

Company No.: 4463599

THE COMPANIES ACTS 1985 & 1989

COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION

OF

FINANCE SOUTH EAST LIMITED

INTERPRETATION



1 In these Articles

“the Act” means the Companies Act 1985 or any statutory re-enactment or modification of it,

“AGM” means an annual General Meeting of the Company,

“the Board” means the board of Directors of the Company, acting collectively,

“clear days” in relation to a period of notice means that period excluding the day on which the notice is given or is deemed to have been given, and the day for which the notice is given or on which it is to take effect,

“Director” means a director of the Company acting individually,

“Member” means a member of the Company except in articles 42-48,

“Memorandum” means the memorandum of association of the Company,

“Objects” means the objects of the Company as set out in the Memorandum from time to time,

“Secretary” means any person appointed to perform the duties of the Secretary of the Company,

expressions referring to writing include references to printing, fax, e-mail and other methods of representing or reproducing words in a visible form,

unless the context otherwise requires, words or expressions contained in these Articles bear the meanings given to them in the Act,

references in these Articles to 'he' or 'him' include male and female individuals and corporations

ADMISSION OF MEMBERS

2 The company must keep a register of members as required by the Act. The members are

- 2.1 the subscribers to the Memorandum and Articles of Association, and
- 2.2 individuals or organisations who apply for admission, are admitted as members by the Board, and, (if stated in the application for membership) pay a subscription. Every application for membership must be in one of the forms set out in Article 52 or another form approved by the Board. At the next meeting of the Board (or any committee of the Board established for the purposes of considering applications for admission) after the receipt of any application for membership, the application must be considered by the Board (or committee) who must decide whether to admit or reject the applicant. The Directors are not required to give reasons for their decision.

RETIREMENT OF MEMBERS

3 A member will cease to be a member

- 3.1 if he resigns by giving notice to the Company,
- 3.2 if an individual, upon death, or if he becomes of unsound mind, or is convicted of any indictable offence for which he is sentenced to a term of imprisonment,
- 3.3 in any case, if any subscription or membership fee due to the Company remains outstanding for more than one month, or
- 3.4 (except in the case of a Director) if he is removed from the membership in accordance with any Rule established from time to time pursuant to Article 49.

No member of the Company is entitled to any refund of subscription or membership fee on ceasing to be a member for any reason. Membership of the Company is not transferable.

GENERAL MEETINGS

4 The Company must hold a general meeting in each year as its AGM, in addition to any other meetings held in that year. The interval between the date of one AGM and the date of the next must not be more than 15 months. The

Board will choose the time and place of the AGM All general meetings of the Company other than AGMs are called Extraordinary General Meetings

- 5 The Board may call a general meeting at any time, and must call a general meeting if it receives a requisition by the members of the Company in accordance with the Act
- 6 An AGM and a meeting called for the passing of a special resolution must be called by at least 21 clear days' notice, and all other general meetings must be called by at least 14 clear days' notice A meeting of the Company may be called by shorter notice if it is so agreed
 - 6 1 in the case of an AGM, by all the members entitled to attend and vote at that meeting, and
 - 6 2 in the case of any other meeting, by members holding at least 95% of the total voting rights at that meeting of all the members
- 7 The notice must specify the place, date and time of the meeting, and the general nature of all items of the business to be transacted, and must, in the case of an AGM, specify the meeting as an AGM The text of all special, extraordinary and elective resolutions to be proposed at the meeting must be set out in the notice
- 8 Notice must be given to the members of the Company, to the Directors, and to the auditors, but if anyone entitled to receive notice does not receive it, this does not invalidate the proceedings at the meeting if the failure to notify was accidental

