

COMPANIES ACTS 1985 to 2006

COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

NEW

ARTICLES OF ASSOCIATION

(New Articles of Association
adopted by Special Resolution passed on 10 September 2019)

of

COMMERCIAL REAL ESTATE FINANCE COUNCIL
EUROPE
(CRE FINANCE COUNCIL-EUROPE)

PRELIMINARY

1. The model articles of association prescribed by the Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall not apply to the Company.

2. In these Articles:

Act means the Companies Act 2006 including any modification or re-enactment of it for the time being in force;

Articles means the articles of association of the Company from time to time;

Board means the board of Directors of the Company from time to time;

Chair means the individual appointed to the position of chair of the Company from time to time, pursuant to these Articles;

Chair Elect means the individual appointed pursuant to these Articles to become Chair of the Company upon expiry of the term of office of the current Chair;



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

Company means the Commercial Real Estate Finance Council Europe (CRE Finance Council-Europe), widely known as CREFC Europe;

Companies Acts has the meaning given by section 2 of the Act and includes any enactment passed after those Acts which may, by virtue of that or any other such enactment, be cited together with those Acts as the "Companies Acts" (with or without the addition of an indication of the date of any such enactment);

Director means a director of the Company from time to time;

Eligible Member means a Member having a right to attend and vote at a general meeting;

Ex officio Directors has the meaning given to that term in Article 36;

Board Leadership has the meaning given to that term in Article 40;

Immediate Past Chair means such person as most recently held the office of Chair of the Company before the Chair for the time being, and who is willing and able to continue to serve on the Board and as part of Board Leadership;

Member means any member from time to time whose name is entered in the register of members of the Company. The Company may operate different tiers of membership, and may attach different costs, rights and benefits to different membership tiers. In particular cases, member benefits may be conferred on firms that have a status other than membership;

Nominating Committee has the meaning given to it in Article 43;

Office means the registered office of the Company from time to time;

Secretary means the individual, if any, appointed to the position of secretary of the Company from time to time pursuant to these Articles;

the United Kingdom means Great Britain and Northern Ireland, or such geographical territory as may comprise the UK from time to time;

working day means a day other than a Saturday or Sunday or public holiday in the United Kingdom;

references to a document or information being *sent, supplied or given* to or by a person mean such document or information, or a copy of such document or information, being sent, supplied, given, delivered, issued or made available to or by, or served on or by, or deposited with or by that person by any method authorised by these Articles, and sending, supplying and giving shall be construed accordingly; and

references to *writing* mean the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether in electronic form or otherwise, and *written* shall be construed accordingly.

3. In these Articles:

- (a) words denoting the singular number include the plural number and vice versa, words denoting one gender include other genders, and words denoting persons include corporations and vice versa;
- (b) words or expressions contained in these Articles which are not defined in these Articles but are defined in the Act have the same meaning as in the Act (but excluding any modification of the Act not in force at the date these Articles took effect) unless inconsistent with the subject or context;
- (c) subject to paragraph (b), references to any provision of any enactment or of any subordinate legislation (as defined by section 21(1) of the Interpretation Act 1978) include any modification or re-enactment of that provision for the time being in force;
- (d) headings and marginal notes are inserted for convenience only and do not affect the construction of these Articles;
- (e) powers of delegation shall not be restrictively construed but the widest interpretation shall be given to them;
- (f) the word **Board** in the context of the exercise of any power contained in these Articles includes the Board Leadership, any committee consisting of one or more Director established with the authority of the Board, any Director holding executive office and any local or divisional directors, manager or agent of the Company to which or, as the case may be, to whom the power in question has been delegated;
- (g) no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation; and
- (h) except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under these Articles or under another delegation of the power.

