undertake and execute any charitable trust which may lawfully be undertaken by the Company and may be necessary for the attainment of its objects and to perform any services in furtherance of the objects of the Company, gratuitously or otherwise, and to hold on separate trusts and not as part of the corporate property of the Company any land (if any) previously held by the governors of Cheadle Hulme School as part of the permanent endowment of Cheadle Hulme School;
- (k) to adopt such means of publicising the Company and its objects and activities as may seem expedient and in particular by advertising, on and offline, in any media and by granting prizes, awards and donations;
- (l) to employ a Head (or by whatever title known) to carry on the day to day work of the Company and to manage the Company's property or any part thereof subject always to the control and supervision of the Governors and upon such terms as the Governors think fit to employ a secretary and such other officials and staff as the Governors may in their discretion from time to time determine and to fix such salaries (subject always to these articles) as the Governors may deem proper and to enter into any service agreements which they shall consider necessary or desirable including power to determine any such employment upon such terms as the Governors may decide;
- (m) to take such steps by personal or written appeals, public meeting, film shows, sales of booklets, social media and advertising matter, or otherwise, as may from time to time be deemed expedient for procuring contributions or donations or income to enable the Company to carry out any of its objects which may require such assistance;
- (n) subject to such consents as may be required by law, to borrow and raise money and to secure by mortgage, charge or lien upon the whole or any part of the Company's property or assets (whether present or future) the discharge by the Company or any other person of any obligation or liability, or raise money for the purpose of the Company on such terms and in such manner as the Governors may think fit;
- (o) to lend and advance money or give credit on any terms and with or without security to any person, firm or company, to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company;
- (p) to subscribe or guarantee money for charitable purposes in any way connected with the purposes of the Company or calculated to further its objects;
- (q) to make any charitable donation either in cash or assets for the furtherance of the objects of the Company;
- (r) to invest the moneys of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject to such condition (if any) and such consents (if any) as may be imposed or required by law;

- (s) to establish, support, subsidise, promote, co-operate or federate with, affiliate or become affiliated to, act as trustees or agents for, or manage or lend money or other assistance to any other educational association, society or other body, corporate or unincorporated, established for charitable purposes only;
- (t) to amalgamate, federate, affiliate, co-operate or combine wholly or in part with or to any charitable institutions, societies or companies formed for objects similar to those of the Company, such institutions, societies or companies being prohibited from distributing profits and assets among their members to at least the extent imposed upon the Company by these articles;
- (u) to transfer or make over with or without valuable consideration any part of the property or assets of the Company not required for the purposes for which it is formed to any body having charitable purposes or a charitable purpose as its objects or object, provided that such body is by its constitution prohibited from distributing its profits or assets among its members to at least the extent imposed by these articles upon the Company and subject in all respects to the provisions of the Charities Act 2011, amended February 2022;
- (v) to make all reasonable and necessary provision for the payment of pensions and superannuation to or on behalf of employees and their widows or widowers and other dependents;
- (w) to insure, at the expense of the Company, and arrange insurance cover for and to indemnify its officers, staff, voluntary workers and members from and against all such risks incurred in the course of their duties as may be thought fit;
- (x) to provide indemnity insurance in respect of the liabilities of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty in relation to the Company, to the extent permitted by law;
- (y) to insure the Company and the Company's property against such risks as the Governors shall consider it prudent or necessary to insure against;
- (z) to make rules, regulations, policies and procedures with regard to the affairs or the management of the Company;
- (aa) to pay out of the funds of the Company all the costs, charges and expenses preliminary or incidental to the promotion, formation, establishment and incorporation of the Company and any of its subsidiaries;
- (bb) in the absolute discretion of the Governors, to invite persons of standing and dignity in public life to become patrons of Cheadle Hulme School, to hold office for life, designated periods or until they resign or are invited to retire by a decision of the Governors;
- (cc) to do any of the foregoing acts and things in any part of the world, and as principal, agent, trustee or otherwise and by or through trustees, agents or otherwise;
- (dd) to do all such other lawful things as are necessary for the attainment of the objects of the Company or any of them.

