



North Lincolnshire Homes Limited

Company No. 5439434

Memorandum and Articles of Association

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The Companies Act 1985

**Company Limited by Guarantee
and not Having a Share Capital**

**Memorandum of Association
of
North Lincolnshire Homes Limited**

Name

- 1 The name of the Company is North Lincolnshire Homes Limited (the **Company**).

Registered office

- 2 The Company's Registered office is to be located in England and Wales.

Objects

- 3 The objects of the Company shall be to:
- (1) provide houses or hostels and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means,
 - (2) provide for aged, disabled or chronically sick persons in need thereof houses or hostels and any associated amenities specially designed or adapted to meet the disabilities and requirements of such persons,
 - (3) provide services, advice or assistance upon terms appropriate to their means to aged, disabled, or chronically sick persons in need thereof and provide any associated amenities specially designed or adapted to meet the disabilities and requirements of such persons,
 - (4) provide recreation or other leisure facilities in the interest of social welfare with the object of improving the conditions of life for the residents of the local authority areas in which the Company owns or manages housing stock,
 - (5) relieve financial hardship amongst residents of the local authority areas in which the Company owns or manages housing stock,
 - (6) maintain, improve or provide public amenities for the public benefit in the interests of regeneration in areas of social and economic deprivation in which the Company owns or manages housing stock, and
 - (7) promote public safety and prevent crime.

Powers

- 4 The Company shall have power to do any thing that a natural or corporate person can lawfully do which is necessary or expedient in furtherance of its objects (and is within any relevant parameters set by the Housing Corporation) unless prohibited in this Memorandum.
- 5 Without limiting the powers described in Clause 4 the Company shall have power to:
- (1) take or grant or otherwise dispose of or deal with any interest in land,
 - (2) carry out works to land, buildings or other property,
 - (3) subject to such consents as may be required by law, borrow money, issue loan stock or raise money in such manner as the Company shall think fit and to secure the repayment of any money borrowed raised or owing by such security as the Company shall see fit (including by way of floating charge) upon the whole or any part of the Company's property or assets (whether present or future) and also by giving similar security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it,
 - (4) (a) to enter into and perform a rate cap transaction, or series of rate cap transactions, where the Board (or a duly authorised committee established under the Articles) considers entry by the Company into such transaction(s) to be in the best interest of the Company, provided that
 - (aa) at the time of entry to any such transaction(s) the sum of the Calculation Amount of any rate cap transaction previously entered into and remaining in effect and the Calculation Amount of the proposed rate cap transaction(s) shall not exceed the aggregate amount of the Company's Variable Rate Borrowing then drawn down plus the amount of any existing contractually committed loan facilities not yet drawn down in respect of amounts which the Company intending at the Effective Date when drawn will become Variable Rate Borrowings, and
 - (bb) the counter party to each rate cap transaction is the Floating Rate Payer,
 - (b) prior to exercising its power under Clause 5(4) the Company shall obtain and consider proper advice on the question whether the rate cap transaction is satisfactory having regard to:
 - (aa) the possible fluctuations in the rate of interest payable by the Company under its Variable Rate Borrowings during the term of the rate cap transaction(s),
 - (bb) the Company's ability to meet its payment obligations under the Variable Rate Borrowings during the Term of the rate cap transaction(s) if that transaction was not entered into,
 - (cc) the payment obligations under the rate cap transaction(s), and

- (dd) the Company's actual and projected annual income and expenditure position,
- (c) For the purpose of Clause 5(4) proper advice is the advice of a person who is reasonably believed by the Board to be qualified by his ability in and practical experience of financial matters and rate cap transactions, and is properly authorised to give such advice under the provision of the Financial Services and Markets Act 2000, such advice may be given by a person notwithstanding that he gives it in the course of his employment as an executive officer,
- (d) A person entering into a rate cap transaction as a Floating Rate Payer with the Company who has received a written certificate signed by the Secretary confirming the Company's compliance with Clauses 5(4)(b) and (c) shall not be concerned to enquire further whether or not the Company has complied with provisions of Clauses 5(4)(b) and (c) and such transaction shall be valid at the date it is entered into and throughout its term in favour of such person (or any assignee or successor in title) whether or not the provisions of Clauses 5(4)(b) and (c) have been complied with.

