

# Articles of association of Policy Research Unit Limited

Company number 7960177

## PART 1 Interpretation

### 1. Company name

- 1.1. The company's name is Policy Research Unit Limited.
- 1.2. In these articles it is called "the company".

### 2. Definitions

- 2.1. In these articles:

"address" means a postal address or, for the purposes of electronic communication, a fax number, an e-mail or postal address or a telephone number for receiving text messages in each case registered with the company;

"clear days" in relation to the period of a notice means a 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;

"Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006) insofar as they apply to the company;

"the directors" means the directors of the company;

"document" includes, unless otherwise specified, any document sent or supplied in electronic form;

"electronic form" has the meaning given in section 1168 of the Companies Act 2006;

"IPSA" means the Independent Parliamentary Standards Authority, constituted by section 3 of the Parliamentary Standards Act 2009 or a successor to its functions;



“member” means a member of the company;

“the memorandum” means the company’s memorandum of association;

“officers” includes the directors and the secretary (if any);

“the seal” means the common seal of the company if it has one;

“secretary” means any person appointed to perform the duties of the secretary of the company;

“the United Kingdom” means Great Britain and Northern Ireland; and

“working day” means any day except Saturdays, Sundays, bank holidays, Good Friday and Christmas day.

### **3. Interpretation**

- 3.1. Words importing one gender shall include all genders, and the singular includes the plural and vice versa.
- 3.2. Unless the context otherwise requires words or expressions contained in the articles have the same meaning as in the Companies Acts but excluding any statutory modification not in force when this constitution becomes binding on the company.
- 3.3. Apart from the exception mentioned in the previous paragraph a reference to an Act of Parliament includes any statutory modification or re-enactment of it for the time being in force.

**PART 2**  
**Limited liability status**

**4. Liability of members**

4.1. The liability of the members is limited.

4.2. Each member promises to contribute a sum (not exceeding £1) to the assets of the company if the company is wound up while it is a member or within one year after it ceases to be a member, for:

4.2.1. payment of the company's debts and liabilities incurred before it ceases to be a member;

4.2.2. payment of the costs, charges and expenses of winding up; and

4.2.3. adjustment of the rights of the contributories among themselves.

## **PART 3**

### **The company's objects and powers**

#### **5. Objects**

5.1. The company's objects are as follows:

- 5.1.1. to provide research and information services to members of the House of Commons of the Parliament of the United Kingdom in order to enhance their effectiveness in performing their parliamentary and constituency duties;
- 5.1.2. to provide research and information services to elected members of other legislative bodies (including without limitation the European Parliament, the Welsh Assembly and the Scottish Parliament);
- 5.1.3. to harness and better focus the research undertaken by personal researchers and assistants of elected representatives so as to develop a more coherent approach to constituency research; and
- 5.1.4. to produce and deliver research briefs on national and international policy issues affecting constituencies;
- 5.1.5. to assist with the drafting of correspondence to constituents;
- 5.1.6. to assist with the drafting of parliamentary questions;
- 5.1.7. to assist with the preparation of speeches; and
- 5.1.8. to provide any other services which support members of the House of Commons of the Parliament of the United Kingdom and members of other legislative bodies in the performance of their duties.

#### **6. Powers**

6.1. The company has power to do anything which is calculated to further its objects or which is conducive or incidental to doing so.

6.2. In particular, the company may:

- 6.2.1. buy, lease or otherwise acquire and deal with any property real or personal *and any rights or privileges of any kind over or in respect of any property* real or personal and to improve, manage, develop, construct, repair, sell,

lease, mortgage, charge, surrender or dispose of or otherwise deal with all or any part of such property and any and all rights of the Company;

- 6.2.2. borrow and raise money in such manner as the directors shall think fit and secure the repayment of any money borrowed, raised or owing by mortgage, charge, lien or other security on the Company's property and assets;
- 6.2.3. invest and deal with the funds of the Company not immediately required for its operations in or upon such investments, securities or property as may be thought fit;
- 6.2.4. subscribe for, take, buy or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority in any part of the world;
- 6.2.5. lend and advance money or give credit on such terms as may seem expedient and with or without security to customers and others, to enter into guarantees, contracts of indemnity and suretyships of all kinds to receive money on deposit or loan upon such terms as the Company may approve and to secure or guarantee the payment of any sums of money or the performance of any obligation by any company, firm or person including any holding company or subsidiary;
- 6.2.6. lobby, advertise, publish, educate, examine, research and survey in respect of all matters of law, regulation, economics, accounting, governance, politics and/or other issues and to hold meetings, events and other procedures and co-operate with or assist any other body or organisation in each case in such way or by such means as may, in the opinion of the directors, affect or advance the principal object in any way;
- 6.2.7. pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company and to contract with any person, firm or company to pay the same;
- 6.2.8. enter into contracts to provide services to or on behalf of other bodies;
- 6.2.9. provide and assist in the provision of money, materials or other help;.