OBJECTS

4. The objects for which the Company is established are to promote the interests of its Members and of other persons and entities which are directly or indirectly interested in commercial real estate finance in Europe or any part of Europe and would qualify for membership of the Company under these Articles, and the efficient, effective and sustainable operation of the commercial real estate finance market, including through the capital markets, for the benefit of the Company's Members, market participants and the economy and society as a whole. Without prejudice to the generality of the foregoing, the Company may pursue those objects by:

- (a) engaging as appropriate with financial regulators and other policymakers at the national, European or other supranational level, with the providers of capital and the consumers of capital (borrowers in the commercial real estate industry), and with the media and the general public to improve awareness and understanding of commercial real estate finance and the role it plays in the economy;

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- (b) seeking to secure supportive legislative, regulatory and fiscal conditions across relevant policy areas;
- (c) leading or facilitating the development of industry best practice recommendations, principles and guidelines in appropriate areas, or encouraging such other collective measures as can help promote transparency, liquidity and more efficient, effective and sustainable markets and responsible practices;
- (d) acting as a forum for Members and the wider industry to come together, debate issues of common interest, pool expertise and, insofar as it is possible and desirable to do so, speak with one voice;
- (e) fostering greater dialogue, information exchange and networking opportunities for borrowers in the commercial real estate industry and for passive debt investors, in each case with each other in relation to the commercial real estate finance market, as well as with the association's broader membership (including through the use of appropriate membership tiers and benefits);
- (f) providing or encouraging the provision of information and education to Members, young professionals, and the wider industry; and
- (g) liaising as appropriate with other industry and business bodies, political, academic and social stakeholders.

5. In pursuance of the objects set out in Article 4, the Company shall have power to do all such lawful things as are, in the opinion of the Board, incidental to the pursuit or attainment of any of the objects thereto, including without limitation to safeguard its own financial health and continuing ability to represent and support its Members effectively through appropriate management and allocation of human, financial and other resources.

NOT FOR DISTRIBUTION

6. The income and property of the Company shall be applied solely in promoting the objects of the Company as set out in Articles 4 and 5.

7. No dividends or bonus may be paid or capital otherwise returned to the Members, provided that nothing in these Articles shall prevent any payment in good faith (and subject to suitable management of potential conflicts of interest) by the Company of:

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

in each case, as determined by the Board.

WINDING UP

8. If upon the winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members, but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Company, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as imposed on the Company under or by virtue of these Articles, such institution or institutions to be determined by the Board at or before the time of dissolution, and if and so far as effect cannot be given to such provision, then to some charitable object or institution as determined by the Board.

LIABILITY OF MEMBERS

9. The liability of the Members is limited to £1 (one pound), 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 such Member is a Member or within one year after it ceases to be a Member for:

- (a) payment of the Company's debts and liabilities contracted before it ceases to be a Member;
- (b) payment of the costs, charges and expenses of winding up; and
- (c) adjustment of the rights of the contributories among themselves.

MEMBERSHIP

10. Subject to the provisions of these Articles as to admission to membership and payment of any subscriptions, any person, firm, partnership, company or association or any combination or association thereof directly or indirectly interested in commercial real estate finance in Europe or any part of Europe shall qualify to be considered by the Board for membership of the Company. In general, membership is corporate (not individual), and applies for a calendar year. Membership subscription fees may be pro-rated where a firm joins or leaves partway through the year. The Board may approve such tiers and categories of membership (as well as, in appropriate cases, alternative forms of relationship that do not amount to membership), and in return for such fees and with such benefits, as it considers appropriate.

11. Notwithstanding Article 10, the Board shall be entitled to admit individuals to the Company (including as "Honorary Life Members") where it deems it appropriate to do so.

12. Applicants for membership shall complete such formalities as the Board may from time to time reasonably require which shall contain a form of the undertaking referred to in Article 9. The Board shall, subject to consultation with legal counsel, be entitled to refuse admission to any applicant if it considers that it has objective, reasonable and legitimate reasons for doing so and its criteria and formalities for membership are applied fairly and neutrally.

13. For the purpose of registration the maximum number of Members of the Company shall be taken to be unlimited.

RETIREMENT OF MEMBERS

14. Subject to consultation with legal counsel, if in the reasonable and objective opinion of the Board any Member has committed a material breach of these Articles, has wilfully done any act contrary to the decisions of the Company or of the Board or prejudicial to or incompatible with the interests or objects of the Company, then the Board may cause that Member's membership to be terminated.

