

**COMPANIES ACT 2006**  
**SPECIAL RESOLUTION ON CHANGE TO MEMORANDUM AND ARTICLES**

**Company number:** 302132

**Company name:** National Housing Federation

**At an Annual General Meeting**

**of the members of the above named company, duly convened and held at:  
On the 23<sup>rd</sup> day of September 2009**

**The following Special Resolutions to change the Memorandum and Articles  
were passed:**

To rescind clause 3.1 of the Memorandum of Association of the Company and replace it with a new clause 3.1 with the following wording:

"3.1 The Federation's objects shall be to:

- (1) be the representative, coordinating and trade body in England for organisations which provide or manage homes, or provide associated services, and which do not trade for profit;
- (2) support and promote the work of Federation members and campaign for better housing and neighbourhoods;
- (3) campaign and lobby on behalf of Federation members, and promote wide appreciation of their values, successes and vital future role;
- (4) represent the strategic interests of Federation members, as providers of affordable homes and other services to meet the nation's housing, economic and social needs;
- (5) support Federation members with a range of events, conferences, training, briefings, journals, publications, network services, and other products and services;
- (6) promote unity, networking and exchange of knowledge and good practice among Federation members;
- (7) provide services and products to other organisations and individuals engaged in activities related to those of Federation members; and
- (8) carry out any other activities incidental or necessary to the achievement of the other objects listed above."

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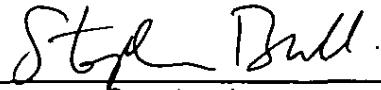
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To rescind clauses 4.1 and 4.2 of the Memorandum of Association of the Company and replace them with new clauses 4.1 and 4.2 with the following wording:

- "4.1 The income and property of the Federation shall be applied solely towards its objects. Subject to clause 4.2, nothing shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise in any circumstances to members of the Federation or the board members.
- 4.2 Notwithstanding 4.1, the Federation may:
- (1) pay reasonable and proper out of pocket expenses to members or board members of the Federation;
  - (2) make reasonable and proper recompense to members in respect of time spent by their officers or employees acting as board members of the Federation on the business of the Federation;
  - (3) pay remuneration under a contract of employment to any employee of the Federation who has been appointed as a board member;
  - (4) indemnify members or board members against any liability incurred by them in that capacity in accordance with the articles;
  - (5) pay for indemnity insurance for members or board members in accordance with the articles; and
  - (6) pay any remuneration to board members as shall be approved by the board from time to time."

To amend the words 'Member' and 'Members' wherever they are used in clauses 5 to 7 inclusive of the Memorandum of Association by changing the capital 'M' into a lower case 'm';

That the Articles of Association attached to this notice be approved and adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, all existing Articles thereof.

Signed:   
Secretary /

This form is for use by PLC's or private companies who choose to hold Annual General Meetings or general meetings for the purpose of a special resolution.

A copy of the resolution must be delivered to Companies House within 15 days of it being passed.

# **NATIONAL HOUSING FEDERATION**

## **MEMORANDUM & ARTICLES OF ASSOCIATION**

A COMPANY LIMITED BY GUARANTEE

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## **ARTICLES OF ASSOCIATION**

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**Memorandum of Association of  
the  
National Housing Federation**

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**1. Name**

1.1 The name of the company is the National Housing Federation (the 'Federation').

**2. Registered office**

2.1 The Federation's registered office is to be located in England.

**3. Objects & powers**

3.1 The Federation's objects shall be to:

- (1) be the representative, coordinating and trade body in England for organisations which provide or manage homes, or provide associated services, and which do not trade for profit;
- (2) support and promote the work that housing associations do and campaign for better housing and neighbourhoods;
- (3) campaign and lobby on behalf of Federation members, and promote wide appreciation of their values, successes and vital future role;
- (4) represent the strategic interests of Federation members, as providers of affordable homes and other services to meet the nation's housing, economic and social needs;
- (5) support Federation members with a range of events, conferences, training, briefings, journals, publications, network services, and other products and services;
- (6) promote unity, networking and exchange of knowledge and good practice among Federation members;
- (7) provide services and products to other organisations and individuals engaged in activities related to those of Federation members; and
- (8) carry out any other activities incidental or necessary to the achievement of the other objects listed above.