- 6.2.10. open and operate bank accounts and other facilities for banking and draw, accept, endorse, issue or execute promissory notes, bills of exchange, cheques and other instruments;
- 6.2.11. *incorporate subsidiary companies to carry on any trade; and*
- 6.2.12. do all such other lawful things as are incidental or conducive to the pursuit or to the attainment of any of the objects.

**PART 4**  
**Company not to distribute profit**

**7. No distributions**

- 7.1. The income and property of the company shall be applied solely towards the promotion of its objects.
- 7.2. No dividends or bonus may be paid or capital otherwise returned to members, provided that nothing in these articles shall prevent any payment in good faith by the company of:
- 7.2.1. a proper salary determined by the directors (which may include performance related pay) to the chief executive of the company notwithstanding that the chief executive may be a director or member of the company;
- 7.2.2. reasonable and proper remuneration to any member, officer or servant of the Company for any services rendered to the Company;
- 7.2.3. any interest on money lent by any member or any director at a reasonable and proper rate;
- 7.2.4. monies in respect of the officers' indemnity and insurance provisions of these articles;
- 7.2.5. reasonable and proper rent for premises demised or let by any member or director; or
- 7.2.6. reasonable out-of-pocket expenses properly incurred by any director.

**8. Winding up**

- 8.1. 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:
- 8.1.1. applied directly towards the objects;
- 8.1.2. transferred to another body with objects similar to those of the company and which shall also prohibit the distribution of its or their income to its or their members; or
- 8.1.3. otherwise dealt with in accordance with the written instructions of IPSA.

**PART 5**  
**The company's members**

**9. Members**

9.1. The company's members are:

9.1.1. the subscribers to the memorandum;

9.1.2. members of the predecessor unincorporated association known as the  
"Parliamentary Resources Unit" who have consented to become members  
of the company; and

9.1.3. any persons who have successfully applied to become members under this part.

9.2. Membership cannot be transferred.

9.3. The directors must keep a register of names and addresses of the members.

**10. Applications for membership**

10.1. An person may apply for membership by completing a form specified by the directors and returning that form to the directors.

**11. Determining application for membership**

11.1. The directors may at their discretion approve or refuse an application for membership.

**12. Termination of membership**

12.1. Membership ends immediately if:

12.1.1. the member dies;

12.1.2. the member becomes bankrupt;

12.1.3. subject to clause 23.2, the member ceases to be a member of the House of  
Commons

12.1.4. the member resigns by written notice to the company (unless, after the  
resignation, there would be fewer than two members);



- 12.1.5. the member is expelled from membership by a resolution of the directors that it is in the best interests of the company that his or her or its membership is terminated.
- 12.2. A resolution to expel a member from membership under article 12.1.5 may only be passed if:
  - 12.2.1. the member has been given at least twenty-one days' notice in writing of the meeting of the directors at which the resolution will be proposed and the reasons why it is to be proposed;
  - 12.2.2. the member or, at the option of the member, the member's representative (who need not be a member of the company) has been allowed to make representations to the meeting.

## **PART 6**

### **Company governance: membership**

#### **13. General meetings**

- 13.1. The directors may call a general meeting at any time.
- 13.2. The company's members may require that a meeting is called in accordance with their rights under the Companies Acts.

#### **14. Notice of general meetings**

- 14.1. The minimum period of notice required to hold a general meeting of the company is fourteen clear days for all general meetings.
- 14.2. A general meeting may be called by shorter notice if it is so agreed by a majority in number of members having a right to attend and vote at the meeting, being a majority who together hold not less than 90 percent of the total voting rights.
- 14.3. The notice must specify the date time and place of the meeting and the general nature of the business to be transacted. If the meeting is to be an annual general meeting, the notice must say so. The notice must also contain a statement setting out the right of members to appoint a proxy under section 324 of the Companies Act 2006 and article 19.
- 14.4. The notice must be given to all the members and to the directors and auditors.
- 14.5. The proceedings at a meeting shall not be invalidated because a person who was entitled to receive notice of the meeting did not receive it because of an accidental omission by the company.