15. Any Member may withdraw from membership of the Company by giving seven days' notice to the Secretary (or in the absence of a Secretary, to the Chief Executive) in writing but shall remain liable for all membership subscriptions then accrued due from him and shall not be entitled to any reduction therein nor to any refund of subscriptions paid by him in respect of any period not then completed. A withdrawing Member that has enjoyed quantifiable Member benefits without having paid for Membership shall (if it does not pay for the period of membership enjoyed) be liable for the value of those benefits, as reasonably calculated by the Company.

16. If a Member ceases to exist, its membership shall terminate unless a transfer to a successor entity is requested, and approved by the Board.

MEMBERSHIP SUBSCRIPTIONS

17. The Board shall by resolution and at its absolute discretion determine the annual subscription rates applicable to Members and prospective Members, and such rates may differ by reference to the nature, type and/or size of the Member or prospective Member. The Board shall also determine the date or dates upon which such annual subscriptions shall become due and payable.

18. Provided that it acts fairly and neutrally, the Board shall have power to terminate, suspend or vary as it sees fit the membership of any Member whose subscription is unpaid and which has not paid its subscription within 30 calendar days of being notified of non-payment by or on behalf of the Board.

19. No Member shall be entitled to any advantages of membership unless all moneys due from that Member to the Company in respect of membership have been paid. The Company may treat the use of the advantages of membership by a Member whose subscription remains outstanding as evidence of its intention to remain a Member.

GENERAL MEETINGS

20. The Company is not required by the Act to hold an annual general meeting, but it shall generally seek to do so unless it is not reasonably practicable to do so.

21. General meetings of the company may be called and will be convened pursuant to the provisions of the Act.

22. The Board may invite to general meetings any such other persons as the Board may think fit, provided always that the general meeting shall have the right to require any person who is not a Member to withdraw from the meeting and that those invited by the Board and who are not Members shall neither vote nor (without the permission of the chair of that meeting) take any part in the meeting.

NOTICE OF GENERAL MEETINGS

23. General meetings shall be called by at least fourteen clear days' notice, but a general meeting may be called by shorter notice if it is so agreed by a majority in number of Eligible Members being a majority together holding not less than ninety per cent. of the voting rights. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted. Subject to the provisions of the Articles, the notice shall be given to all Eligible Members, to the Board and to the auditors (if any). For the purposes of notices, quorum, voting and all communications, in the absence of contrary notification from that Member, the Company shall be entitled to treat an individual who is known to the Company as having an appropriate role at that Member, and who purports to represent that Member, as being duly authorised to represent that Member.

PROCEEDINGS AT GENERAL MEETINGS

24. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Save as herein otherwise provided six Eligible Members present in person or by a duly authorised representative shall be a quorum.

25. If within an hour from the time appointed for holding the general meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, and if at such adjourned meeting a quorum is not present within an hour from the time appointed for holding the meeting, the Eligible Members present shall be a quorum.

26. The Chair or, in the Chair's absence, the Chair Elect or, if the Chair Elect is also absent, the Immediate Past Chair, shall preside as chair at every general meeting but if there is no such officer, or if at any meeting no such officer is present within fifteen minutes after the time appointed for holding the meeting, or if no such officer is willing to preside, the Eligible Members present shall choose any willing Director to take the chair, or if all the Directors present decline to take the chair, the Eligible Members present shall choose one of their number to chair the meeting.

27. A Director shall, notwithstanding that he is neither a Member nor representing a Member, be entitled to attend and speak at any general meeting.

28. The chair of the meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than business which might properly have been transacted at the original meeting. Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as the notice of the original meeting. Otherwise it shall not be necessary to give any such notice.

29. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless before, or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:

- (a) by the chair of the meeting; or
- (b) by at least three Eligible Members present in person or by proxy; or

(c) by such Eligible Member or Members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the Eligible Members.

30. Unless a poll is duly demanded, a declaration by the chair of the meeting that a resolution on a show of hands has been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minutes of the meeting of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

31. The demand for a poll may, before the poll is taken, be withdrawn and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

32. A poll shall be taken as the chair of the meeting directs and he may fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

33. No poll shall be demanded on the election of a chair of the meeting or on any question of adjournment. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chair of the meeting directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll has been 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.

34. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

35. A vote given or poll demanded by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding the poll unless notice of the determination was delivered or received before the start of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll. Such notice of determination shall be either in hard copy form delivered to the Office or such other place within the United Kingdom as may be specified by or on behalf of the Company.

THE BOARD

36. The Board shall consist of a maximum of fourteen persons willing and duly appointed to serve on it, comprising:

- The Board Leadership, each of whom shall ex officio be Directors;
- The Chief Executive, who shall ex officio be a Director;

- The executive director of the United States CRE Finance Council, who shall ex officio be a Director (together with the Board Leadership and the Chief Executive, the *Ex Officio Directors*); and
- at least three elected Directors.

37. Different rules, as set out below, shall govern how the different types of Director may join, remain on, and leave the Board. The Board may from time to time and at any time appoint a person as a Director (whether as a member of the Board Leadership or otherwise) either to fill a casual vacancy or by way of addition to the Board, provided that the prescribed maximum number of Directors would not as a result be exceeded. Anyone appointed pursuant to this Article shall continue in office until the date of the next annual general meeting whereupon his membership of the Board shall automatically determine unless he is appointed or elected with effect from that annual general meeting in accordance with the normal rules set out below.

38. In the event of any change of circumstances which is or may be relevant to the suitability of any serving Director (with the exception of the Chair and Chair Elect) to continue to serve, the Director will promptly notify such change of circumstances to the Board and the Board shall consider and determine whether it is appropriate for that Director to continue to serve or for any other action to be taken in connection with such change.

39. In the event of any change of circumstances which is or may be relevant to the suitability of the Chair or the Chair Elect to continue to serve, the Chair or the Chair Elect (as the case may be) will promptly notify such change of circumstances to the Board and shall only continue to serve thereafter if the Board resolves to reaffirm his appointment, and if the Board does not do so, Article 42 shall apply.

THE BOARD LEADERSHIP AND CHIEF EXECUTIVE

40. The Board Leadership shall comprise the following Ex Officio Directors, who shall be appointed by the Board:

- The Chair;
- The Chair Elect;
- The Immediate Past Chair; and
- The Treasurer, if appointed by the Board.

41. The Immediate Past Chair, Chair and Chair Elect shall each serve a single term of one year commencing at the end of an annual general meeting, unless otherwise determined by the Board (provided that only a special resolution of the Members in general meeting may permit a person to serve as Chair for more than two successive terms). At the following annual general meeting (unless otherwise determined by the Board or by special resolution of the Members):

- (a) the Immediate Past Chair shall cease to be part of the Board Leadership and an Ex Officio Director (although he may stand for election and may be elected as a Director),

- (b) the Chair shall become the Immediate Past Chair,
- (c) the Chair Elect shall become the Chair, and
- (d) a new Chair Elect, appointed in accordance with Article 43 below, shall take office.

42. In the event that for any reason any member of the Board Leadership is unable to take up his appointment from the date of the relevant annual general meeting or at all, or that a new Chair Elect has not been appointed in time to take up his position at the annual general meeting, or that the appointment of the Chair or the Chair Elect is not reaffirmed in the circumstances contemplated by Article 39, alternative provision, including if appropriate involving the appointment of another person, shall be made by the Board in accordance with Article 37.

43. The Chair Elect shall be appointed by the Board pursuant to the recommendation of a nominating committee (the *Nominating Committee*) formed for this purpose and submitted to the Board for consideration and approval. The Nominating Committee must include at least one current or past member of the Board Leadership and one current Director (being a different individual), but otherwise shall be as determined by the Board. The Nominating Committee may also recommend other candidates for the Board to consider appointing, or proposing for election, to the Board.

44. The Board may appoint a Treasurer, who shall remain in office for so long as he is willing to serve, at the discretion of, and on the terms determined by, the Board.

45. Each member of the Board Leadership must occupy an appropriately senior role in, and represent, a Member.

46. The Chief Executive appointed by the Board pursuant to Article 83 shall remain in office for so long as he is willing to serve, at the discretion of and on the terms determined by the Board.