PROCEEDINGS AT GENERAL MEETINGS

- 9 A general meeting is not valid unless a quorum of members of the Company is present throughout the meeting, the quorum is one half of the members of the Company or two members of the Company (whichever is the greater) present in person
- 10 If a quorum is not present within half an hour after the time set for the meeting, the meeting is automatically adjourned to the same day in the next week, at the same time and place, or to another day, time and place decided by the Board
- 11 The Chairman of the Board will preside as Chairman of every general meeting of the Company If there is no Chairman of the Board, or if he is not present within fifteen minutes after the time appointed set for the meeting, or is unwilling to act, those Directors present at the meeting must elect one of themselves to be Chairman of the meeting
- 12 If at any general meeting no Director is willing to act as Chairman, or if no Director is present within fifteen minutes after the time set for the meeting, the

members of the Company present must choose one of themselves to be Chairman of the meeting, but (notwithstanding Article 18) such Chairman shall not have a second or casting vote in the event of an equality of votes

- 13 The Chairman may adjourn the meeting with the consent of any quorate meeting (and must if required by a simple majority of the members present at the meeting), but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. No notice is required of an adjourned meeting unless the meeting is adjourned for 30 days or more, in which case notice must be given as in the case of the original meeting
- 14 At any general meeting, a resolution put to the vote of the meeting will be decided on a show of hands unless a poll is demanded (before or on the declaration of the result of the show of hands). Subject to the Act, a poll may be demanded
 - 14.1 by the Chairman, or
 - 14.2 by at least two members of the Company present in person, or
 - 14.3 by any member or members of the Company present in person and representing not less than 10% of the total voting rights of all the members of the Company having the right to vote at the meeting
- 15 Unless a poll is demanded, a declaration by the Chairman that a resolution has been carried or lost on a show of hands, whether unanimously or by a particular majority, and an entry to that effect in the minutes, is conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution
- 16 The demand for a poll may be withdrawn before the poll is taken, but only with the consent of the Chairman. The withdrawal of a demand for a poll does not invalidate the result of a show of hands declared before the demand for the poll is made
- 17 Except as provided in Article 19, if a poll is demanded it may be taken in such manner as the Chairman directs but the Chairman has no authority in exercising this power to extend the poll to members of the Company who are not present at the meeting in question. The result of the poll is deemed to be the resolution of the meeting at which the poll was demanded
- 18 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman (other than pursuant to Article 12) shall be entitled to a casting vote
- 19 A poll demanded on the election of a Chairman, or on a question of adjournment of a meeting, must be taken immediately. A poll demanded on any other question may be taken at such time as the Chairman directs. If there

is an interval before the time for closing the poll, the meeting may deal with any business other than the business being determined by poll

VOTES OF MEMBERS

- 20 Every member of the Company whose name is entered in the Company's register of members has one vote at every general meeting. A resolution proposed at any general meeting will be approved if at least one half of the votes cast at the meeting are in favour of the resolution, except where the Act or these Articles prescribes a different majority

REPRESENTATIVES

- 21 A member which is an organisation shall nominate, in writing, a representative to attend general meetings on its behalf and may remove that representative and replace him with another nominated representative from time to time, subject in each case to the prior approval of the Board to the identity of the nominated representative. If the nominated representative is unable to attend a general meeting the member may nominate a substitute representative to attend in his place, subject to the prior approval of the Board
- 22 No member shall be entitled to appoint a proxy
- 23 A vote given or poll demanded by the authorised representative of a member which is an organisation remains valid despite the previous revocation of the authority of representative unless notice of revocation was received by the Company at its registered office before the start of the meeting or adjourned meeting in question

DIRECTORS

- 24 Unless otherwise determined by ordinary resolution, the number of directors shall not be more than eight and shall not be less than two
- 25 ¹The first Directors of the Company are those named in the statement submitted to the Registrar of Companies on incorporation of the Company. At the first AGM, all the Directors (other than the Chief Executive of the Company) must retire from office unless the members of the Company do not appoint or re-appoint at least one Director at that meeting in which case they will all remain in office. At every subsequent AGM, one-third of the Directors then in office must retire (other than the Chief Executive, the Managing Director and any Director holding an executive office). If the number of Directors is not divisible by three, then the number nearest to one-third must retire. A Director who retires by rotation is eligible for reappointment if he is willing to continue to act as Director