3.2 The Federation shall not trade for profit.

3.3 The Federation shall have power to do anything lawful which is necessary or desirable to achieve any of its objects.

**4. Application of assets**

4.1 The income and property of the Federation shall be applied solely towards its objects. Subject to clause 4.2, nothing shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise in any circumstances to members of the Federation or the board members.

- 4.2 Notwithstanding 4.1, the Federation may:
- (1) pay reasonable and proper out of pocket expenses to members or board members of the Federation;
  - (2) make reasonable and proper recompense to members in respect of time spent by their officers or employees acting as board members of the Federation on the business of the Federation;
  - (3) pay remuneration under a contract of employment to any employee of the Federation who has been appointed as a board member;
  - (4) indemnify members or board members against any liability incurred by them in that capacity in accordance with the Articles;
  - (5) pay for indemnity insurance for members or board members in accordance with the Articles; and
  - (6) pay any remuneration to board members as shall be approved by the board from time to time.

## 5. Limitation of liability

- 5.1 The liability of the members is limited.

## 6. Guarantee

- 6.1 Every member undertakes to contribute an amount not exceeding £10 to the assets of the Federation in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.
- 6.2 Such contribution shall be towards:
- (1) the debts and liabilities of the Federation contracted before he or she ceases to be a member;
  - (2) the costs, charges and expenses of winding up; and
  - (3) for the adjustment of the rights of the members amongst themselves.

## 7. Dissolution

- 7.1 If on the dissolution or winding up of the Federation there remains any surplus after the satisfaction of all its debts and liabilities, the surplus shall not be distributed among the members but shall be given or transferred to another body with objects similar to those of the Federation.

**Articles of Association of  
The  
National Housing Federation**

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**PART A. MEMBERS OF THE FEDERATION**

**Admission of members**

- A1 The subscribers to the memorandum of association of the Federation and such other organisations as are admitted to membership in accordance with these articles shall be members of the Federation. Membership shall not be transferable.
- A2 Every organisation who wishes to become a member of the Federation shall deliver to the Federation an application for membership in such form as the board requires executed by or on behalf of that organisation.
- A3 No organisation shall be admitted as a member of the Federation unless that organisation is approved by the board or under powers delegated by the board under these articles. The board shall have absolute and final discretion (without giving any reason) to accept or refuse any application for membership of the Federation.
- A4 Membership will run from the date of admission until the last day of the financial year, and shall be extended automatically from year to year unless the membership is terminated in accordance with Article A9.

**Obligations of members**

- A5 All members agree:
  - (1) to uphold and support the objectives of the Federation as set out in the memorandum; and
  - (2) to be bound by the obligations on them as set out in these articles and in any rules made under the articles.

**Classes of members**

- A6 Subject to article A13, the Federation shall have one class of members, and may also, under rules made by the board, have an additional class of associate members. Associate members shall not be members of the Federation for the purposes of the Act and in particular shall not have the right to speak or vote at general meetings of the Federation.
- A7 A member shall not also be an associate member.

## **Members**

**A8** A member must be an organisation which:

- (1) operates for the benefit of the community;
- (2) does not trade for profit;
- (3) has among its objects, powers or activities the provision or management of accommodation, or of associated services; and
- (4) complies with any other criteria for membership set by the Board from time to time.

The decision of the board shall be final and conclusive as to whether a member fulfils the requirements of this article A8, and shall not fetter the board's absolute discretion under article A3 to accept or refuse any application for membership.

## **Termination of membership**

**A9** A member organisation shall cease to be a member if:

- (1) They are expelled by a board resolution passed by a majority of not less than three quarters of the board members present and entitled to vote in the following circumstances:-
  - if a member fails to pay an annual subscription or other payment or fee prescribed by the board within three months of the due date for payment; or
  - if a member, in the absolute opinion of the board whose decision shall be final and conclusive, acts in a manner contrary to the objects and values of the Federation and/or in a manner which is or is likely to be materially prejudicial to the interests, reputation or standing of the Federation or the interests of other members;
- (2) They withdraw from the Federation by giving notice in writing to the secretary at least 3 months before the end of the financial year of the Federation;
- (3) In the case of a body corporate, they cease to be a body corporate; or
- (4) They cease to be eligible to be a member under article A8 or any rules set by the board pursuant to article A13 to A17 inclusive.