For the purposes of this Clause 5(4):

Calculation Amount, Effective Date, Floating Rate Payer, Term and Termination Date have the respective meanings given in the 2000 ISDA Definitions as amended from time to time,

Variable Rate Borrowing means any borrowing by the Company pursuant to Clause 5(3) in respect of which the rate of interest has not been fixed for a term in excess of twelve months and the term **fixed** shall exclude any borrowing where the rate of interest is indexed in accordance with a retail prices index or other published index,

Rate Cap Transaction means a cap transaction within the meaning of **swap transaction** as defined in the 2000 ISDA Definitions as amended from time to time.

- (5) to insure and arrange insurance cover for the Company from and against all such risks as the Board may think fit and to pay any premium in respect of such insurance,
- (6) to insure and arrange insurance cover for and to indemnify its members, employees and voluntary workers from and against all such risks incurred in the proper performance of their duties as it shall consider appropriate and to pay any premium in relation to indemnity insurance in respect of liabilities of its Board Members or any of them which would otherwise attach to them in respect of:
 - (i) any negligence, default, breach of duty or breach of trust of which they may be guilty in respect of the Company **PROVIDED THAT** such insurance shall not extend to any liability in respect of:
 - (a) fines;

- (b) costs of unsuccessfully defending criminal prosecutions for offences arising out of the fraud, dishonesty or wilful or reckless misconduct of the Board Member;
 - (c) liabilities to the Company that result from conduct that the Board Member knew or must be assumed to have known was not in the best interests of the Company or about which the person concerned did not care whether it was in the best interests of the Company or not;
- (ii) any liability to make a contribution to the Company's assets as specified in section 214 of the Insolvency Act 1986 (wrongful trading),
- (7) to invest any monies of the Company not immediately required for the furtherance of its objects as it determines and as permitted by law,
- (8) subject to such consents as may be required by law and compliance with all formal guidance issued by the Company's regulators (if any) to purchase or otherwise acquire or to encourage or promote any in any way support or aid the establishment and development of any subsidiary or associated company established for the purposes of carrying on any trade or business either for the purpose of raising funds for the Company or for the furtherance of the objects of the Company,
- (9) to make donations, grants or loans or provide services or assistance to such persons and organisations and on such terms as the Company shall think fit to further the objects of the Company

PROVIDED THAT in case the Company shall take or hold any property which may be subject to any trusts, the Company shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.

Application of income and property

6 The Company shall not trade for profit. The income and property of the Company shall be applied solely towards the promotion of its objects as set forth in the Memorandum of Association and no portion thereof shall be paid or transferred, directly or indirectly, save as provided below by way of dividend, bonus or otherwise howsoever by way of profit, to Members and no Board Member shall be appointed to any office of the Company paid by salary or fees or receive any remuneration or other benefit or money or money's worth from the Company PROVIDED THAT nothing herein shall prevent any payment in good faith by the Company:

- (1) of such reasonable and proper remuneration as may be permitted pursuant to Part I of Schedule 1 of the Housing Act 1996 to Board Members as if the Company were not a charity and in accordance with the Housing Corporation's published guidance from time to time,
- (2) of reasonable and proper remuneration (including pensions, contributory pension payments, payment of premiums to pension policies and terminal grants and gratuities) to any officer or employee of the Company (not being a Member or Board Member) in return for any services rendered to the Company,

- (3) of fees, remuneration or other benefit in money or money's worth to a company of which a Board Member may be a member holding not more than 2% of the share capital of the company,
- (4) to any Board Member of reasonable out-of pocket expenses,
- (5) of reasonable and proper remuneration to the Council Member or employees thereof (not being a Board Member) in return for any services rendered to the Company,
- (6) of reasonable and proper rent for premises demised or let by the Council Member,
- (7) of reasonable and proper interest on money lent by any body corporate notwithstanding that such body corporate shall be a Member or Board Member,
- (8) of any premium in relation to indemnity insurance in respect of liabilities of its Board Members or any of them in accordance with Clause 5(6)

PROVIDED FURTHER THAT nothing shall prevent a disposal by the Company of a property whether by way of sale, lease, tenancy, licence or otherwise to any person in good faith and in pursuance of the objects of the Company notwithstanding the fact that such person may be a Member and/or Board Member and further nothing shall prevent the Company from managing a property in accordance with its objects notwithstanding the fact that the tenant, lessee or licensee of such property may be a Member or Board Member **SUBJECT TO** the proviso that any Board Member who is a beneficiary of the Company shall not be entitled to speak in any debate or cast his/her vote in respect of any matter relating solely to the property of which he/she is lessee, tenant or licensee and shall absent himself/herself from such proceedings but such Board Member shall be entitled to speak and vote in respect of matters which relate not only to such property but also to other properties owned or managed by the Company.

