

PRIVATE COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION

OF

SOUTH WEST PENINSULA AHSN LIMITED

08495463

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ARTICLES OF ASSOCIATION

OF

SOUTH WEST PENINSULA AHSN LIMITED

1 INTRODUCTORY PROVISIONS

1.1 Exclusion of model or other regulations

Neither:

1.1.1 the model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (SI 2009/3229); nor

1.1.2 any other regulations or model articles contained in any statute or subordinate legislation

shall apply to the Company, but the following shall be the articles of association of the Company.

1.2 Definitions and interpretation

1.2.1 In these Articles, unless the context requires otherwise, the following words and expressions shall have the following meanings:

"address" has the meaning given in section 1148 of the Companies Act 2006

"Articles" means the Company's articles of association and a reference to a numbered "Article" is a reference to a provision of these Articles

"bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England and Wales which have an effect similar to that of bankruptcy

"Board" means the Directors, or such of those Directors present at a duly convened meeting of the Directors at which a quorum is present in accordance with the Articles

"Business Day" means any day (other than a Saturday, Sunday or bank or public holiday in England)

"Chair" has the meaning given in Article 3.6 (Chairing Board meetings)

"chair of the meeting" has the meaning given in Article 11.5 (Chairing general meetings)

"clear days" means in relation to a notice, excludes the day the notice is deemed under these Articles to be given and the day on which the specified period expires

"Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company

"Company" means the company which is the subject of these Articles or the members in general meeting, as the context may require

"Cornwall ICS Voting Members" means the members of the Company which are also members of the Cornwall ICS

"Devon ICS Voting Members" means the members of the Company which are also members of the Devon ICS

"Director" means a director of the Company including any person occupying the position of director, by whatever name called

"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

"eligible Director" has the meaning given in Article 3.2 (Unanimous decisions)

"Executive Director" means any Director with that designation in the table at article 4.2

"general meeting" means a formal meeting of the members convened in accordance with these Articles and the Companies Act 2006

"hard copy form" has the meaning given in section 1168 of the Companies Act 2006

"ICS" means Integrated Care System

"instrument" means a document in hard copy form

"member" has the meaning given in section 112 of the Companies Act 2006

"Non-Executive Director" means any Director with that designation in the table at article 4.2

"ordinary resolution" has the meaning given in section 282 of the Companies Act 2006

"participate" means in relation to a Board meeting, has the meaning given in Article 3.4 (Participation in Board meetings)

"proxy notice" has the meaning given in Article 12.1 (Content of proxy notices)

"Somerset ICS Voting Members" means the members of the Company which are also members of the Somerset ICS

"special resolution" has the meaning given in section 283 of the Companies Act 2006

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

1.2.2 "Subsidiary undertaking" and "parent undertaking" shall have the meanings given to those words in section 1162 of the Companies Act 2006, provided that for the purposes only of the membership requirement contained in sections 1162(1)(b) and (d) of that Act, an undertaking shall be treated as a member of another undertaking even if its shares or capital interests in that other undertaking are registered in the name of (i) another person or its nominee, by way of security or in connection with the taking of security, or (ii) its nominee.

1.2.3 Unless the context requires otherwise, other words or expressions defined in the Companies Act 2006 shall bear the same meanings when used in these Articles.

1.2.4 Except where the contrary is stated or the context requires otherwise, any reference in these Articles to a statute or statutory provision includes any order, regulation, instrument or other subordinate legislation made under it for the time being in force, and any reference to a statute, statutory provision, order, regulation, instrument or other subordinate legislation includes any amendment, extension, consolidation, re-enactment or replacement of it for the time being in force.

1.2.5 Words importing the singular number only include the plural and vice versa. Words importing the masculine gender include the feminine and neuter gender. Words importing persons include corporations.

1.3 Liability of members is limited

The liability of each member is limited to £1, being the amount that each member undertakes to contribute to the assets of the Company in the event of the Company being wound up while that person is a member or within one year after that person ceasing to be a member, for:

1.3.1 payment of the Company's debts and liabilities contracted before he ceases to be a member;

1.3.2 payment of the costs, charges and expenses of winding up; and

1.3.3 adjustment of the rights of the contributories among themselves.

2 GOVERNANCE AND MANAGEMENT

2.1 Board's general authority to manage the Company's business

Subject to these Articles and any power reserved to the members pursuant to the Companies Act 2006, the Board is responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company. No alteration of these Articles invalidates anything which the Board has done before the alteration was made.

2.2 Members' reserve power to direct the Board

The members may by special resolution direct the Board to take, or refrain from taking, specified action. No such special resolution invalidates anything which the Board has done before the passing of the resolution.

2.3 Board's power to delegate

2.3.1 Subject to these Articles, the Board may delegate any of the powers which are conferred on it under these Articles:

- (a) to such person (whether a Director or not) or committee;
- (b) by such means (including by power of attorney);
- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions

as it thinks fit. The power to delegate shall be effective in relation to the powers, authorities and discretions of the Board generally and shall not be limited by the fact that in certain of these Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or by a committee authorised by the Board.