#### **4. INCOME AND PROPERTY NOT FOR DISTRIBUTION**

- 4.1 The income and property of the Company obtained from any source shall be applied solely in promoting the object of the Company as set out in article 2.
- 4.2 No dividends or bonus may be paid or capital otherwise returned to the Members, provided that nothing in these articles shall prevent any payment in good faith by the Company of:

- (a) reasonable and proper remuneration to any Member, officer or servant of the Company for any services rendered to the Company;
- (b) any interest on money lent by any Member at a reasonable and proper rate;
- (c) reasonable and proper rent for premises demised or let by any Member; or
- (d) reasonable out-of-pocket expenses properly incurred by any Governor.

## **5. WINDING UP**

On the winding-up or dissolution of the Company, any assets or property that remains available to be distributed or paid to the Members shall not be paid or distributed to such Members but shall be transferred to another body (charitable or otherwise):

- (a) with objects similar to those of the Company; and
- (b) which shall prohibit the distribution of its or their income to its or their members, such body to be determined by the Members at the time of winding-up or dissolution.

## **MEMBERS**

### **6. MEMBERS OF THE COMPANY**

- 6.1 Each person appointed as a Governor in accordance with these articles shall thereupon be admitted as a Member.
- 6.2 No person may be admitted as a Member unless they are also appointed as a Governor in accordance with these articles.
- 6.3 If a Governor ceases to hold office as such pursuant to these articles, they shall immediately cease to be a Member.
- 6.4 Membership of the Company is not transferable.

### **7. MEMBERS' GUARANTEE**

Each Member undertakes to contribute to the assets of the Company in the event of its being wound up while they are a Member, or within one year after they cease to be a Member, for payment of the Company's debts and liabilities contracted before they cease to be a Member, payment of the costs, charges and expenses of the winding up, and for the adjustment of the rights of the contributories among themselves, such sum as may be required, but not exceeding the sum of one pound.

## **DECISION MAKING BY MEMBERS**

### **8. GENERAL MEETINGS**

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

**9. QUORUM FOR GENERAL MEETINGS**

- 9.1 The quorum for general meetings of the Company is a minimum of one third plus one of the appointed members, present in person, remotely or by proxy.

**10. CHAIRING GENERAL MEETINGS**

- 10.1 The Chair of the Governors shall chair a general meeting of the Company if present and willing to do so, unless a Member has been nominated to do so for a specific task or role. If the Chair is not so present or willing to chair the meeting, the deputy Chair of the Governors shall chair the meeting. If neither the Chair nor the deputy Chair of the Governors is present and willing to chair the meeting, the Governors present shall appoint one of their number to chair the meeting.
- 10.2 The person chairing a general meeting in accordance with this article is referred to as "the chair of the meeting".

**11. ADJOURNMENT**

- 11.1 If the persons attending a general meeting of the Company do not constitute a quorum within thirty minutes following the time at which the meeting was due to start, or if during a general meeting of the Company a quorum ceases to be present, the chair of the meeting must adjourn it.
- 11.2 The chair of the meeting may adjourn a general meeting of the Company at which a quorum is present if the meeting consents to an adjournment, or if it appears to the chair of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting, or to ensure that the business of the meeting is conducted in an orderly manner.
- 11.3 The chair of a general meeting of the Company must adjourn the meeting if directed to do so by the meeting.
- 11.4 When adjourning a general meeting of the Company the chair of the meeting must:
- (a) either specify the time and place to which it is adjourned, or state that it is to continue at a time and place to be specified by the Governors; and
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 11.5 If the continuation of an adjourned meeting is to take place more than fourteen days after it was adjourned the Company must give at least five Business Days' notice of it, to the same persons to whom notice of general meetings of the Company is required to be given, and containing the same information which such notice is required to contain.
- 11.6 No business may be transacted at an adjourned general meeting of the Company which could not properly have been transacted at the meeting if the adjournment had not taken place.

**12. VOTES OF MEMBERS**

- 12.1 A resolution put to a vote at a general meeting of the Company shall be decided on a show of hands unless a poll is duly demanded in accordance with these articles.
- 12.2 On any resolution put to a vote at a general meeting of the Company every Member present in person or by proxy shall have one vote, whether on a show of hands or on a poll.
- 12.3 If there is an equality of votes on any resolution put to a vote at a general meeting of the Company, the chair of the meeting shall have a second or casting vote.