ELECTED DIRECTORS

47. The Board shall, in addition to the Ex Officio Directors, include at least three additional Directors (the *Elected Directors*), who shall take office, if elected by resolution of the Eligible Members at a general meeting, following nomination by at least two Eligible Members or by the Board. The Secretary or, if there is no Secretary, the Chief Executive must be notified in writing of such nomination at least 21 days prior to the general meeting at which the person so nominated is intended to be considered for election, or no later than at the last meeting of the Board prior to that annual general meeting, if later. If a simple majority of the votes of the Eligible Members approves a nomination at the annual general meeting, the election shall have immediate effect.

48. It is desirable that each Elected Director occupies an appropriately senior role in, and represents, a Member. However, in appropriate circumstances and where his participation on the Board is likely to deliver benefits to the Company and its Members, a person may be nominated and elected who does not meet that qualification, provided that at no time should more than two Elected Directors not meet that qualification.

49. Elected Directors shall serve for a term of three years or such shorter period as may be agreed with the Board or resolved in general meeting. There is no limit to the number of

terms for which a person may stand for election and be elected a Director, but as a general rule Elected Directors should not be expected to serve for longer than six years in succession.

REMUNERATION

50. No Director except the Chief Executive shall be entitled to any remuneration. Save in exceptional circumstances (and notwithstanding Article 7(d)) and with the approval of the Board, no Director except the Chief Executive shall be entitled to payment of any expenses incurred in connection with his duties as a Director.

VACATION OF OFFICE OF DIRECTORS

51. The office of Director shall be vacated if the Director:
- (a) ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law; or
 - (b) ceases to be a Director by virtue of Articles 38 or 39; or
 - (c) has become physically or mentally incapable of acting as a Director and may remain so for more than three months, in the written opinion of a registered medical practitioner who is treating that person; or
 - (d) resigns his office by notice in writing to the Secretary (or, if there is no Secretary, to the Chief Executive); or
 - (e) is removed from office by a resolution duly passed by the Company pursuant to section 168 of the Act.

POWERS OF THE BOARD

52. Subject to the provisions of the Act, the Articles and any directions given by special resolution of the Members, the business of the Company shall be managed by the Board, which may exercise all the powers of the Company. No alteration of the Articles and no such direction shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Board by the Articles and a meeting of the Board at which a quorum is present may exercise all powers exercisable by the Board.

53. The Board may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

54. The Directors for the time being may, notwithstanding any vacancy in their body or quorum requirements for Board meetings under these Articles, act as the Board for the purpose of admitting persons to membership of the Company, filling up vacancies in their body, summoning a general meeting and, for such reasonable time as it may take to fill the vacancy or vacancies, for all other purposes for which the Board is empowered to act.

55. The Company's name may be changed by resolution of the Board.

DELEGATION OF THE BOARD'S POWERS

56. The Board may delegate any of its powers to any standing committee consisting of one or more Directors as it thinks fit and may make standing orders regulating the composition of such committees and any such committee shall have power (unless the Board otherwise directs) to co-opt persons not being or representing Members.

57. The Board shall also have power to set up ad hoc committees for the purpose of considering and advising on specific matters and any such committee shall have power (unless the Board otherwise directs) to co-opt persons not being or representing Members.

58. Any such delegation under Articles 56 or 57 above shall, in the absence of express provision to the contrary in the terms of delegation, be deemed to include authority to sub-delegate to one or more Directors (whether or not acting as a committee) or to any employee or agent of the Company. Any such delegation may be made subject to such conditions as the Board may specify, and may be revoked or altered.

DIRECTORS' INTERESTS

59. For the purposes of section 175 of the Act, the Board may authorise any matter proposed to them in accordance with these Articles which would, if not so authorised, involve a breach of duty by a Director under that section, including, without limitation, any matter which relates to a situation in which a Director has, or can have, an interest which conflicts, or possibly may conflict, with the interests of the Company. Any such authorisation will be effective only if:

- (a) any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director; and
- (b) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

The Board may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions they expressly impose but such authorisation is otherwise given to the fullest extent permitted. The Board may vary or terminate any such authorisation at any time.