2.3.2 If the Board so specifies, any such delegation may authorise further delegation of the Board's powers by any person to whom they are delegated.

2.3.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

2.4 Committees

2.4.1 Committees to which the Board delegates any of its powers must follow procedures which are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by the Board.

2.4.2 A member of a committee need not be a Director.

- 2.4.3 In accordance with Article 18 (Rules), the Board may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not consistent with them.

3 DIRECTORS' DECISION-MAKING

3.1 Directors to take decisions collectively

- 3.1.1 The general rule about decision-making by Directors is that any decision of the Board must be either a decision taken a simple majority of the eligible Directors at a meeting or a decision taken in accordance with Article 3.2.

3.1.2 If:

- (a) the Company only has one Director; and
- (b) no provision of these Articles requires it to have more than one Director,

the general rule does not apply, and the Director (for so long as he remains the sole Director) may take decisions without regard to any of the provisions of these Articles relating to Directors' decision-making.

3.2 Unanimous decisions

- 3.2.1 A decision of the Board is taken in accordance with this Article 3.2 when all eligible Directors indicate to each other by any means that they share a common view on a matter.

- 3.2.2 Such a decision may take the form of a resolution in writing, signed by each eligible Director (whether or not each signs the same document) or to which each eligible Director has otherwise indicated agreement in writing.

- 3.2.3 References in these Articles to "eligible Directors" are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Board meeting (but excluding any Director whose vote is not to be counted in respect of that particular matter).

- 3.2.4 A decision may not be taken in accordance with this Article 3.2 if the eligible Directors would not have formed a quorum at such a meeting. Article 3.5 defines the required quorum.

3.3 Calling a Board meeting

- 3.3.1 Any Director may call a Board meeting by giving notice of the meeting to the Directors or by authorising the company secretary (if any) to give such notice.

- 3.3.2 Except as set out in Article 3.3.3 notice of any Board meeting must be given in writing to each Director and indicate:

- (a) its proposed date and time;

- (b) where it is to take place; and
- (c) if it is anticipated that Directors 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.

3.3.3 Notice of a Board meeting need not be given to a Director who:

- (a) is absent from the United Kingdom on the date on which such notice is given if that Director has not furnished the Company with an address for sending or receiving documents or information by electronic means to or from that Director outside the United Kingdom; or
- (b) waives his entitlement to notice of that meeting, by giving notice to that effect to the Company either before or after (but in any event not more than seven days after) the date on which the meeting is held. Where such notice is given by the relevant Director after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it

3.4 Participation in Board meetings

3.4.1 Subject to these Articles, Directors "participate" in a Board meeting, or part of a Board meeting, when:

- (a) the meeting has been called and takes place in accordance with these Articles; and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

3.4.2 In determining whether Directors are participating in a Board meeting, it is irrelevant where any Director is or how they communicate with each other.

3.4.3 If all the Directors 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. For the avoidance of doubt, a meeting of the Board may be conducted via telephone, video conference or other medium as agreed by the Board.

3.5 Quorum for Board meetings

3.5.1 At a Board meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

3.5.2 Subject to Article 3.5.3, the quorum for Board meetings shall be:

- (a) any two executive Directors;
- (b) any two independent Directors being any of the Independent Chair, the Non-Executive Director of Finance, the Non-Executive Director of Business Development, the Non-Executive Digital Director or the Non-Executive Clinical Director;

- (c) one of the Devon ICS Director, the Cornwall ICS Director or the Somerset ICS Director; and
- (d) one of the Exeter University Director, Plymouth University Director or the NIHR Director.

3.5.3

- (a) If and for so long as there is only one Director, the quorum for that meeting shall be one.
- (b) For the purposes of any meeting held pursuant to Article 7.1 (Conflict situations) (or part of a meeting where it is proposed) to authorise a Director's conflict, if there is only one Director besides the Director concerned and Directors with a similar interest, the quorum for that meeting (or the relevant part) shall be one.

3.5.4 If the total number of Directors for the time being is less than the quorum required, the Board must not take any decision other than a decision:

- (a) to appoint further Directors; or
- (b) to call a general meeting so as to enable the members to appoint further Directors.

3.6 Chairing Board meetings

3.6.1 Board meetings shall be chaired by:

- (a) the Independent Chair (if any); or
- (b) if there is no Independent Chair holding office at the time of the meeting, or he or she is unwilling or unable to chair the meeting, or is not participating in a Board meeting within ten minutes of the time at which it was to start, the vice chairperson (if any) shall chair the meeting; or
- (c) if there is neither an Independent Chair nor a vice chairperson holding office at the time of the meeting, or there is an Independent Chair and vice chairperson holding office at the time of the meeting, but neither of them is willing or able to chair the meeting, or neither of them is participating in a Board meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of their number to chair it.

3.6.2 The person chairing the Board meeting is known as the "Chair".

3.7 Records of decisions to be kept

The Directors must ensure that the Company keeps a record, either in electronic or in hard copy form, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.