## **Authorised representatives of members**

- A10** A member shall authorise such person as it thinks fit to act as its representative at any meeting of the Federation. Such appointment shall be in writing, and shall not take effect until it has been received by the company secretary of the Federation
- A11** A duly authorised representative of a member shall be entitled to exercise the same powers on behalf of the member which he or she represents as the member could exercise.
- A12** A duly authorised representative of a member shall be entitled to vote or demand a ballot until such time as his or her authority is terminated by that member. Such termination shall be in writing, and shall not take effect until it has been received by the company secretary of the Federation.

## **Rules concerning Membership**

A13 In addition to the provisions of these articles, the board shall make and publish, and may from time to time amend (subject to Article A15), such rules as it considers necessary or expedient concerning membership of the Federation and, without prejudice to the generality of the foregoing such rule may:

- (1) prescribe conditions or criteria of associate membership to supplement the conditions specified at A6 above,
- (2) establish classes or additional classes of associate membership,
- (3) subdivide the membership into electoral constituencies, in respect of which a member may belong to more than one constituency, for the purposes of postal ballots; and
- (4) set criteria concerning the classification into such constituencies of members.

Any rules made by the board with respect to membership or associate membership of the Federation shall be valid and take effect as if such rules were expressly set out in these articles of association. The power to adopt and amend rules under this article shall not be capable of delegation.

A14 Before adopting or amending rules under A13 the board shall consult with all members in such manner as it deems appropriate at its absolute discretion, and shall have regard to:

- (1) the views expressed (giving such weight to such views as the board considers necessary or expedient);
- (2) the values and objectives of the Federation, and in particular the Federation's commitment to fairness of representation, equality and diversity.

A15 No rule shall be adopted or amended without agreement of at least three quarters majority of the board members present at the meeting voting in favour.

A16 Notwithstanding any other provisions of these articles, rules made under these articles (including under Article A13) shall:

- (1) not conflict with or repeal override or amend any provisions in these articles;
- (2) not cause the Federation to be in breach of any relevant statute or regulation;

and where there is any such conflict, the relevant article or legislative provision shall prevail.

A17 The Federation shall publish all rules made by the board under these articles, and shall make them available without charge to any member or associate member requesting them.

## **PART B                    GENERAL MEETINGS**

### **General meetings**

B1 The board may call general meetings.

B2 On the requisition of members pursuant to the provisions of the Act, the board shall, in accordance with the Act, proceed to convene a general meeting within 21 days of receipt of the requisition and to be held on a date not later than 28 days after the date of the notice.

## **Annual general meeting**

- B3 The Federation shall each year hold a general meeting of its members as its annual general meeting in addition to any other general meetings in that year, and shall specify the meeting as such in the notices calling it.
- B4 The annual general meeting shall be held at such time and place as the board shall determine.

## **Functions of the annual general meeting**

- B5 The functions of the annual general meeting shall be:-
  - (1) to receive an annual report which shall contain:
    - (a) the revenue accounts and balance sheets for the last accounting period;
    - (b) the auditors' report on those accounts and balance sheets; and
    - (c) the board's report on the affairs of the Federation;
  - (2) to appoint the auditors (where required by law);
  - (3) to elect the board members (including the chair) following their selection by the nominations committee and subsequent approval by the board; and
  - (4) to transact any other business of the Federation set out in the notice convening the meeting.

## **Notice of general meetings (including the annual general meeting)**

- B6 A general meeting called for the removing of the auditor or a board member shall be called by at least twenty-eight clear days' notice unless Section 312 (2) and (3) of the Act applies.
- B7 All other general meetings shall be called by at least fourteen clear days' notice and may be called by shorter notice if it is so agreed by 90% of all the members entitled to attend and vote thereat.
- B8 The notice of a general meeting shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as being the annual general meeting.
- B9 The notice shall be given to all members and to the board members and auditors.
- B10 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## **Quorum at general meetings**

- B11 No business shall be transacted at any general meeting unless a quorum of duly authorised representatives of members entitled to vote on the business being transacted is present in person or by proxy.
- B12 A quorum shall be twenty five, present in person or by proxy.