For the purposes of the Articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

60. Provided that he has disclosed to the Board the nature and extent of his interest (unless the circumstances referred to in section 177(5) or section 177(6) of the Act apply, in which case no such disclosure is required) a Director notwithstanding his office:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- (b) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; and

- (c) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate:
 - (i) in which the Company is (directly or indirectly) interested as shareholder or otherwise; or
 - (ii) which is the parent undertaking of the Company or a subsidiary undertaking of any parent undertaking of the Company; or
 - (iii) with which he has such a relationship at the request or direction of the Company or any parent undertaking of the Company or a subsidiary undertaking of any parent undertaking of the Company.

61. A Director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate:

- (a) the acceptance, entry into or existence of which has been approved by the Board pursuant to Article 59 (subject, in any such case, to any limits or conditions to which such approval was subject); or
- (b) which he is permitted to hold or enter into by virtue of paragraph (a), (b) or (c) of Article 60,

nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

62. Any disclosure required by Article 60 may be made at a meeting of the Board, by notice in writing or by general notice or otherwise in accordance with section 177 of the Act.

63. A Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this Article applies only if the existence of that relationship has been approved by the Board pursuant to Article 59. In particular, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Act because he fails:

- (a) to disclose any such information to the Board or to any Director or other officer or employee of the Company; and/or
- (b) to use or apply any such information in performing his duties as a Director of the Company.

64. Where the existence of a Director's relationship with another person has been approved by the Board pursuant to Article 59 and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Act because he:

- (a) absents himself from Board meetings at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or
- (b) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser,

for so long as he reasonably believes such conflict of interest or possible conflict of interest subsists.

65. The provisions of Articles 63 and 64 are without prejudice to any equitable principle or rule of law which may excuse the Director from:

- (a) disclosing information, in circumstances where disclosure would otherwise be required under these Articles; or
- (b) attending meetings or discussions or receiving documents and information as referred to in Article 64, in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles.

66. Subject to the Act and without prejudice to his obligations of disclosure under the Act and these Articles, a Director may vote at any Board meeting or of a committee of the Board on, and be counted in the quorum present at a meeting in relation to, any resolution concerning a transaction or arrangement with the Company or in which the Company is interested, or concerning any other matter in which the Company is interested, notwithstanding that he is interested in that transaction, arrangement or matter or has in relation to it a duty which conflicts or may conflict with the interests of the Company.

BENEFITS, PENSIONS AND INSURANCE

67. Without prejudice to the provisions of Article 96, the Board may exercise all the powers of the Company to purchase and maintain insurance for or for the benefit of any person who is or was:

- (a) a Director, other officer, employee or auditor of the Company, or of any body which is or was the holding company or subsidiary undertaking of the Company, or in which the Company or such holding company or subsidiary undertaking has or had any interest (whether direct or indirect) or with which the Company or such holding company or subsidiary undertaking is or was in any way allied or associated; or
- (b) a trustee of any pension fund in which employees of the Company or any other body referred to in paragraph (a) of this Article is or has been interested,

including without limitation insurance against any liability incurred by such person in respect of any act or omission in the actual or purported execution or discharge of his duties or in the exercise or purported exercise of his powers or otherwise in relation to his duties, powers or offices in relation to the relevant body or fund.

68. Without prejudice to the generality of Article 61, no Director or former Director shall be accountable to the Company or the Members for any benefit provided pursuant to

Article 67. The receipt of any such benefit shall not disqualify any person from being or becoming a Director of the Company.

PROCEEDINGS OF THE BOARD AND COMMITTEES

69. The Board may meet together for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit, and determine the quorum necessary for the transaction of business. Unless otherwise determined, four Directors shall be a quorum provided that includes at least one Elected Director and no more than one person who is neither representing a Member, nor the Chief Executive.

70. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the chair of the meeting shall not have a second or casting vote.

71. Any two Directors may, and on the request of any two Directors the Secretary or (if there is no Secretary) the Chief Executive shall call a meeting of the Board by giving notice to each Director.