#### **15. Proceedings at general meetings**

- 15.1. No business shall be transacted at any general meeting unless a quorum is present.
- 15.2. A quorum is two members present in person or by proxy and entitled to vote upon the business to be conducted at the meeting.
- 15.3. If:
  - 15.3.1. a quorum is not present within half an hour from the time appointed for the meeting; or

15.3.2. during a meeting a quorum ceases to be present;

the meeting shall be adjourned to such time and place as the directors shall determine.

15.4. The directors must reconvene the meeting and must give at least seven clear days' notice of the reconvened meeting stating the date, time and place of the meeting.

15.5. If no quorum is present at the reconvened meeting within fifteen minutes of the time specified for the start of the meeting the members present in person or by proxy at that time shall constitute the quorum for that meeting.

## **16. The chair at a general meeting**

16.1. General meetings shall be chaired by the person who has been appointed to chair meetings of the directors.

16.2. If there is no such person or he or she is not present within fifteen minutes of the time appointed for the meeting a director nominated by the directors shall chair the meeting.

16.3. If there is only one director present and willing to act, he or she shall chair the meeting.

16.4. If no director is present and willing to chair the meeting within fifteen minutes after the time appointed for holding it, the members present in person or by proxy and entitled to vote must choose one of their number to chair the meeting.

## **17. Adjournments of general meetings**

17.1. The members present in person or by proxy at a meeting may resolve by ordinary resolution that the meeting shall be adjourned.

17.2. The person who is chairing the meeting must decide the date, time and place at which the meeting is to be reconvened unless those details are specified in the resolution.

17.3. No business shall be conducted at a reconvened meeting unless it could properly have been conducted at the meeting had the adjournment not taken place.

17.4. If a meeting is adjourned by a resolution of the members for more than seven days, at least seven clear days' notice shall be given of the reconvened meeting stating the date, time and place of the meeting.

## **18. Votes at general meetings**

- 18.1. Any vote at a meeting shall be decided by a show of hands unless before, or on the declaration of the result of, the show of hands a poll is demanded:
- 18.1.1. by the person chairing the meeting; or
  - 18.1.2. by at least two members present in person or by proxy and having the right to vote at the meeting; or
  - 18.1.3. by a member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting.
- 18.2. The declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded.
- 18.3. The result of the vote must be recorded in the minutes of the company but the number or proportion of votes cast need not be recorded.
- 18.4. A demand for a poll may be withdrawn, before the poll is taken, but only with the consent of the person who is chairing the meeting.
- 18.5. If the demand for a poll is withdrawn the demand shall not invalidate the result of a show of hands declared before the demand was made.
- 18.6. A poll must be taken as the person who is chairing the meeting directs, who may appoint scrutineers (who need not be members) and who may fix a time and place for declaring the results of the poll.
- 18.7. The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.
- 18.8. A poll demanded on the election of a person to chair a meeting or on a question of adjournment must be taken immediately.
- 18.9. A poll demanded on any other question must be taken either immediately or at such time and place as the person who is chairing the meeting directs.
- 18.10. The poll must be taken within thirty days after it has been demanded.
- 18.11. If the poll is not taken immediately at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

- 18.12. If a poll is demanded the meeting may continue to deal with any other business that may be conducted at the meeting.

## **19. Proxies at general meetings**

- 19.1. Proxies may only validly be appointed by a notice in writing (a "proxy notice") which-
- 19.1.1. states the name and address of the member appointing the proxy;
  - 19.1.2. identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
  - 19.1.3. is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - 19.1.4. 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.
- 19.2. The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 19.3. Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 19.4. Unless a proxy notice indicates otherwise, it must be treated as:
- 19.4.1. 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
  - 19.4.2. 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.

## **20. Delivery of proxy notices**

- 20.1. A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- 20.2. An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

20.3. A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

20.4. If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

## **21. Written resolutions**

21.1. A resolution in writing agreed by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of the members who would have been entitled to vote upon it had it been proposed at a general meeting shall be effective provided that:

21.1.1. a copy of the proposed resolution has been sent to every eligible member;

21.1.2. a simple majority (or in the case of a special resolution a majority of not less than 75%) of members has signified its agreement to the resolution; and

21.1.3. it is contained in an authenticated document which has been received at the registered office within the period of 28 days beginning with the circulation date.