## **Adjournment of inquorate general meetings**

- B13 If a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall stand adjourned to the same day in the next week at the

- same time and place or to such other time and place as the board may determine. The same shall apply if during a meeting a quorum ceases to be present.
- B14 A reconvened meeting under article B13 shall only carry out business which might properly have been transacted at the adjourned meeting, and those present at the reconvened meeting shall form a quorum.

### Chair of general meetings

- B15 The chair, if any, of the board, or in his or her absence another board member nominated by the board, shall preside as chair of the meeting.
- B16 If neither the chair nor another board member nominated under article B15 are present within thirty minutes after the time appointed for holding the meeting, the board members present shall elect one of their number to be chair. If there is only one board member present and willing to act, that person shall be chair.
- B17 If no board member is willing to act as chair, or if no board member is present within thirty minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chair.

### Board Members at general meetings

- B18 For the avoidance of any doubt, any board member shall be entitled to attend and speak at any general meeting.

### Adjournment of general meetings

- B19 The chair may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting for an agreed period of time and to an agreed place.
- B20 No business shall be transacted at a meeting adjourned under article B19 other than the business which might properly have been transacted at the meeting had the adjournment not taken place.
- B21 When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

## PART C VOTING BY MEMBERS

### Votes

- C1 On a vote at a general meeting every member present (either by authorised representative or by proxy) shall have one vote.

### Demand for a ballot

- C2 A resolution put to the vote of a meeting shall be decided on a show of hands unless a ballot is demanded. A ballot may be demanded either before or immediately upon declaration of the show of hands.
- C3 Subject to the provisions of the Act, a ballot may be demanded:
- (1) by the chair; or
  - (2) by at least two persons having the right to vote at the meeting; or

- (3) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; and a demand by a person as a proxy for a member shall be the same as a demand by the member.

### Results of a show of hands

- C4 Unless a ballot is duly demanded, a declaration by the chair that a resolution has been carried (or not carried) unanimously or by a particular majority, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the result of the ballot.

### Withdrawal of demand for a ballot

- C5 The demand for a ballot may be withdrawn, before the ballot is taken, but only with the consent of the chair. The withdrawal of a demand for a ballot shall not invalidate the result of a show of hands declared before the demand for the ballot was made.

### Conduct of a ballot

- C6 A ballot shall be taken as the chair directs, who may appoint scrutineers (who need not be members) and fix a time and place for declaring the results of the ballot. The result shall be deemed to be the resolution of the meeting at which the ballot is demanded.
- C7 A ballot demanded on a question of adjournment shall be taken immediately. A ballot demanded on any other question shall be taken immediately, or at such time and place as the chair directs, which may not be more than thirty days after the ballot is demanded.
- C8 The demand for a ballot shall not prevent continuance of a meeting for the transaction of any business other than the question on which the ballot is demanded. If a ballot is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn the meeting shall continue as if the demand had not been made.
- C9 No notice need be given of a ballot not taken immediately, so long as the time and place at which it is to be taken are announced at the meeting at which it is demanded. In other cases at least seven clear days' notice shall be given specifying the time and place at which the ballot is to be taken.

### Chair's casting vote

- C10 In the case of an equality of votes, whether on a show of hands or on a ballot, the chair shall be entitled to a casting vote in addition to any other vote he or she may have.

### Votes of members

- C11 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chair whose decision shall be final and conclusive.

## Appointment of proxy

- C12 A member or the duly authorised representative of a member may appoint a proxy in writing on such terms as the board may specify who may attend a general meeting and vote or demand a ballot.

## Written resolutions

- C13 A proposed written resolution of the members shall lapse if it is not passed before the end of the period of six months beginning with the circulation date of such a resolution.

## PART D THE BOARD

### The board members

- D1 The Federation shall have a board, which shall, subject to the provisions of the Act, the memorandum and articles, and any directions of the members given by special resolution, manage the business of the Federation and exercise all the powers of the Federation.
- D2 The board may, by the granting of a power of attorney or otherwise, appoint any person to be the agent of the Federation for such purposes and on such conditions as the board may determine, including authority for the agent to delegate all or any of their powers.