3.8 Directors' discretion to make further rules

In accordance with Article 18 (Rules), the Board may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

4 THE BOARD

4.1 Number of Directors

The Directors shall not, unless otherwise determined by an ordinary resolution of the members, be less than four or more than eighteen.

4.2 Composition of the Board

The Board will comprise of non-executive Directors and executive Directors. The titles and designation of each Director are set out in columns (1) and (2) of the table below, each of whom shall be appointed and may be removed or replaced by the group referred to in column (3):

(1) TITLE/ROLE	(2) DESIGNATION	(3) APPOINTOR / REMOVER (Name in brackets denotes the person with power to approve appointment / removal on behalf of the Company)
Independent Chair	Non-Executive	Company (Board)
Chief Executive	Executive	Company (Board)
Director of Finance	Executive	Company (Chief Executive, other than for remuneration which is reserved to the Board)
Clinical Director	Executive	Company (Chief Executive, other than for remuneration which is reserved to the Board)
Up to two further Directors	Executive	Company (Chief Executive, other than for remuneration which is reserved to the Board)

(1) TITLE/ROLE	(2) DESIGNATION	(3) APPOINTOR / REMOVER (Name in brackets denotes the person with power to approve appointment / removal on behalf of the Company)
Non-Executive Finance Director	Non-Executive	Company (Board)
Non-Executive Director of Business Development	Non-Executive	Company (Board)
Non-Executive Digital Director	Non-Executive	Company (Board)
Non-Executive Clinical Director	Non-Executive	Company (Board)
Devon ICS Director	Non-Executive	Devon ICS Voting Members nomination
Cornwall ICS Director	Non-Executive	Cornwall ICS Voting Members nomination
Somerset ICS Director	Non-Executive	Somerset ICS Voting Members nomination
Exeter University Director	Non-Executive	University of Exeter
Plymouth University Director	Non-Executive	University of Plymouth
NIHR Director	Non-Executive	National Institute for Health Research

4.3 Directors need not be members

A Director need not be a member of the Company.

5 APPOINTMENT & TERM OF DIRECTORS

5.1 Appointment of Directors

5.1.1 A Director to be appointed or removed by the Company shall be appointed on terms agreed between the Company and the individual concerned and any removal shall be in accordance with those terms. The remuneration of the Executive Directors shall be approved by the Board. Any other Director shall be appointed or removed by notice in writing to the Company signed by or on behalf of the relevant person(s) listed in column (3) of the table in article 4.2, which shall:

- (a) state the name of the person being appointed or removed as a Director; and
- (b) take effect when the notice is delivered to the Company.

The power to appoint a Director includes the power to appoint a person as a Director as a replacement for any person ceasing to be a Director.

- 5.1.2 The Board may appoint any person who is willing to act to be a Director, either to fill a vacancy or by way of addition to their number, but so that the total number of Directors appointed in this manner shall not (when aggregated with all other Directors then in office) exceed any maximum number fixed by or in accordance with these Articles.

5.2 Term

- 5.2.1 Executive Directors shall not be appointed on a fixed term and shall continue in office until removed in accordance with article 6.1.
- 5.2.2 Non-Executive Director's appointed by member organisations shall, continue to represent that entity until removed in accordance with article 6.1.
- 5.2.3 All other Non-Executive Director's (i.e. those not appointed by members) appointment to the Board shall be for a maximum term of three years and each such Non-Executive Director shall stand down after this period. The Non-Executive Director may offer themselves for re-election by their appointer for a further period of up to three years. The Board shall determine the order in which these Non-Executive Directors shall retire by rotation.

5.3 Annual review

- 5.3.1 Each Director shall be reviewed annually for their overall contribution to the Company through a process of appraisal adopted by the Board and led by the Independent Chair. The Independent Chair's appraisal will be conducted by a Non-Executive Director approved by the Board for that purpose.

6 VACATION OF OFFICE OF DIRECTOR

6.1 Grounds for vacation of office

The office of a Director shall be vacated if:

- 6.1.1 in the case of an Executive Director they are removed from office in accordance with their contract of employment with the Company or cease to be an employee of the Company; or

- 6.1.2 that person ceases to be a Director by virtue of any provision of the Companies Act 2006 or is prohibited from being a Director by law; or
- 6.1.3 a bankruptcy order is made against that person and/or a composition is made with that person's creditors generally in satisfaction of that person's debts; or
- 6.1.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that the person has become physically or mentally incapable of acting as a Director (and may remain so for more than three months); or
- 6.1.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or
- 6.1.6 notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms; or
- 6.1.7 that person has for more than six consecutive months been absent without permission of the Board from Board meetings held during that period and the Board resolves that the person should cease to be a Director; or
- 6.1.8 that person is removed from office by a majority of three quarters of the Board present and voting; or
- 6.1.9 the Non-Executive Director's term has expired; or
- 6.1.10 that person is a Non-Executive Director appointed by of any of the University of Exeter, the University of Plymouth, the National Institute for Health Research, Devon ICS, Cornwall ICS or Somerset ICS and:
 - (a) is removed by their appointing body by notice in writing to the Company; or
 - (b) ceases to be an employee of their appointing body; or
 - (c) is replaced by their appointing body by notice in writing to the Company,

which removal or replacement shall take effect on the date specified in the notice or if later the date on which the notice is received by the Company.