Equal opportunities

- 7 The Company shall at all times take into consideration the principles of equality of opportunity irrespective of age, gender, race, nationality, ethnic origin, religion, sexual orientation or disability.

Limited liability

- 8 The liability of the Members is limited.

Members guarantee

- 9 Every Member undertakes to contribute to the assets of the Company, in the event of the same being wound up while he is a Member, or within one year after he ceases to be a Member, for payment of the debts and liabilities of the Company contracted before he ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound.

Winding up

- 10 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 amongst the Members, but shall be given or transferred to some other charitable 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 to an extent at least as great as is imposed on the Company under or by virtue of Clause 6 hereof. The decision as to which such institution or institutions is to be determined by the Members at or before the time of dissolution, and in so far as effect cannot be given to such provision, then to some other similar object PROVIDED THAT if the Company is registered under Part 1 of the Housing Act 1996 such disposal shall be governed by paragraph 15 of Schedule 1 to the Housing Act 1996 (as re-enacted or amended from time to time).

Definitions

- 11 Terms defined in the Articles of Association shall have the same meaning in this Memorandum of Association.

We the several persons whose names and addresses are subscribed, are desirous of being formed into a company in pursuance of this Memorandum of Association.

| Names, and Addresses of Subscribers | | |
|-------------------------------------|-----------------|--|
| 1. | Name Address | |
| 2. | Name Address | |
| | | |

Dated

Witness to the above signatures:

Name
Address

The Companies Act 1985**Company Limited by Guarantee
and not Having a Share Capital****Articles of Association
of
North Lincolnshire Homes Limited****Definitions and interpretation**

| | | |
|---|--|--|
| 1 | In the Articles unless the context otherwise requires: | |
| | the Act | Means the Companies Act 1985 (as amended by the Companies Act 1989) and any statutory modification or re-enactment thereof for the time being in force, |
| | the Articles | Means these Articles of Association as originally adopted or as altered from time to time, |
| | Board | Means the Board of directors of the Company from time to time, |
| | Board Members | Means the directors for the time being of the Company and shall exclude Co-optees, |
| | Chairman | Means the Chairman of the Company appointed pursuant to Article 47(1) or (2) or in his absence any vice or deputy chairman appointed pursuant to Article 47(5), |
| | 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, |
| | Co-optee | Means a person co-opted by the Board pursuant to Article 33(2), |
| | Council Board Member | Means a Board Member appointed by the Council Member pursuant to Article 30, |
| | Council Member | Means North Lincolnshire Council or any successor body thereto, |
| | Executed | Means in relation to any contract, agreement or other document and includes any mode of execution, |
| | Independent Board Member | Means a Board Member who is not a Council Board Member or a Tenant Board Member, |
| | Independent Member | Means any Member designated as such pursuant to |

Article 3(3),

Local Authority Person

Means any person:

- (i) who is or has been a member of a Relevant Council in the preceding four years, or
- (ii) who is an officer of a Relevant Council (which for these purposes shall not include employees with non-managerial posts apart from housing employees), or
- (iii) who is or has been both an employee and either a director, manager, secretary or other similar officer of a company which is under the control of a Relevant Council in the preceding four years,

Member

Means any person, firm, company or other organisation who is admitted to membership of the Company in accordance with the provisions of these Articles,

Office

Means the registered office of the Company,

Relevant Council

Means North Lincolnshire Council or its successors in title,

the seal

Means the common seal of the Company,

Secretary

Means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary,

Tenant

Means an individual who holds an assured tenancy, licence or lease of a residential property from and occupies a property belonging to the Company (or prior to the Company owning property means an individual who has a secure tenancy of a residential property belonging to the Council Member which is proposed to transfer to the Company),

Tenant Board Member

Means a Board Member appointed pursuant to Article Article 31,

Tenant Member

Means a Member who is at the time of admission to membership a Tenant and is designated as such in accordance with Article 3(3),

Transfer

Means the completion of the disposal of the Council Member's housing stock to the Company,

the United Kingdom

Means Great Britain and Northern Ireland.

- 2 (1) Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory

modification thereof not in force when these regulations become binding on the Company.