¹ As amended by a Special Resolution dated 9 November 2007

- 26 The Directors to retire by rotation are those who have been longest in office since their last appointment or re-appointment, but as between Directors who were last appointed or re-appointed on the same day, the Board must draw lots to determine who is to retire, unless the Directors in question agree the order of retirement among themselves
- 27 If the members of the company do not fill the vacancy left by a Director who retires by rotation the retiring Director will, if willing to act, be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the re-appointment of the Director is put to the meeting and lost
- 28 No person other than a Director retiring by rotation may be appointed or re-appointed as a Director at any general meeting unless
- 28 1 he is recommended by the Directors, or
- 28 2 at least 28 clear days before the date appointed for the meeting, notice executed by a member of the Company qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or re-appointment, together with notice executed by that person of his willingness to be appointed or re-appointed
- 29 A notice of a general meeting of the Company must include the name of any person (other than a Director retiring by rotation at the meeting) who is recommended by the Board for appointment or re-appointment as a Director at the meeting, or in respect of whom notice has been duly given to the Company under Article 28 2 above
- 30 The Company may by ordinary resolution appoint as a Director a person who is willing to act, either to fill a vacancy or as an additional Director, and may also determine the order of rotation of any additional Directors
- 31 The Board may co-opt as a Director a person who is willing to act, either to fill a vacancy or as an additional Director A Director co-opted by the Board under this Article will hold office only until the next following AGM, and will not be taken into account in determining the Directors who are to retire by rotation at that meeting If a co-opted Director is not re-appointed at that AGM, he will automatically vacate office at the end of the meeting
- 32 A technical defect in the appointment of a Director does not invalidate a decision taken at a Board meeting if the Directors present were not aware of the defect at the time of the meeting
- 33 A Director will cease to be a Director
- 33 1 if he resigns his directorship by giving notice to the Company,

- 33 2 upon death, or if he becomes bankrupt or makes any arrangement with his creditors, or becomes of unsound mind, or is convicted of an indictable offence for which he is sentenced to a term of imprisonment,
- 33 3 if he is removed by a simple majority of the members of the Company, following the procedure laid down in Section 303 of the Act, or
- 33 4 if he is disqualified under the Company Directors Disqualification Act 1986 or otherwise
- 34 The Board has control over all the affairs and property of the Company, and may exercise all the powers of the Company, except as otherwise provided by the Memorandum of Association of the Company and these Articles, or by any Rules made pursuant to Article 49 Every Director has one vote at a Board meeting
- 35 A Director may call a Board meeting at any time and the Secretary must call a Board meeting if requested to do so by a Director The Board may convene and regulate its meetings as it thinks fit Questions arising at any Board meeting will be decided by a majority of votes
- 36 A Board meeting is not valid unless a quorum is present throughout the meeting The quorum is not less than one half of the Directors then holding office or two Directors (whichever is the greater) A sole continuing director may act only for the purpose of filling vacancies or of calling a general meeting
- 37 The Chairman of the Board will preside at every Board meeting If at any Board meeting the Chairman is not present within fifteen minutes after the time set for the start of the meeting, the Directors present must choose one of their number to be Chairman of the meeting In the case of an equality of votes on any question the Chairman has a second or casting vote
- 38 The Board may delegate any of its powers to a managing director or chief executive and to committees consisting of such Directors, members of the Company and others as it thinks fit in the exercise of the delegated powers, any managing director or committee must conform to any regulations which may be imposed by the Directors or by Rules made under Article 49

BENEFITS TO DIRECTORS

- 39 The Directors are entitled to receive such remuneration, expenses, and other benefits as the Board determines

SECRETARY

- 40 The Company must have a Secretary who will be appointed by the Board on whatever terms the Board thinks fit If there is no Secretary capable of acting, anything required or authorised to be done by or to the Secretary may be done

by any Director authorised generally, or specially for that purpose, by the Board

SEAL

- 41 The Company is not required to have a common seal. If the Company has a common seal, it may only be used by the authority of the Board. Every document bearing an impression of the common seal must be signed by a Director, and countersigned by the Secretary or by a second Director