21.2. A resolution in writing may comprise several copies to which one or more members have signified their agreement.

## **22. Votes of members**

22.1. Every member shall have one vote.

22.2. Any objection to the qualification of any voter must be raised at the meeting at which the vote is tendered and the decision of the person who is chairing the meeting shall be final.

**PART 7**  
**Company governance: directors**

**23. Directors**

- 23.1. Not less than fifty per cent of the Directors of the Company shall be members of the House of Commons.
- 23.2. Where a director is a member of the House of Commons, in the event of the dissolution of Parliament prior to a general election, he or she shall continue to be a director during the dissolution period, but if that Director is not returned to the House of Commons at such a general election, he or she shall resign as a director (and where applicable, a member) at the first board meeting following such general election.
- 23.3. No one may be appointed a director if he or she would be disqualified from acting under the provisions of article 27.
- 23.4. The number of directors shall not be subject to any maximum, unless otherwise determined by ordinary resolution.
- 23.5. There shall be at least five directors.
- 23.6. In the event of a vacancy among the directors, the remaining directors may continue to manage the business of the company provided that they simultaneously take reasonable steps to fill the vacancy without undue delay.
- 23.7. The first directors shall be those persons notified to Companies House as the directors of the company prior to the adoption of these articles.
- 23.8. A director may not appoint an alternate director or anyone to act on his or her behalf at meetings of the directors.

**24. Powers of directors**

- 24.1. The directors shall manage the business of the company and may exercise all the powers of the company unless they are subject to any restrictions imposed by the Companies Acts, these articles or any special resolution.
- 24.2. The directors may change the name of the company.

24.3. No alteration of the articles or any special resolution shall have retrospective effect to invalidate any prior act of the directors.

24.4. Any meeting of directors at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the directors.

**25. Retirement of directors**

25.1. Subject to article 26.5, directors shall serve for a fixed period of one year (which may be renewed) and shall not be required to retire by rotation.

**26. Appointment of directors**

26.1. The company may by ordinary resolution appoint a person who is willing to act to be a director.

26.2. No person other than a retiring director may be appointed a director at any general meeting unless:

26.2.1. he or she is recommended for re-election by the directors; or

26.2.2. before the date of the meeting, the company is given a notice that:

- a) is signed by a member entitled to vote at the meeting;
- b) states the member's intention to propose the appointment of a person as a director;
- c) contains the details that, if the person were to be appointed, the company would have to file at Companies House; and
- d) is signed by the person who is to be proposed to show his or her willingness to be appointed.

26.3. All members who are entitled to receive notice of a general meeting must be given not less than seven nor more than twenty-eight clear days' notice of any resolution to be put to the meeting to appoint a director other than a retiring director.

26.4. Subject to article 26.5, the directors may appoint a person who is willing to act to be a director.

26.5. A director appointed by a resolution of the other directors shall retire on or before the first anniversary of his or her appointment if the appointment has not been ratified by



ordinary resolution of the company's members in that time. This does not affect the validity of any action taken by that director before his or her retirement. A director retiring under this clause cannot be re-appointed by the directors (but can be recommended by the directors for re-appointment by the company in general meeting or by written resolution of the members).

- 26.6. The appointment of a director, whether by the company in general meeting or by the other directors, must not cause the number of directors to exceed any number fixed as the maximum number of directors.

## **27. Disqualification and removal of directors**

- 27.1. A director shall cease to hold office if he or she:

- 27.1.1. ceases to be a director by virtue of any provision in the Companies Acts or is prohibited by law from being a director;
- 27.1.2. becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs;
- 27.1.3. resigns as a director by notice to the company (but only if at least two directors will remain in office when the notice of resignation is to take effect); or
- 27.1.4. is absent without the permission of the directors from all their meetings held within a period of six consecutive months and the directors resolve that his or her office be vacated.

## **28. Remuneration of directors**

- 28.1. Subject to article 7, the directors must not be paid any remuneration.
- 28.2. This article 28 does not prevent the payment of remuneration to the company's chief executive if appointed as a director, provided that he or she shall not be present or count as part of the quorum during any discussion or decisions as to his or her remuneration or other conditions of employment.