72. Notice of a meeting of the Board shall be deemed to be properly sent to a Director if it is sent to him personally in hard copy form at his last known address or such other address (if any) as may for the time being be specified by him or on his behalf to the Company for that purpose, or in electronic form to such address (if any) as may for the time being be specified by him or on his behalf to the Company for that purpose. A Director who is absent from the United Kingdom shall not be entitled to notice of a meeting other than by electronic form. Any Director may waive notice of a meeting in writing to the Secretary (if any) or the Chief Executive, and any such waiver may be retrospective. Any notice pursuant to this Article must include the proposed time and date of the meeting as well as where it is proposed that it will take place and how participating Directors shall communicate with each other if they are not in the same place.

73. The Chair or, in the Chair's absence, the Chair Elect shall preside as chair of the meeting. If at any meeting an eligible chair is not present within five minutes after the time appointed for holding the meeting or is unwilling to preside, the Directors present shall choose one of their number to chair the meeting.

74. A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers and discretion by or under the regulations of the Company for the time being vested in the Board generally.

75. Subject to any conditions imposed by the Board, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of the Board, so far as they are capable of applying.

76. A committee may elect a chair of its meeting. If no such chair is elected, or if at any meeting the chair is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be chair of the meeting.

77. A committee may meet and adjourn as its members think fit. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes, the chair of the meeting shall not have a second and casting vote.

78. Without prejudice to the first sentence of Article 69, a person entitled to be present at a meeting of the Board or of a committee of the Board shall be deemed to be present for all purposes if he is able (directly or by audiovisual or telephonic communication) to speak to and be heard by all those present or deemed to be present simultaneously. A Director so deemed to be present shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where it is convened to be held or (if no Director is present in that place) where the largest group of those participating is assembled, or, if there is no such group, where the chair of the meeting is. The word *meeting* in these Articles shall be construed accordingly when referring to proceedings of the Board or of any committee of the Board.

79. All acts done by any meeting of the Board or of any committee of the Board, or by any person acting as a Director, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such Director or person acting as aforesaid, or that they or any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Director.

80. A resolution in writing agreed to by a majority of the Directors for the time being or of any committee of the Board who are entitled to receive notice of a meeting of the Board or of such committee shall be as valid and effectual as if it had been passed at a meeting of the Board or of such committee duly convened and constituted. For this purpose:

- (a) a Director signifies his agreement to a proposed written resolution when the Company receives from him a document indicating his agreement to the resolution authenticated in the manner permitted by the Act for a document in the relevant form; and
- (b) the Director may send the document in hard copy form or in electronic form to such address (if any) for the time being specified by the Company for that purpose, or in default of such specification to the Office.

81. A Director unable to attend any meeting of the Board may authorise any Director to vote for him at that meeting, and in that event the Director so authorised shall have a vote for each Director by whom he is so authorised in addition to his own vote. Any such authority must be in writing and must be produced to the meeting of the Board at which the same is to be used (and be left with the Secretary, or if no Secretary exists with the Chief Executive, for filing).

SECRETARY

82. Subject to the provisions of the Act, the Board may decide from time to time whether the Company should have a secretary and, if they so decide, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board.

CHIEF EXECUTIVE

83. The Board may at any time and from time to time appoint a Chief Executive for the time being of the Company who shall exercise such powers and discretion and carry out such duties as shall be assigned to him from time to time by the Board. Any such appointment, agreement or arrangement may be made upon such terms as the Board determine and they

may remunerate the Chief Executive for his services as they think fit. Any appointment to Chief Executive shall terminate if he would be disqualified as a Director pursuant to Article 51 but without prejudice to any claim to damages for breach of the contract of service between the Chief Executive and the Company.

MINUTES

84. The Board shall cause proper minutes to be made in books of all proceedings at meetings of the Company and of the Board and any such minutes of any meeting, if purporting to be signed by the chair of such meeting, or by the chair of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated. Such minutes shall be kept (in physical or digital form) as a record for at least ten years from the date of the decision recorded.

ACCOUNTS

85. The accounts of the Company shall be under the general supervision of the Treasurer or if there is no Treasurer, of the Chair.

86. No Member (not being a Director) shall have any right to inspect any accounting records or other book or document of the Company except as conferred by statute or authorised by the Board or by ordinary resolution of the Company or order of a court of competent jurisdiction.