6.2 No prejudice to agreement between the removed Director and the Company

Any removal of a Director under Article 6.1 shall be without prejudice to any claim which that Director may have for damages for breach of any agreement between him and the Company.

7 DIRECTORS' DUTIES AND INTERESTS

7.1 Conflict situations

- 7.1.1 In accordance with section 175 of the Companies Act 2006, a Director must avoid a situation in which they have, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (a "conflict situation"). This applies in particular to the exploitation of any property, information or opportunity (and it is immaterial whether the Company could take advantage of the property, information or opportunity).
- 7.1.2 However, this duty:
- (a) does not apply to a conflict of interest arising in relation to a transaction or arrangement with the Company; and
 - (b) is not infringed:
 - (i) if the situation cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (ii) if the matter has been authorised by the Board.
- 7.1.3 For authorisation of a conflict situation by the Board to be effective:
- (a) the matter in question must have been proposed in writing for consideration at a Board meeting in line with the normal procedures for such meetings or in any other way the Board may decide;
 - (b) any quorum requirement at the Board meeting when the matter is considered must be met without counting any Directors who are or could be subject to the conflict situation ("Interested Directors"); and
 - (c) the matter must be agreed without the Interested Directors voting, or would have been agreed if the votes of the Interested Directors had not been counted.
- 7.1.4 Any conflict situation authorised under this Article 7.1 will include any existing or potential conflict of interest which it is reasonable to expect will arise out of the authorised matter.
- 7.1.5 Any authorisation of a conflict situation under this Article 7.1 will be subject to any conditions or limitations that the Board (other than the Interested Directors) decide. The Board (other than the Interested Directors) can decide the conditions or limitations at the time authorisation is given, or later on, and can end them at any time. A Director must comply with any obligations imposed on him after a conflict situation has been authorised.
- 7.1.6 A Director does not have to hand over to the Company any benefit he receives (or a person connected with him receives) as a result of any conflict situation authorised under this Article 7.1. No contract, transaction or arrangement of the type described in this Article 7.1 can be set aside because of any Director's interest or benefit.

- 7.1.7 Notwithstanding any other provision of these Articles, any Director who is also a director, other officer or employee of a member or any of its subsidiary undertakings and who has a conflict situation merely by virtue of holding such office, shall be deemed to have declared the conflict situation and been authorised for the purposes of section 175 of the Companies Act 2006 and these Articles in respect of the conflict situation.

7.2 Directors may have certain interests

- 7.2.1 In this Article 7.2, each of the following is a "Relevant Entity":

- (a) the Company;
- (b) a subsidiary undertaking of the Company;
- (c) any parent undertaking of the Company or a subsidiary undertaking of any such parent undertaking;
- (d) any undertaking promoted by the Company;
- (e) any undertaking in which the Company is interested;
- (f) a member;
- (g) any subsidiary undertaking of a member; and
- (h) any subsidiary undertaking of a person referred to in limb (h) above.

- 7.2.2 Subject to complying with Article 7.2.3, a Director can have the following interests:

- (a) a Director (or a person connected with him) can be a director, officer or employee of, or have an interest (including holding shares) in any Relevant Entity.
- (b) a Director (or a person connected with him) can have an interest in any Relevant Entity which the Company also has an interest in, or be a party to a contract with that Relevant Entity.
- (c) a Director (or a person connected with him, or any firm the Director is a partner, employee or shareholder of) can do professional work for any Relevant Entity (other than as an auditor) whether or not they are paid for the work.
- (d) a Director can have an interest if it is unreasonable to expect that it will result in a conflict of interest.
- (e) a Director can have an interest, transaction or arrangement which may result in another interest which they do not know about.

- (f) a Director may have an interest in any conflict situation authorised under Article 7.1 (Conflict situations).
- (g) a Director may have any other interest authorised by ordinary resolution.

No further authorisation under Article 7.1 (Conflict situations) is required for any interests under this Article 7.2.

7.2.3 Unless Article 7.2.4 applies, the Director concerned must declare the nature and extent of any interest allowed under Article 7.2.2. The Director must do this at a Board meeting or by sending notice to other Directors in a manner permitted by these Articles. If the Director:

- (a) has an interest in a Relevant Entity (other than the Company) and is interested in any transaction or arrangement with the Company; or
- (b) is connected with a person and is interested in a transaction with that person,

they must declare the nature and extent of any interest and give such notice at the Board meeting.

7.2.4 A Director does not need to declare an interest:

- (a) falling within Article 7.2.2(d), Article 7.2.2(e) or Article 7.2.2(f);
- (b) if the other Directors already know about the interest (and for this purpose the other Directors will be treated as knowing about the interest if it is reasonable to expect they know about it); or
- (c) if the interest concerns the terms of their service contract (as defined in section 227 of the Companies Act 2006) that have been or are to be considered at a Board meeting or at a meeting of a committee of the Board appointed under these Articles to consider the terms.