### Functions of the board

- D3 The board shall direct the affairs of the Federation and without prejudice to the generality of the foregoing, amongst its functions shall be to:
- (1) ensure compliance with the values, vision, mission and strategic objectives of the Federation ensuring its long term success
  - (2) demonstrate accountability to all members
  - (3) set the strategic direction of the Federation and be custodians of its culture
  - (4) agree policies, plans and budgets;
  - (5) set the obligations of members and associate members to pay membership fees;
  - (6) approve each year's accounts and annual reports prior to publication and receipt by the general meeting;
  - (7) agree policies and make decisions on all matters that create significant financial risk to the Federation or which affect material issues of principle;
  - (8) establish and oversee a framework of delegation and systems of control;
  - (9) monitor the Federation's performance in relation to these plans, budget controls and decisions;
  - (10) appoint (and if necessary remove) the chief executive; and
  - (11) satisfy itself that the Federation's affairs are conducted in accordance with the law and generally accepted standards of conduct and probity;
  - (12) establish and monitor a mechanism for communicating and receiving feedback from the members;
- and none of these functions shall be capable of delegation.

- D4 No alteration of the memorandum or the articles shall invalidate any prior act of the board which would have been valid if that alteration had not been made.
- D5 In addition to all powers hereby expressly conferred upon them and without detracting from the generality of their powers under the articles the board shall have the following powers, namely:
- (1) to expend the funds of the Federation in such manner as it shall consider most beneficial for the achievement of the objects;
  - (2) to invest in the name of the Federation such part of the funds as it may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the objects of the Federation;
  - (3) to enter into contracts on behalf of the Federation;
  - (4) to set up or sponsor subsidiary companies, Industrial and Provident societies or other corporate bodies to assist in the achievement of the objects of the Federation;
  - (5) to delegate, in writing, the exercise of any of its powers to any committee or committees, officer or officers or employee or employees of the Federation. Such delegation may include any of the powers of the board except those functions set out in article D3 and any specified to be non-delegable. Such delegation shall be subject to such terms as the board determines, and may include a requirement for the board to receive reports, from time to time, and in appropriate form, on the exercise of powers delegated; and
  - (6) to make rules as necessary or convenient for the proper conduct and management of the Federation, provided always that such rules do not conflict with or repeal anything contained in the memorandum or the articles. In particular but without prejudice to the generality of the foregoing, such rules may regulate generally all such matters as are commonly the subject matter of Federation rules and standing orders.

## Constitution of the board and rotation of board members

- D6.1 The board shall consist of 12 board members.
- D6.2 The chief executive of the Federation shall automatically be a board member until (s)he:
- (1) ceases to be the chief executive for any reason; or
  - (2) ceases to be a board member pursuant to Article D29 or for any other reason;
- whichever occurs earlier.
- D6.3 Board members (other than the chief executive) shall be appointed, subject to Article D6.4 and in accordance with any rules made pursuant to Article D7, by an ordinary resolution of the members at the annual general meeting.
- D6.4 No person may stand as a candidate for election to the board pursuant to article D6.3 unless (s)he has, prior to the annual general meeting at which election is sought, been:
- (1) selected as a candidate by the Federation's nominations committee, and
  - (2) approved as a candidate by the board.

- D6.5 Whenever the number of board members is less than the maximum permitted by these articles, the board may appoint one or more further board members. Any board member so appointed shall retire at the next annual general meeting.
- D7 The board may from time to time set such rules as it sees fit concerning the selection, election and appointment or removal of board members (including the process of appointments to casual vacancies and the process of selection of candidates by the nominations committee).
- D8 D8.1 At every annual general meeting one third of the board members (or the nearest number thereto) shall retire from office.
- D8.2 Board members forming the retiring third shall be those who have been longest in office since they were last elected or re-elected to the board (except for the chair, who shall not be required to retire until his or her term as chair expires). If the choice is between people who became board members on the same day those to retire shall be chosen by lot if not agreed.
- D8.3 Anybody appointed to fill a casual vacancy under rule D6 during the year and who retires for that reason shall not count towards the one third to retire.
- D9 Board members that retire may be reappointed, but any board member (except the chief executive) having served at least six continuous years on the board shall not be eligible for reappointment until the next annual general meeting following their retirement.

### Proceedings of the board

- D10 Subject to the provisions of the articles, the board may regulate its proceedings as it sees fit.
- D11 The board shall meet no less than three times each year. A board member may, and the secretary at the request of a board member shall, call a meeting of the board.
- D12 It shall not be necessary to give notice of a meeting to a board member who is absent from the United Kingdom.
- D13 Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chair shall have a second or casting vote.