## **29. Proceedings of directors**

- 29.1. The directors may regulate their proceedings as they think fit, subject to the provisions of the articles.
- 29.2. Any director may call a meeting of the directors.

- 29.3. The secretary (if any) must call a meeting of the directors if requested to do so by a director.
- 29.4. Questions arising at a meeting shall be decided by a majority of votes.
- 29.5. In the case of an equality of votes at a meeting of the directors, the person who is chairing the meeting shall have a second or casting vote.
- 29.6. A meeting may be held by suitable electronic means agreed by the directors in which each participant may communicate with all the other participants.
- 29.7. The directors may invite a member of the company or any other person who is not a director to attend and speak at a meeting of the directors but no such person shall count towards the quorum of the meeting nor shall they have any right to vote at the meeting.

### **30. Quorum at directors' meetings**

- 30.1. No decision may be made by a meeting of the directors unless a quorum is present at the time the decision is purported to be made. 'Present' includes being present by suitable electronic means agreed by the directors in which a participant or participants may communicate with all the other participants.
- 30.2. The quorum shall be two or the number nearest to one-third of the total number of directors, whichever is the greater, or such larger number as may be decided from time to time by the directors.
- 30.3. A director shall not be counted in the quorum present when any decision is made about a matter upon which that director is not entitled to vote.
- 30.4. If the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.

### **31. The chair at directors' meetings**

- 31.1. The directors shall appoint a director to chair their meetings and may at any time revoke such appointment.
- 31.2. If no-one has been appointed to chair meetings of the directors or if the person appointed is unwilling to preside or is not present within ten minutes after the time appointed for the meeting, the directors present may appoint one of their number to chair that meeting.

- 31.3. The person appointed to chair meetings of the directors shall have no functions or powers except those conferred by the articles or delegated to him or her by the directors.

**32. Written resolutions of the directors**

- 32.1. A resolution in writing or in electronic form agreed by a simple majority of all the directors entitled to receive notice of a meeting of directors or of a committee of directors and to vote upon the resolution shall be as valid and effectual as if it had been passed at a meeting of the directors or (as the case may be) a committee of directors duly convened and held provided that:

32.1.1. a copy of the resolution is sent or submitted to all the directors eligible to vote; and

32.1.2. a simple majority of directors has signified its agreement to the resolution in an authenticated document or documents which are received at the registered office within the period of 28 days beginning with the circulation date.

- 32.2. The resolution in writing may comprise several documents containing the text of the resolution in like form to each of which one or more directors has signified their agreement.

**33. Delegation by the directors**

- 33.1. The directors may delegate any of their powers or functions to a committee of two or more directors but the terms of any delegation must be recorded in the minute book.

- 33.2. The directors may impose conditions when delegating, including the conditions that:

33.2.1. the relevant powers are to be exercised exclusively by the committee to whom they delegate;

33.2.2. no expenditure may be incurred on behalf of the company except in accordance with a budget previously agreed with the directors.

- 33.3. The directors may revoke or alter a delegation.

- 33.4. All acts and proceedings of any committees must be fully and promptly reported to the directors.

**34. Declaration of directors' interests**

- 34.1. A director must declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the company or in any transaction or arrangement entered into by the company which has not previously been declared. A director must absent himself or herself from any discussions of the directors in which it is possible that a conflict will arise between his or her duty to act solely in the interests of the company and any personal interest (including but not limited to any personal financial interest).

### **35. Conflicts of interests**

- 35.1. If a conflict of interests arises for a director because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in the articles, the unconflicted directors may authorise such a conflict of interests where the following conditions apply:

- 35.1.1. the conflicted director is absent from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person;
- 35.1.2. the conflicted director does not vote on any such matter and is not to be counted when considering whether a quorum of directors is present at the meeting; and
- 35.1.3. the unconflicted directors consider it is in the interests of the company to authorise the conflict of interests in the circumstances applying.

- 35.2. In this article a conflict of interests arising because of a duty of loyalty owed to another organisation or person only refers to such a conflict which does not involve a direct or indirect benefit of any nature to a director or to a connected person.