87. Once at least in every calendar year the Board shall cause to be prepared and, if a general meeting is held in the relevant year, laid before the Company in general meeting, the Company's annual accounts and reports that it is required to prepare under the Act (all of which shall be prepared in accordance with any statutory requirements for the time being in force) and any other documents required by law to be annexed or attached thereto or to accompany the same and not less than fourteen clear days before the date of the meeting before which they are laid, be sent to the Auditors (if any have been appointed) and to all other persons entitled to receive notices of general meetings in the manner in which notices are to be served. A copy need not be sent to a person for whom the Company does not have a current address.

COMMUNICATIONS

88. Any notice to be sent to or by any person pursuant to these Articles (other than a notice calling a Board meeting) shall be in writing.

89. Subject to Article 88 and unless otherwise provided by these Articles, where the Company is required or authorised by a provision of the Companies Acts or pursuant to these Articles or any other rules or regulations to which the Company may be subject to send or supply a document or information to a Member or any other person, it may send or supply it in such form and by such means as it may in its absolute discretion determine, provided that the provisions of the Companies Acts which apply to sending or supplying a document or information required or authorised to be sent or supplied by the Companies Acts shall, subject to any necessary modifications, also apply to sending or supplying any document or information required or authorised to be sent by these Articles or any other rules or regulations to which the Company may be subject.

90. Subject to Article 88 and unless otherwise provided by these Articles, a Member shall send a document or information pursuant to these Articles to the Company in such form and by such means as it may in its absolute discretion determine provided that:

- (a) the determined form and means are permitted by the Companies Acts for the purpose of sending or supplying a document or information of that type to a company pursuant to a provision of the Companies Acts; and
- (b) unless the Board otherwise permit, any applicable condition or limitation specified in the Companies Acts, including without limitation as to the address to which the document or information may be sent, is satisfied.

Unless otherwise provided by these Articles or required by the Board, such document or information shall be authenticated in the manner specified by the Companies Acts for authentication of a document or information sent in the relevant form.

91. A Member present, either in person or by proxy, at any meeting of the Company shall be deemed to have been sent notice of the meeting and, where requisite, of the purposes for which it was called.

92. Members should provide the Company with an address to which documents, any notice of a general meeting and any other information may be sent, and the address should be updated as required during the period of membership. As electronic mail is the most commonly used form of communication, an electronic address should be provided if available. A Member that fails to provide a valid and current address shall not be entitled to receive any document, notice or information from the Company.

93. Proof that a document or information sent in hard copy form was properly addressed, prepaid and posted shall be conclusive evidence that the document or information was sent. A document or information sent by the Company to a Member by post shall be deemed to have been received:

- (a) if sent by first class post or special delivery post from an address in the United Kingdom to another address in the United Kingdom, or by a postal service similar to first class post or special delivery post from an address in another country to another address in that other country, on the day following that on which the document or information was posted;
- (b) if sent by airmail from an address in the United Kingdom to an address outside the United Kingdom, or from an address in another country to an address outside that country, on the third day following that on which the document or information was posted;
- (c) in any other case, on the fifth day following that on which the document or information was posted.

94. A document or information sent by the Company to a Member by hand shall be deemed to have been received by the Member when it is handed to the Member or left at any address that has been given to the Company for receiving any document or information or an address notified to the Company in accordance with Article 92.

95. Proof that a document or information sent or supplied by electronic means was properly addressed shall be conclusive evidence that the document or information was sent or supplied. A document or information sent or supplied by the Company to a Member by electronic means shall be deemed to have been received by the Member on the day on which the document or information was sent to the Member unless it is sent after 5:00 p.m. in the local time of the recipient or was not a working day in the location of the recipient, in which case it shall be deemed to be received on the following working day. Such document or information shall be deemed received by the Member notwithstanding that the Company becomes aware that the Member has failed to receive the relevant document or information for any reason and notwithstanding that the Company may subsequently re-send such document or information to the Member by the same or different means.

INDEMNITY

96. Subject to the provisions of the Companies Acts, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every Director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the assets of the Company against any liability incurred by him for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company, provided that this Article shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause this Article, or any element of it, to be treated as void under the Act.