### Board quorum

- D14 The quorum for the transaction of the business of the board may be fixed by the board members from time to time, but shall not be less than three board members. A board member shall not be entitled to appoint an alternate and no persons other than board members shall be counted in the quorum.
- D15 The board may act notwithstanding any vacancies in its number, but if the number of board members is less than the number fixed as the quorum, the continuing board members must act only for the purposes of filling vacancies or of calling a general meeting of the Federation.
- D16 Meetings of the board or its committees can take place in any manner which permits those attending to hear and comment on the proceedings, and vote, including by telephone, video-conference or Internet.

## **Committees of the board**

- D17 The board may appoint committees for the purpose of supervising or performing any duty which, in the opinion of the board, would be more conveniently undertaken or carried out by a committee. Such committees may be designated as appropriate. Any committee must have terms of reference and reporting requirements approved by the board.
- D18 The Federation shall have:
- (1) a nominations committee appointed by the board for the purpose of selecting and nominating candidates for appointment to the board at the annual general meeting pursuant to rules set by the board from time to time;
  - (2) an audit committee appointed by the board for the purpose of monitoring and reviewing the financial statements, internal audit function, risk management system and internal control function; and
  - (3) an executive committee appointed by the board for the purpose of setting the remuneration of the chief executive and staff of the Federation and liaising with key stakeholders.

## **Acts of the board or committees**

- D19 All acts done in good faith by a quorate board meeting or a meeting of a committee shall be valid, even if it is discovered subsequently that there was a defect in the appointment of any director or committee member or their entitlement to vote.

## **Written resolutions**

- D20 A resolution in writing, which:
- (1) is notified to all the board members or committee members entitled to receive notice of a meeting of the board or of a committee; and
  - (2) is signed by the required majority of the board members or committee members and is signed by its chair;
- shall be as valid and effective as if it had been passed at a board meeting or (as the case may be) at a committee meeting duly convened and held. Such a resolution may consist of several documents in the same form, each signed by one or more of the board members or committee members.

## **Expenses, and grant of benefits for the board members**

- D21 As set out in the memorandum, the Federation may:
- (1) pay reasonable and proper out of pocket expenses to members or board members of the Federation;
  - (2) make reasonable and proper recompense to members in respect of time spent by their officers or employees acting as board members of the Federation on the business of the Federation;
  - (3) pay remuneration under a contract of employment to any employee of the Federation who has been appointed as a board member;
  - (4) indemnify members or board members against any liability incurred by them in that capacity in accordance with the articles;
  - (5) pay for indemnity insurance for members or board members in accordance with the articles; and

- (6) pay any remuneration to board members as shall be approved by the board from time to time.

The decision of the board being final and conclusive in relation to the payment of any such sum.

- D22 The Federation shall not pay or grant any benefit to anyone who is a board member, unless it is permitted by these articles, and rules made under these articles, and the memorandum.

### The interests of the board members

- D23 No board member shall have any financial interest personally; or as a member of a firm; or as a director or other officer of a business trading for profit; or in any other way, in any contract or other transaction with the Federation, unless it is expressly permitted by these articles. Transactions between the Federation and its members are permitted under these articles.

- D24 Any board member having an interest in any existing or proposed transaction or arrangement between the Federation and someone else shall disclose the nature and extent of their interest, before the matter is discussed by the board or any committee. Unless it is expressly permitted by these articles they shall not remain present unless requested to do so by the board or committee, and they shall not count towards the quorum for that part of the meeting or have a vote on that matter.

- D25 Articles D23 and D24 shall not apply to an interest of a board member:

- (1) If a general meeting of members by ordinary resolution disapproves the provisions of these articles in relation to that interest (either specifically or generally);
- (2) If the board member's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- (3) If the interest arises from:
  - A guarantee given, or to be given, by or to a board member in respect of an obligation incurred by or on behalf of the Federation; or
  - Arrangements pursuant to which benefits are made available to employees and board members or former employees and board members of the Federation which do not provide special benefits for board members or former board members; or
  - The fact that the board member is a director or officer of any other body whose accounts are or ought to be consolidated with the Federation's accounts; or
  - The fact that the board member is an employee, director, officer or authorised representative of a member.

- D26 Any decision of the board or of a committee shall not be invalid because of the subsequent discovery of an interest which should have been declared or in relation to which one or more board members should not have been allowed to count towards the quorum or vote on the matter.