7.2.5 A Director does not have to hand over to the Company any benefit he or she (or a person connected with them) receives:

- (a) from any contract or employment with, or interest in, any Relevant Entity; or
- (b) for any payment as referred to in Article 8 (Directors' remuneration and expenses).

No contract, transaction or arrangement of the type described above can be set aside because of any Director's interest or benefit.

7.3 Determining whether a Director has the right to participate for quorum and voting purposes

7.3.1 Subject to Article 7.3.2, if a question arises at a Board meeting or of a committee of Directors as to the right of a Director to participate in the

meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chair, whose ruling in relation to any Director other than the Chair is to be final and conclusive.

- 7.3.2 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chair, the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

7.4 Confidentiality

- 7.4.1 Subject to Article 7.1 (Conflict situations), if a Director receives information for which he owes a duty of confidentiality to a person other than the Company, and he does not receive the information because of his position as a Director, he will not be required to:

- (a) disclose the confidential information to the Board, or to any of the Directors or other officers or employees of the Company; or
- (b) use or apply the confidential information in any other way in connection with their duties as a Director.

- 7.4.2 A duty of confidentiality may arise when a Director is, or could be subject to a conflict situation (as defined in Article 7.1.1). This Article 7.4 will apply only if the conflict situation arises out of a matter which has been authorised under Article 7.1 (Conflict situations) or falls within Article 7.2 (Directors may have certain interests).

- 7.4.3 This Article does not affect any equitable principle (rules of fairness) or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 7.4.

8 DIRECTORS' REMUNERATION AND EXPENSES

8.1 Directors' remuneration

- 8.1.1 Directors may undertake any services for the Company that the Board decides.
- 8.1.2 Directors are entitled to such remuneration as the Board determines for their services to the Company as Directors and any other service which they undertake for the Company.
- 8.1.3 Subject to these Articles, a Director's remuneration may take any form and include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.
- 8.1.4 Unless the Board decides otherwise, Directors' remuneration accrues from day to day.

- 8.1.5 Unless the Board decides otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiary undertakings or of any other undertakings in which the Company is interested and the receipt of such benefit shall not disqualify any person from being a Director of the Company.

8.2 Directors' expenses

The Company may pay any reasonable expenses which the Directors (and the alternate Directors and the company secretary (if any)) properly incur in connection with their attendance at:

- 8.2.1 meetings of Directors or committees of Directors,

- 8.2.2 general meetings, or

- 8.2.3 separate meetings of the holders of debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company, in accordance with any rules established by the Board from time to time.

9 ALTERNATE DIRECTORS

9.1 Appointment and removal of alternate Directors

Any Director may appoint as an alternate any other Director, or any other person, to exercise that Director's powers and carry out that Director's responsibilities in relation to the taking of decisions by the Board, in the absence of the alternate's appointor. Any such appointment or removal of an alternate must:

- 9.1.1 identify the proposed alternate;

- 9.1.2 be effected by notice in writing to the Company signed by his appointor, or in any other manner approved by the Board; and

- 9.1.3 in the case of appointment, be approved by the Independent Chair, if any is holding office at the time of the proposed appointment.

9.2 Rights and responsibilities of alternate Directors

- 9.2.1 An alternate Director may act as alternate Director to more than one Director and has the same rights in relation to any decision of the Board as the alternate's appointor.

- 9.2.2 Except as these Articles specify otherwise, alternate Directors:

- (a) are deemed for all purposes to be Directors;

- (b) are liable for their own acts and omissions;

- (c) are subject to the same restrictions as their appointors; and

- (d) are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member.

9.2.3 A person who is an alternate Director but not a Director:

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
- (b) may participate in a unanimous decision of the Directors (but only if his appointor is an eligible Director in relation to that decision, but does not participate); and
- (c) shall not be counted as more than one Director for the purposes of Articles 9.2.3(a) and 9.2.3(b).

9.2.4 A Director who is also acting as an alternate Director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Board (provided that his appointor is an eligible Director in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present.

9.2.5 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

9.3 Termination of alternate Directorship

An alternate Director's appointment as an alternate terminates:

- 9.3.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- 9.3.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;
- 9.3.3 on the death of the alternate's appointor;
- 9.3.4 when the alternate's appointor's appointment as a Director terminates; or
- 9.3.5 when the alternate is removed in accordance with these Articles.

10 BECOMING AND CEASING TO BE A MEMBER

10.1 Applications for membership

No person shall become a member of the Company unless:

- 10.1.1 that person has completed an application for membership in a form approved by the Board; and

10.1.2 the Board has approved the application.

The Board shall have an absolute discretion in determining whether to accept or reject any application for membership and shall not be bound to assign any reason for their decision.

10.2 Termination of membership

10.2.1 A member may only withdraw from membership of the Company by agreement with the consent of the majority of two thirds of the remaining members.

10.2.2 A person's membership terminates when that person dies or ceases to exist.

10.2.3 Membership is not transferable.

10.3 Board's power to establish different classes of membership

The Board may establish different classes of membership and prescribe their respective privileges and duties in accordance with Article 18 (Rules).