**13. POLL VOTES**

- 13.1 A poll may be demanded on any resolution put to a vote at a general meeting of the Company by any Member present and entitled to vote at the meeting.



## **14. PROXIES**

- 14.1 A proxy for a Member may only validly be appointed by a notice in writing (a "proxy notice") which:
- (a) states the name and address of the person appointing the proxy;
  - (b) identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
  - (c) is signed by the Member appointing the proxy, or is authenticated in such manner as the Governors may determine; and
  - (d) is delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate,
- 14.2 A proxy notice which is not delivered in such a manner shall be invalid, unless the Governors, in their discretion, accept the notice at any time before the meeting.
- 14.3 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 14.4 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 14.5 Unless a proxy notice indicates otherwise, it must be treated as:
- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
  - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.
- 14.6 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- 14.7 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 14.8 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 14.9 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

## **15. AMENDMENTS TO RESOLUTIONS**

- 15.1 An ordinary resolution to be proposed at a general meeting of the Company may be amended by ordinary resolution if:
- (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting of the Company at which it is to be proposed not less than forty-eight hours before the meeting is to take place (or such later time as the chair of the meeting may determine); and
  - (b) the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.
- 15.2 A special resolution to be proposed at a general meeting of the Company may be amended by ordinary resolution, if:
- (a) the chair of the meeting proposes the amendment at the general meeting of the Company at which the resolution is to be proposed; and

- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 15.3 If the chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chair's error does not invalidate the vote on that resolution.

## **GOVERNORS**

### **16. GENERAL AUTHORITY OF THE GOVERNORS**

- 16.1 Subject to these articles, the Governors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

### **17. GOVERNORS MAY DELEGATE**

- 17.1 The Governors may delegate any of the powers which are conferred on them under the articles to such person(s) or committee(s), to such extent, and subject to such terms and conditions, as the Governors shall think fit.
- 17.2 The Governors may revoke any delegation of their powers, in whole or in part, at any time and may alter its terms and conditions.

### **18. COMMITTEES**

- 18.1 Committees to which the Governors may delegate any of their powers must follow procedures which are based on those provisions of the articles which govern the taking of decisions by the Governors.
- 18.2 The Governors may make rules of procedure for all or any committees which prevail over rules derived from the articles, provided that they are not inconsistent with the articles.

### **19. APPOINTMENT OF GOVERNORS**

- 19.1 Any person who is willing to act as a Governor, and whose appointment is permitted by law, may be appointed to be a Governor by a decision of the Governors.
- 19.2 The number of Governors shall not be less than seven nor more than fourteen.
- 19.3 No person employed by the Company, or by any subsidiary of the Company, or otherwise engaged by the Company to provide teaching services, may be appointed as a Governor.
- 19.4 A person may be appointed as a Governor notwithstanding that they are the parent or legal guardian of a pupil who is in receipt of a scholarship, bursary or other award or benefit granted by the Company.
- 19.5 A Governor shall not be entitled to appoint an alternate Governor nor any other person to act on his behalf in the office of Governor or at meetings of the Governors.

### **20. TERMINATION OF APPOINTMENT OF GOVERNORS**

- 20.1 A person shall cease to be a Governor if:
  - (a) they cease to be a director of the Company by reason of any provision of the Act, or are prohibited by law from being a director of the Company;
  - (b) a bankruptcy order is made in respect of them;
  - (c) they make a composition with their creditors generally in satisfaction of their debts and liabilities;
  - (d) a registered medical practitioner gives a written opinion to the Company stating that they have become physically or mentally incapable of acting as a Governor;
  - (e) by reason of their mental health, a court makes an order which wholly or partly prevents them from exercising personally any powers or rights which they would otherwise have;

- (f) they die;
- (g) they notify the Company of their resignation as a Governor, and such resignation takes effect in accordance with its terms;
- (h) if, having been appointed to serve as a Governor for a specified period, that period expires without the other Governors having first taken the decision to extend the period of their appointment, or for a further specified period; or
- (i) they are removed from office by notice in writing signed by not less than three fourths of the other Governors, such removal to take effect immediately upon the signing of such notice, and for this purpose separate notices signed by the requisite number of Governors shall take effect as one and the same notice.