- D27 Every board member shall ensure that the secretary at all times has a list of all other bodies in which they have an interest as:

- (1) a director or officer;
- (2) as a member of a firm;

- (3) as an official or elected member of any statutory body;
  - (4) as the owner or controller of more than 2% of a company the shares in which are publicly quoted or more than 10% of any other company;
  - (5) as the occupier of any property owned or managed by the company; or
  - (6) any other significant or material interest.
- D28 If requested by a majority of the board at a meeting, a board member who has failed to disclose an interest as required by these articles shall vacate his or her office either permanently or for a period of time as specified by the board.

### Termination of board membership

- D29 A person shall cease to be a board member with immediate effect if he or she:
- (1) becomes bankrupt or makes any arrangement or composition with his or her creditors;
  - (2) ceases to be a director by virtue of any provision of the Act or becomes prohibited by law from being a company director;
  - (3) is, or may be, suffering from a mental disorder and either:
    - (a) he or she is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Care and Treatment) (Scotland) Act 2003, or
    - (b) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his or her detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his or her property or affairs;
  - (4) becomes incapable by reason of illness or injury of managing and administering his or her property and affairs;
  - (5) is, or has been within the last five years, the subject of a custodial sentence or conviction imposed by a court in the United Kingdom, or another country, in respect of any criminal act or omission;
  - (6) resigns from office by giving written notice to the Federation and such resignation has taken effect;
  - (7) is removed from the board by a resolution of at least three-quarters of the board members present at the meeting and voting;
  - (8) fails to attend three consecutive board meetings and the board determines that he or she shall be removed from the board;
  - (9) is an employee of the Federation and his or her employment is terminated for whatever reason; or
  - (10) dies.

## **PART E CHAIR, CHIEF EXECUTIVE, SECRETARY & OTHER OFFICERS**

### **The chair**

- E1 The Federation shall have a chair, who shall chair board meetings and who shall be appointed by an ordinary resolution at a general meeting. No person may stand as a candidate for election as the chair unless (s)he has, prior to the annual general meeting at which election is sought, been:
- (1) selected as a candidate by the Federation's nominations committee, and
  - (2) approved as a candidate by the board.
- E2 The chair shall hold office until the commencement of the first board meeting after the third annual general meeting of the Federation (or until he or she resigns or is removed as chair).
- E3 When the chair is not present or is unwilling to act at a meeting of the board, the first item of business for that meeting shall be to elect a chair for the meeting.
- E4 The chair of the Federation may be removed as chair:
- (1) at a meeting of the board called for the purpose provided the resolution is passed by at least three quarters of board members present and voting at the meeting; or
  - (2) by a resolution of the members.

### **The chair's responsibilities**

- E5 The chair shall seek to ensure that:-
- (1) the business of the board and the Federation's general meetings are conducted efficiently;
  - (2) all board members are given the opportunity to express their views;
  - (3) a constructive working relationship is established with, and support provided for the chief executive;
  - (4) the board delegates sufficient authority to its committees, the chair, the chief executive, and others to enable the business of the Federation to be carried on effectively between board meetings;
  - (5) the board receives professional advice when it is needed;
  - (6) the Federation is represented as required;
  - (7) where necessary that the chief executive is replaced in a timely and orderly fashion;
  - (8) there are proper and appropriate arrangements for the overall board appraisal and that of individual board members: and
  - (9) the Federation's affairs are conducted in accordance with generally accepted codes of conduct and probity.

### **The chief executive**

- E6 The Federation shall have a chief executive appointed by the board.
- E7 The chief executive shall be appointed on a written contract of employment, which shall include a clear statement of the duties of the post.

## The secretary

E8 The Federation shall have a secretary who shall be appointed by the board at such remuneration and upon such conditions as the board may think fit (and may be removed by it) and who may be a board member or an employee.

## Other officers

E9 The board:

- (1) may designate or elect board members to the named offices of vice-chair, treasurer, committee chair or such other offices as it sees fit;
- (2) shall make a clear statement of the duties of any such office; and
- (3) shall set rules as required concerning procedures for the election or appointment of such officers.

E10 The board may designate as an officer to act on behalf of the Federation such other executive, internal auditor or employee of the Federation on such terms (including pay) as it sees fit. A clear statement of the duties of such office shall be made.