10.4 Membership fees

The Board may from time to time prescribe fees for different classes of membership.

11 GENERAL MEETINGS

11.1 Calling general meetings

11.1.1 Subject to Articles 11.1.2 and 11.1.3, the Board may at any time call:

- (a) a general meeting called for the passing of a special resolution on not less than 21 clear days' notice; or
- (b) any other general meeting on not less than 14 clear days' notice,

unless 90% of the members having a right to attend and vote at the general meeting agree that the general meeting in question can be called on shorter notice, in which case, that general meeting may be called on that shorter period of notice.

11.1.2 Subject to Article 11.1.3, the Board shall call a general meeting on not less than 28 days' notice within 21 days of receiving requests to do so from at least the required percentage of members in accordance with the Companies Act 2006. For these purposes, the required percentage is members who represent at least 5% of the total voting rights of all the members having a right to vote at general meetings.

11.1.3 Where "special notice" is required for the purposes of a resolution to remove a Director pursuant to the Companies Act 2006 or to appoint somebody instead of a Director so removed at the meeting at which that person is removed, at least 28 days' notice must be given prior to the date

of the meeting at which the resolution is to be moved, otherwise the resolution is not effective.

11.2 Notice of general meeting

- 11.2.1 Notice of a general meeting shall be given in hard copy form, in electronic form or by means of a website, provided that the Company complies with any requirements relating to the giving of notice laid down in the Companies Act 2006.
- 11.2.2 Notice of a general meeting shall be sent to every member, every Director and any other person required by law to be sent such notice.
- 11.2.3 Notice of a general meeting shall:
 - (a) state the time, date and place of the meeting;
 - (b) specify the general nature of the business to be dealt with at the meeting and set out the text of any special resolution to be voted upon at the meeting; and
 - (c) be accompanied by a proxy form.
- 11.2.4 The accidental omission to give notice of a general meeting to, or the non-receipt of notice by, any person entitled to receive the notice; or a technical defect in the timing or manner of giving such notice of which the Board is unaware shall not invalidate the proceedings of that meeting.

11.3 Attendance and speaking at general meetings

- 11.3.1 Subject to article 11.3.2 each of Devon ICS Voting Members, Cornwall ICS Voting Members, Somerset ICS Voting Members, University of Exeter, University of Plymouth and the National Institute for Health Research shall be represented at general meetings by their respective Non-Executive Director appointments, who shall be deemed to represent the interest of their respective Voting Members as members of the Company.
- 11.3.2 Any member may appoint a proxy of that organisation to represent it at a general meeting in accordance with article 12 who shall then represent it at that general meeting in substitution to the representative identified at article 11.3.1.
- 11.3.3 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, at any time during the meeting, any information or opinions which that person has on the business of the meeting.
- 11.3.4 A person is able to exercise the right to vote at a general meeting when:
 - (a) that person is able to vote, at any time during the meeting, on resolutions put to the vote at the meeting; and
 - (b) 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.

- 11.3.5 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 11.3.6 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 11.3.7 Two or more persons who are not in the same place as each other attend a general meeting 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.

11.4 Quorum for general meetings

No business other than the appointment of the Chair of the meeting is to be transacted at a general meeting if the persons engaging in it do not constitute a quorum. One half of the members for the time being (rounded up if this is not a whole number) present in person, by proxy submission or by a duly authorised representative and entitled to vote at general meetings shall constitute a quorum.

11.5 Chairing general meetings

- 11.5.1 If the Board has appointed a Chair, the Chair shall chair general meetings if present and willing to do so.
- 11.5.2 If the Board has not appointed a Chair, or if the Chair is unwilling to chair the general meeting or is not present within ten minutes of the time at which a meeting was due to start:
 - (a) the Directors present; or
 - (b) (if no Directors are present), the members present,must appoint one of those present to chair the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.
- 11.5.3 The person chairing a general meeting in accordance with this Article 11.5 is referred to as the "chair of the meeting".

11.6 Attendance and speaking by Directors and non-members

Directors may attend and speak at general meetings, whether or not they are members. The chair of the meeting may also permit other persons who are not members of the Company to attend and speak at that meeting.

11.7 Adjournment

- 11.7.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if at any time during a meeting a quorum ceases to be present, if the meeting was convened by the members, the meeting shall be dissolved and, in any other case, the chair of the meeting must adjourn it.

- 11.7.2 The chair of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 11.7.3 The chair of the meeting may adjourn a general meeting at which a quorum is present if:
- (a) the meeting consents to an adjournment, or
 - (b) it appears to the chair of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 11.7.4 When adjourning a general meeting, 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 fixed by the Board; and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 11.7.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it:
- (a) to the same persons to whom notice of the Company's general meetings is required to be given; and
 - (b) containing the same information which such notice is required to contain.
- 11.7.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.
- 11.8 Voting
- 11.8.1 Notwithstanding the different classes of membership which may be in existence from time to time, for the purposes of any vote, all members present and entitled to vote at a general meeting shall be counted *pari passu* as one class for the purposes of that vote.
- 11.8.2 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.
- 11.8.3 A poll on a resolution may be demanded:
- (a) in advance of the general meeting where it is to be put to the vote, or
 - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

- 11.8.4 A poll may be demanded by:
- (a) the chair of the meeting;
 - (b) the Directors;
 - (c) two or more persons having the right to vote on the resolution; or
 - (d) a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution.
- 11.8.5 A demand for a poll may be withdrawn if the poll has not yet been taken and the chair of the meeting consents to the withdrawal. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 11.8.6 Polls must be taken immediately and in such manner as the chair of the meeting directs.