## **21. PROCEEDINGS OF GOVERNORS**

- 21.1 The Governors may regulate their proceedings as they think fit, subject to these articles.
- 21.2 Any Governor may call a meeting of the Governors by giving not less than five Business Days' notice of the meeting (or such lesser notice as all the Governors may agree) to the Governors or by instructing the Secretary to give such notice.
- 21.3 Notice of any meeting of Governors shall indicate its proposed date and time, location, and if it is anticipated that Governors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 21.4 Notice of a meeting of Governors must be given to each Governor, but need not be given in writing.
- 21.5 Notice of a meeting of Governors need not be given to any Governor who waives their entitlement to notice of that meeting, by giving notice in writing to that effect to the Company not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## **22. PARTICIPATION IN GOVERNORS' MEETINGS**

- 22.1 Subject to these articles, Governors participate in a meeting, or part of a meeting, of Governors when the meeting has been called and takes place in accordance with these articles, and they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 22.2 In determining whether Governors are participating in a meeting of Governors it is irrelevant where any Governor is, or how they communicate with each other.
- 22.3 If all of the Governors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **23. QUORUM FOR GOVERNORS' MEETINGS**

- 23.1 Subject to article 23.2, the quorum for the transaction of business at a meeting of Governors is such number of Eligible Governors as constitutes not less than one half of the total number of Eligible Governors holding office at the commencement of the meeting.
- 23.2 For the purposes of any meeting (or part of a meeting) held pursuant to article 27 to authorise a Conflict, if there is only one Eligible Governor in office other than the Interested Governor(s) (defined in article 27), the quorum for such meeting (or part of a meeting) shall be one Eligible Governor.

**24. CHAIRING OF GOVERNORS' MEETINGS**

- 24.1 The Governors may appoint a Governor to chair their meetings, and such Governor shall be known as the Chair. The Governors may terminate the appointment of the Chair as such at any time.
- 24.2 The Governors may appoint a Governor to be the deputy Chair of the Governors and may terminate the appointment of the deputy Chair as such at any time.
- 24.3 If the Chair is not participating in a meeting of the Governors within 15 minutes following the time at which the meeting was to start, the deputy Chair of the Governors shall chair the meeting. If neither the Chair nor the deputy Chair is participating in the meeting within such period of 15 minutes, those Governors who are participating in the meeting shall appoint one of their number to chair the meeting. This may be pre-nominated for roles and committees approved by the Board.

**25. DECISION MAKING BY GOVERNORS**

- 25.1 A decision of the Governors must be either a majority decision of the Eligible Governors taken at a meeting of the Governors or a decision taken in accordance with the remaining provisions of this article 25.
- 25.2 A decision of the Governors is taken in accordance with this article when all Eligible Governors indicate to each other by any means that they share a common view on a matter.
- 25.3 Such a decision may take the form of a resolution in writing, where each Eligible Governor has signed one or more copies of it, or to which each Eligible Governor has otherwise indicated agreement in writing.
- 25.4 A decision may not be taken in accordance with this article if the Eligible Governors would not have formed a quorum at a meeting of the Governors.

**26. CHAIR'S CASTING VOTE**

- 26.1 If the numbers of votes for and against a proposal at a meeting of Governors are equal, the Chair or other Governor chairing the meeting shall have a casting vote.
- 26.2 Article 26.1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the articles, the Chair or other Governor is not an Eligible Governor for the purposes of that meeting (or part of a meeting).