## Indemnities for officers and insurance

E11 A relevant officer of the Federation may be indemnified out of the Federation's assets against any relevant loss.

E12 The board may decide to purchase and maintain insurance, at the expense of the Federation, for the benefit of any relevant officer in respect of any relevant loss.

E13 In articles E11 and E12:

- (1) a 'relevant officer' means any board member or former board member of the Federation and any officer or former officer appointed under Article E10.
- (2) a 'relevant loss' means:
  - any liability incurred by a relevant officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Federation, and
  - any other liability incurred by that relevant officer as an officer of the Federation, butdoes not include any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

## PART F FINANCE, STATUTORY & MISCELLANEOUS

### Minutes

F1 The secretary shall arrange for written records to be kept for at least 10 years from the date of the decision recorded, in books maintained for the purpose:

- (1) of all the appointments of officers made by the board members; and
- (2) (in accordance with the Act) of all proceedings at meetings of the Federation and of the board and of committees including the names of those persons present at each such meeting, and
- (3) of any written resolutions of the members, the board members or a committee.

## The seal

- F2 Federation may have a seal, and any seal shall only be used by the authority of the board or of a committee of board members authorised by the board.
- F3 (1) The board members may determine by what means and in what form any seal is to be used.
- (2) Unless otherwise decided by the board members, if the Federation has a 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.
- (3) For the purpose of this article, an authorised person is:
- any board member of the Federation,
  - the company secretary (if any); or
  - any person authorised by the board members to sign the documents to which the seal is applied.

## Accounts, annual report and annual return

- F4 The Federation shall comply with the provisions of the Act in respect of:
- (1) the keeping and auditing of accounting records;
- (2) the provision of accounts and an annual report of the board members; and
- (3) in making an annual return.

## Notices

- F5 (1) Subject to the articles anything sent or supplied by or to the Federation under the articles may be sent or supplied in any way in which the Act provides for documents or information which are required by any provision of that Act to be sent or supplied by or to the Federation;
- (2) Subject to the articles any notice or document to be sent or supplied to a board member in connection with the taking of decisions by board members may also be sent or supplied by the means by which that board member has asked to be sent or supplied with such notices or documents for the time being; and
- (3) A board member may agree with the Federation that notices or documents sent to that board member in a particular way are deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

## PART G INTERPRETATION

### Definitions

- G1 In these articles:
- (1) "authorised representative" means the representative of a member who has been duly authorised to represent that member organisation for the purposes of the Federation's business;

- (2) "clear days" in relation to the period of a notice means the 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;
- (3) "board member" means a member of the board;
- (4) "executed" includes any mode of execution;
- (5) "office" means the registered office of the Federation;
- (6) "secretary" means the secretary of the Federation or any other person appointed to perform the duties of the secretary of the Federation, including a joint, assistant or deputy secretary;
- (7) "Act" means the Companies Act 1985 (as amended) and any provision of the Companies Act 2006 in force from time to time including any statutory modification or re-enactment thereof for the time being in force;
- (8) "articles" means these articles of association of the Federation;
- (9) "Board" means the board members of the Federation constituted as set out in articles D6 to D8 inclusive;
- (10) "Federation" means the company intended to be regulated by these articles;
- (11) "Member" means any organisation which has been admitted to membership of the Federation in accordance with Article A3 and, unless the context requires otherwise, the expression "member" shall not include an associate member as defined in article A6;
- (12) "memorandum" means the memorandum of association of the Federation;
- (13) "Nomination committee" means the committee of the board as constituted by Article D18.
- (14) "Organisation" means any company, corporation, unincorporated association, society or body of trustees.
- (15) "seal" means the common seal of the Federation if it has one;
- (16) "United Kingdom" means Great Britain and Northern Ireland;

## Interpretation

- G2 Words importing the masculine gender only shall include the feminine gender; words importing the singular shall include the plural and vice-versa.
- G3 Subject as aforesaid, words or expressions contained in these articles shall, unless the context requires otherwise, bear the same meaning as in the Act.
- G4 Headings are for ease of reference only, and are not to affect interpretation.
- G5 References to legislation include all regulations, determinations, statutory guidance or directions issued under it, and includes all amendments, replacements or re-enactments made.