11.9 Errors and disputes

No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid. Any such objection must be referred to the chair of the meeting whose decision is final.

11.10 Amendments to resolutions

- 11.10.1 An ordinary resolution to be proposed at a general meeting 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 at which it is to be proposed not less than 48 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.
- 11.10.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- (a) the chair of the meeting proposes the amendment at the general meeting 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.
- 11.10.3 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.

12 PROXIES

12.1 Content of proxy notices

- 12.1.1 Proxies may only be validly appointed by a notice in writing (a "proxy notice") which:
- (a) states the name and address of the member 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 or on behalf of the member appointing the proxy, or is authenticated in such manner as the Board may determine; and
 - (d) is delivered to the Company in accordance with these Articles not less than 48 hours before the time appointed for holding the general meeting in relation to which the proxy is appointed and in accordance with any instructions contained in the notice of the general meeting to which they relate (but notwithstanding the foregoing, an appointment of a proxy may be accepted by the Board, in its absolute discretion, at any time prior to the meeting at which the person named in the appointment proposes to vote (or, where a poll is demanded at the meeting, but not taken forthwith, at any time prior to the taking of the poll)).
- 12.1.2 The Company may require proxy notices to be delivered in a particular form and may specify different forms for different purposes.
- 12.1.3 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, but the Company shall not be obliged to ascertain that any proxy has complied with those or any other instructions given by the appointor and no decision on any resolution shall be vitiated by reason only that any proxy has not done so.
- 12.1.4 On a vote on a resolution on a show of hands or a poll at a meeting, every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has one vote, except that if the proxy has been duly appointed by more than one member entitled to vote on the resolution and:
- (a) has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against it; or
 - (b) has been instructed to vote the same way (either for or against) on the resolution by all of those members except those who have given the proxy discretion as to how to vote on the resolution,
- the proxy is entitled to one vote for and one vote against the resolution.
- 12.1.5 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.

12.2 Delivery of proxy notices

- 12.2.1 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.
- 12.2.2 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. 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.
- 12.2.3 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.

13 COMMUNICATIONS

13.1 Means of communication to be used

Subject to these Articles, any notice, document or other information (a "communication") sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which the Companies Act 2006 provides for communications which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.

13.2 Company not obliged to accept communications sent or supplied in electronic form

Except insofar as the Companies Acts require otherwise, the Company shall not be obliged to accept any communication sent or supplied to the Company in electronic form unless it satisfies such stipulations, conditions or restrictions (including, without limitation, for the purpose of authentication) as the Board thinks fit, and the Company shall be entitled to require any such communication to be sent or supplied in hard copy form instead.

13.3 Execution by members which are not natural persons

In the case of a member which is not a natural person, for all purposes, including the execution of any communication in hard copy form or electronic form which is executed or approved pursuant to any provision of these Articles, execution by any director or the company secretary of that member or any other person who appears to any officer of the Company (acting reasonably and in good faith) to have been duly authorised to execute shall be deemed to be and shall be accepted as execution by that member.

13.4 Member whose registered address is not within the United Kingdom

13.4.1 A member whose registered address is not within the United Kingdom and who notifies the Company of an address within the United Kingdom at which communications may be served on or delivered to him shall be entitled to have such things served on or delivered to him at that address (in the manner referred to in this Article 13), but otherwise no such member shall be entitled to receive any communication from the Company.

13.4.2 If the address supplied is that member's address for sending or receiving communications by electronic means the Company may at any time without prior notice (and whether or not the Company has previously sent or supplied any communications in electronic form to that address) refuse to send or supply any communications to that address.

13.5 Communications with Directors

13.5.1 Subject to these Articles, any communication 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 communications for the time being.

13.5.2 A Director may agree with the Company that communications sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

13.6 Timing of delivery of communication

13.6.1 Any communication sent or supplied by the Company shall be deemed to have been received by the intended recipient:

- (a) where the communication is properly addressed and sent by first class post or other delivery service to an address in the United Kingdom, on the day (whether or not it is a Business Day) following the day (whether or not it is a Business Day) on which it was put in the post or given to the delivery agent. In proving that it was duly sent, it shall be sufficient to prove that the communication was properly addressed, prepaid and put in the post or duly given to the delivery agent;
- (b) where (without prejudice to Article 13.4) the communication is properly addressed and sent by post or other delivery service to an address outside the United Kingdom, five Business Days after it was put in the post or given to the delivery agent. In proving that it was duly sent, it shall be sufficient to prove that the communication was properly addressed, prepaid and put in the post or duly given to the delivery agent;
- (c) where the communication is not sent by post or other delivery service but delivered personally or left at the intended recipient's address, on the day (whether or not a Business Day) and time that it was sent;