**27. GOVERNORS' CONFLICTS OF INTEREST**

- 27.1 The Governors may, in accordance with the requirements set out in this article, authorise any Conflict proposed to them by any Governor which would, if not authorised, involve a Governor (an "Interested Governor") breaching their duty under section 175 of the Act to avoid conflicts of interest.
- 27.2 Any authorisation under this article 27 shall be effective only if:
- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any Governor for consideration in the same way that any other matter may be proposed to the Governors under the provisions of these articles or in such other manner as the Governors may determine;
  - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Governor; and
  - (c) the matter was agreed to without the Interested Governor voting or would have been agreed to if the Interested Governor's vote had not been counted.
- 27.3 Any authorisation of a Conflict under this article 27 may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - (b) provide that the Interested Governor be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Governors or otherwise) related to the Conflict;
  - (c) provide that the Interested Governor shall or shall not be an Eligible Governor in respect of any future decision of the Governors in relation to any resolution related to the Conflict;
  - (d) impose upon the Interested Governor such other terms for the purposes of dealing with the Conflict as the Governors think fit;
  - (e) provide that, where the Interested Governor obtains, or has obtained (through their involvement in the Conflict and otherwise than through their position as a Governor of the Company) information that is confidential to a third party, they shall not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
  - (f) permit the Interested Governor to absent themselves from the discussion of matters relating to the Conflict at any meeting of the Governors and be excused from reviewing papers prepared by, or for, the Governors to the extent that they relate to such matters.
- 27.4 Where the Governors authorise a Conflict, the Interested Governor shall be obliged to conduct themselves in accordance with any terms and conditions imposed by the Governors in relation to the Conflict.
- 27.5 The Governors may revoke or vary such authorisation at any time, but this shall not affect anything done by the Interested Governor prior to such revocation or variation in accordance with the terms of such authorisation.
- 27.6 A Governor is not required, by reason of being a Governor (or because of the fiduciary relationship established by reason of being a Governor), to account to the Company for any remuneration, profit or other benefit which they derive from or in connection with a relationship involving a Conflict which has been authorised by the Governors in accordance with these articles or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 27.7 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act, and provided they have declared the nature and extent of their interest in accordance with the requirements of the Act, a Governor who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
  - (b) shall be an Eligible Governor for the purposes of any proposed decision of the Governors (or committee of Governors) in respect of such existing or proposed transaction or arrangement in which they are interested;
  - (c) shall be entitled to vote at a meeting of Governors (or of a committee of the Governors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which they are interested;
  - (d) may act by themselves or through their firm in a professional capacity for the Company (otherwise than as auditor) and they or their firm shall be entitled to remuneration for professional services as if they were not a Governor;

- (e) may be a Governor or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- (f) shall not, save as they may otherwise agree, be accountable to the Company for any benefit which they (or a person connected with them (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of their duty under section 176 of the Act.

**28. RECORDS OF DECISIONS TO BE KEPT**

Where decisions of the Governors are taken by electronic means, such decisions shall be recorded and retained in a permanent form, so that they may be read with the naked eye, either electronically or in printed form.

**29. SECRETARY**

The Governors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person from office and, if the Governors so decide, appoint a replacement, in each case by a decision of the Governors.

**30. CHANGE OF COMPANY NAME**

The name of the Company may be changed by a decision of the Governors or otherwise in accordance with the Act.

**ADMINISTRATIVE ARRANGEMENTS**

**31. MEANS OF COMMUNICATION**

- 31.1 Subject to these articles, anything sent or supplied by or to the Company under the articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company.
- 31.2 Subject to these articles, any notice or document to be sent or supplied to a Governor in connection with the taking of decisions by Governors may also be sent or supplied by the means by which that Governor has asked to be sent or supplied with such notices or documents for the time being.
- 31.3 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
  - (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, forty-eight hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
  - (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
  - (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and

- (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article, no account shall be taken of any part of a day that is not a Business Day.

- 31.4 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act.

## **32. INDEMNITY AND INSURANCE**

- 32.1 Subject to article 32.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by them as a relevant officer:
  - (i) in the actual or purported execution and/or discharge of their duties, or in relation to them; and
  - (ii) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by them in defending any civil or criminal proceedings, in which judgment is given in their favour or in which they are acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants them, in their capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and

- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by them in connection with any proceedings or application referred to in article 32.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

- 32.2 This article does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Act or by any other provision of law and any such indemnity is limited accordingly.

- 32.3 The Governors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

- 32.4 In this article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and
- (c) a "relevant officer" means any Governor or other officer or former Governor or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not they are also a Governor or other officer), to the extent he acts in his capacity as auditor).