NOTICES, MEETINGS AND RESOLUTIONS

- 42 The following Articles 43 to 48 apply to meetings and resolutions of, and notices given to, the Board, committees of the Board, and the Company in general meeting, and "member" means a Director, committee member or a member of the Company in general meeting as the context requires
- 43 Any notice to be given under these Articles must be in writing. The Company may give any notice to a member by handing it to him personally, or by sending it by post (airmail in the case of overseas members who have given no address for service within the United Kingdom) in a prepaid envelope addressed to the member at the address shown in the Company's register of members, or by leaving it at that address. Where the member has given to the Company a fax number or e-mail address to which notices may be sent electronically, the Company may give a valid notice by means of fax or e-mail
- 44 A member present in person at any meeting is taken to have received notice of the meeting and, where necessary, of the purposes for which it was called
- 45 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given to a postal address. Electronic confirmation of receipt shall be conclusive evidence that a notice was given to a facsimile number or e-mail address. A notice is deemed to be given at the expiration of 48 hours after it was handed to the member, posted or (as the case may be) transmitted by fax or e-mail
- 46 Subject to the provisions of the Act (and in particular in the case of a resolution of the members of the Company, to any requirement to submit the proposed resolution to the auditors), a resolution in writing signed by all the members entitled to attend and vote at a meeting is as valid and effective as if it had been passed at a meeting properly convened and held. Any resolution in writing may consist of two or more documents in similar form, each signed by one or more members. Digital signatures and faxed signatures will suffice for the purpose of this Article
- 47 A member entitled to attend and vote at a meeting may participate by means of a telephone conference or other facility enabling all people participating in the

meeting to hear each other, and participation in a meeting in this manner is taken to be presence in person at the meeting

- 48 The Secretary or a Director must take minutes of proceedings at all meetings, and the minutes must be authenticated and kept in accordance with the requirements of the Act

RULES

- 49 The Directors may establish Rules for any purposes required from time to time for the effective operation of the Company or the furtherance of the Objects, including the levying of annual subscriptions or membership fees, provided that if there is a conflict between the terms of these Articles or the Memorandum of Association of the Company and any Rules established under this Article, the terms of the Memorandum and Articles will prevail

INDEMNITY

- 50 Subject to the Act, but without affecting any indemnity to which he may otherwise be entitled, every Director and every officer of the Company, will be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, alleging liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company, and in which judgment is given in his favour, or in which he is acquitted, or in connection with any application in which relief is granted to him by the Court
- 51 Subject to the Act, the Company may purchase and maintain for any Director or for any officer of the Company, insurance cover against any liability which may attach to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which he or she may be guilty in relation to the Company, and against all costs, charges, losses, expenses and liabilities incurred by him and for which he is entitled to be indemnified by the Company under Article 50

FORMS

- 52 The forms of the application for membership referred to in Article 2 are as follows

In the case of an individual

To the Board of [*name of Company*]

I, [*name*]
of [*address*]

wish to become a member of [*name of Company*], subject to the provisions of the Memorandum and Articles of Association of the Company and to the

Rules I agree to pay to the company an amount of up to £1 if the company is wound up while I am a member or for up to 12 months after I have left the Company [(If appropriate) I agree to pay a subscription of [amount] on [date], and to pay any membership fee levied in accordance with the Company's Rules]

Signature

Date

In the case of an organisation

To the Board of [name of Company]

[name of Organisation] whose registered office/principal place of business is at [address of registered office/principal place of business] applies for membership of [name of Company], subject to the provisions of the Memorandum and Articles of Association of the Company and to the Rules It agrees to pay to the company an amount of up to £1 if the company is wound up while it is a member or for up to 12 months after it has left the Company [(If appropriate) It agrees to pay a subscription of [amount] on [date], and to pay any membership fee levied in accordance with the Company's Rules]

Authorised

Signature

Name

Position

Date

We, the persons whose names are written below, wish to be formed into a Company under these Articles of Association

**Name, Address and Description
of Subscribers**

Caroline Ann Williams
South East England Development Agency
SEEDA Headquarters
Cross Lanes
Guildford
GU1 1YA

Paul Lander
Business Link Wessex Limited
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Dated: 13th June 2002

Witness

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