- (d) where the communication is properly addressed and sent or supplied by electronic means, on the day (whether or not a Business Day) and time that it was sent. Proof that it was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that it was sent;
 - (e) where the communication is sent or supplied by means of a website, when the material was first made available on the website or (if later) when the intended recipient received (or is deemed to have received) notice of the fact that the material was available on the website.
- 13.6.2 A technical defect in the timing or manner of giving of notice of which the Board is unaware at the time does not invalidate decisions taken at a meeting referred to in that notice.
- 13.6.3 Any communication sent or supplied to the Company shall be deemed to have been received only upon the date and at the time of actual receipt.

14 USE OF THE COMPANY SEAL AND CERTIFICATION OF DOCUMENTS

14.1 Company seal

- 14.1.1 Any common seal may only be used by the authority of the Board.
- 14.1.2 The Directors may decide by what means and in what form any common seal is to be used.
- 14.1.3 Unless otherwise decided by the Board, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- 14.1.4 For the purposes of this Article 14.1, an authorised person is:
 - (a) any Director of the Company;
 - (b) the company secretary (if any); or
 - (c) any person authorised by the Board for the purpose of signing documents to which the common seal is applied.

14.2 Certification of documents

- 14.2.1 Any Director or the company secretary or any person appointed by the Board for the purpose shall have power to authenticate and certify as true copies of extracts from:
 - (a) any document comprising or affecting the constitution of the Company, whether in hard copy form or in electronic form;
 - (b) any resolution passed by the Company, the Board or any committee of the Board, whether in hard copy form or in electronic form; and

- (c) any book, record and document relating to the business of the Company, whether in hard copy form or in electronic form (including, without limitation, the accounts).

14.2.2 If certified in this way, a document purporting to be a copy of a resolution, or the minutes of or an extract from the minutes of a meeting of the Company, the Board or a committee of the Board, whether in hard copy form or in electronic form, shall be conclusive evidence in favour of all persons dealing with the Company in reliance on it or them that the resolution was duly passed or that the minutes are, or the extract from the minutes is, a true and accurate record of proceedings at a duly constituted meeting.

15 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

The Board may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiary undertakings (other than a Director or former Director or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary undertaking.

16 COMPANY SECRETARY

Subject to the Companies Act 2006, the Board may appoint a company secretary (or two or more persons as joint secretary) for such term, at such remuneration and upon such conditions as the Board may think fit; and any company secretary (or joint secretary) so appointed may be removed by the Board. The Directors may also from time to time appoint on such terms as they think fit, and remove, one or more assistant or deputy secretaries.

17 DIRECTORS' INDEMNITY AND INSURANCE

17.1 Definitions

In this Article 17, the following words and expressions shall have the following meanings:

undertakings are "associated" if one is a subsidiary undertaking of the other or both are subsidiary undertakings of the same parent undertaking

"relevant Director"

any Director or former Director of the Company or an associated company

"relevant loss"

any loss or liability which has been or may be incurred by a relevant Director in connection with that Director'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

17.2 Indemnity

17.2.1 Subject to Article 17.2.2, a relevant Director of the Company or an associated company may be indemnified out of the Company's assets against:

- (a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company,
- (b) any liability incurred by that Director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006); and
- (c) any other liability incurred by that Director as an officer of the Company or an associated company.

17.2.2 This Article 17.2 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

17.3 Insurance

The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant Director in respect of any relevant loss.

18 RULES

18.1 Board's power to make rules

The Board may make such further rules as it considers necessary or convenient for the proper conduct and management of the Company and for the purposes of prescribing the classes of and conditions of membership. In particular, and without prejudice to the generality of the foregoing, the Board may make rules regulating:

- 18.1.1 the admission and classification of members of the Company, and the rights and privileges of such members, the conditions of membership and the terms on which members may resign or have their membership terminated and the entrance fees, subscriptions and other fees or payments to be made by members;
- 18.1.2 the conduct of members of the Company in relation to one another, and to the Company's officers and employees;
- 18.1.3 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;
- 18.1.4 the procedure at general meetings and Board meetings and committee meetings (in so far as such procedure is not governed by these Articles); and
- 18.1.5 any and all other matters as are commonly the subject matter of company rules.

18.2 Board to bring rules to attention of members

The Board must adopt such means as they consider sufficient to bring to the notice of members all rules made under Article 18.1.

18.3 Status of rules

- 18.3.1 Any rules made by the Board under Article 18.1 will be valid and binding as against all members for so long as such rules are in force.
- 18.3.2 The Company in general meeting may alter or repeal any rules made by the Board in accordance with Article 18.1.
- 18.3.3 Nothing in this Article 18 permits the Board to make any rules which are inconsistent with or affect or repeal anything in these Articles or in any resolution passed by members or agreement to which Chapter 3 of Part 3 of the Companies Act 2006 applies.