### **36. Validity of directors' decisions**

- 36.1. Subject to article 36.2, all acts done by a meeting of directors, or of a committee of directors, shall be valid notwithstanding the participation in any vote of a director:

- 36.1.1. who was disqualified from holding office;
- 36.1.2. who had previously retired or who had been obliged by the constitution to vacate office;
- 36.1.3. who was not entitled to vote on the matter, whether by reason of a conflict of interests or otherwise;

if without:

36.1.4. the vote of that director; and

36.1.5. that director being counted in the quorum;

the decision has been made by a majority of the directors at a quorate meeting.

36.2. Article 36.1 does not permit a director or a connected person to keep any benefit that may be conferred upon him or her by a resolution of the directors or of a committee of directors if, but for article 48.1, the resolution would have been void, or if the director has not complied with article 46.

**PART 8**  
**Miscellaneous and supplementary**

**37. Seal**

- 37.1. If the company has a seal it must only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary (if any) or by a second director.

**38. Minutes**

- 38.1. The directors must keep minutes of all:
- 38.1.1. appointments of officers made by the directors;
  - 38.1.2. proceedings at meetings of the company;
  - 38.1.3. meetings of the directors and committees of directors including:
    - a) the names of the directors present at the meeting;
    - b) the decisions made at the meetings; and
    - c) where appropriate the reasons for the decisions.

**39. Accounts**

- 39.1. The directors must prepare for each financial year accounts as required by the Companies Acts. The accounts must be prepared to show a true and fair view and follow accounting standards issued or adopted by the Accounting Standards Board or its successors and adhere to the recommendations of applicable Statements of Recommended Practice.
- 39.2. The directors must keep accounting records as required by the Companies Acts.

**40. Means of communication to be used**

- 40.1. 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 Companies Act 2006 provides

for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

- 40.2. Subject to these articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 40.3. Any notice to be given to or by any person pursuant to the articles must be in writing or given in electronic form.
- 40.4. The company may give any notice to a member either:
- 40.4.1. personally; or
  - 40.4.2. by sending it by post in a prepaid envelope addressed to the member at his or her address; or
  - 40.4.3. by leaving it at the address of the member; or
  - 40.4.4. by giving it in electronic form to the member's address.
- 40.5. A member who does not register an address with the company or who registers only a postal address that is not within the United Kingdom shall not be entitled to receive any notice from the company.
- 40.6. A member present in person at any meeting of the company shall be deemed to have received notice of the meeting and of the purposes for which it was called.
- 40.7. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given.
- 40.8. Proof that an electronic form of notice was given shall be conclusive where the company can demonstrate that it was properly addressed and sent, in accordance with section 1147 of the Companies Act 2006.
- 40.9. In accordance with section 1147 of the Companies Act 2006 notice shall be deemed to be given:
- 40.9.1. 48 hours after the envelope containing it was posted; or
  - 40.9.2. in the case of an electronic form of communication, 48 hours after it was sent.

#### **41. Indemnity and insurance**

- 41.1. The company shall indemnify any officer against any liability incurred by him or her in that capacity, to the extent permitted by sections 232 to 234 of the Companies Act 2006.
- 41.2. The company may purchase indemnity insurance for the benefit of its officers.
- 41.3. In this article, "officer" means any director, secretary, former director or former secretary of the company.
- 41.4. The company may indemnify an auditor against any liability incurred by him or her or it:
  - 41.4.1. in defending proceedings (whether civil or criminal) in which judgment is given in his or her or its favour or he or she or it is acquitted; or
  - 41.4.2. in connection with an application under section 1157 of the Companies Act 2006 in which relief is granted to him or her or it by the Court.

#### **42. Rules**

- 42.1. The directors may from time to time make such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the company.
- 42.2. The rules or bye laws may regulate the following matters but are not restricted to them:
  - 42.2.1. the admission of members of the company and the rights and privileges of such members, and the entrance fees, subscriptions and other fees or payments to be made by members;
  - 42.2.2. the conduct of members of the company in relation to one another, and to the company's employees;
  - 42.2.3. the setting aside of the whole or any part or parts of the company's premises at any particular time or times or for any particular purpose or purposes;
  - 42.2.4. the procedure at general meetings and meetings of the directors in so far as such procedure is not regulated by the Companies Acts or by the articles;



- 42.2.5. generally, all such matters as are commonly the subject matter of company rules.
- 42.3. The directors must adopt such means as they think sufficient to bring the rules and bye laws to the notice of members of the company.
- 42.4. The rules or bye laws shall be binding on all members of the company. No rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in, these articles.