- (2) In these Articles words importing individuals shall, unless the context otherwise require, include corporations and words importing the singular number shall include the plural, and vice versa and words importing the masculine gender shall include the feminine gender.

Admission of members

- 3 (1) The subscribers to the Memorandum of Association of the Company and such other persons as are admitted to membership in accordance with these Articles shall be Members of the Company. No person (other than the Council Member) shall be admitted as a Member of the Company unless he is approved by the Board. The Board is entitled at its absolute discretion to grant or refuse any application for membership.
 - (2) Notwithstanding anything herein contained, the Board may not admit any Local Authority Person (other than the Council Member) to membership of the Company.
 - (3) Every Member (other than the Council Member or the subscribers) shall, on admittance, be designated by the Board as a Tenant Member or an Independent Member as required by Article 1 and such status shall be stated in the register of Members. The decision of the Board as to the designation of the Members shall be final and binding.
- 4 A corporation which is a Member shall be invited to nominate a person to act as its representative in the manner provided in Section 375 of the Act. Such representative shall have the right on behalf of the corporation (and to the extent only to which the corporation would if a person be entitled to do so) to attend meetings of the Company and vote thereat, and generally exercise all rights of membership on behalf of the corporation. A corporation may from time to time revoke the nomination of such representative, and nominate another representative in his place. All such nominations and revocations shall be in writing.

Cessation of membership

- 5 Any Member may resign from the Company by giving one (1) month's notice (or such period as the Board may in its discretion accept) in writing duly signed to the Secretary and thereupon such Member shall be deemed to have ceased to be a Member from the date of the expiration of such notice. The subscribers may resign from the Company by giving notice with immediate effect.
- 6 Any Member may be removed from the Company, by a resolution of the Company passed by a majority of at least three-quarters of the votes cast at a general meeting of which not less than *twenty-eight clear days' notice specifying the intention to propose such resolution* shall have been sent to the Member whose removal is proposed and to all the other Members of the Company. Notice of the general nature of the grounds on which such resolution is proposed shall be sent to the Member whose removal is proposed at least *twenty-eight clear days before the meeting*, and he or its representative for this purpose shall be entitled to be heard by the meeting.

- 7
- (1) The rights of any Member shall be personal and shall not be transferable and shall automatically cease if the Member, being a corporation, passes a resolution for winding-up (otherwise than for the purpose of a solvent amalgamation or reconstruction where the resulting entity assumes all of the obligations of the Member) or a court makes an order to that effect, or being an individual commits any act of bankruptcy, becomes incapable by reason of mental disorder or dies, or if the Member (whether a corporation or not) ceases to carry on its business or substantially the whole of its business, or becomes or is declared insolvent or commits any act of bankruptcy or convenes a meeting of or makes or proposes to make any arrangement or composition with its creditors or if a liquidator, receiver, administration, Trustee, manager or similar officer is appointed in relation to any of the assets of the Member or any analogous step is taken in connection with the Member's insolvency, bankruptcy or dissolution.
 - (2) A Member (other than the Council Member) shall automatically cease to be a Member if they become a Local Authority Person.
 - (3) A Tenant Member shall automatically cease to be a Member if they cease to be a Tenant PROVIDED THAT this Article 7(3) shall not apply in respect of a Tenant Member temporarily ceasing to be a Tenant as a result of the demolition of or works carried out to that Tenant Member's home.
 - (4) An Independent Member shall automatically cease to be a Member if they become a Tenant.
 - (5) The cessations referred to in Articles 7(1) to (4) above shall take place forthwith upon the occurrence of the events set out in such Articles and without the need of notice being given to the Member concerned.

General meetings and resolutions

- 8 All general meetings other than annual general meetings shall be called extraordinary general meetings. The Company shall hold an annual general meeting in each year.
- 9 The Board Members may call general meetings and, on the requisition of Members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient Board Members to call a general meeting, any Board Member or any Member may call a general meeting.

Notice for general meetings

- 10 (1) An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a Board Member shall be called by at least twenty-one clear days' notice. All other extraordinary 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:
- (a) in the case of an annual general meeting, by all the Members entitled to attend and vote thereat, and

- (b) in the case of an extraordinary general meeting by a majority in number of the Members having a right to attend and vote being a majority together holding (subject to the provisions of any elective resolution of the Company for the time being in force) not less than ninety-five per cent of the total voting rights at the meeting of all Members.
- (2) The notice shall specify the time and place of the meeting and, in the case of an annual general meeting, shall specify the meeting as such.
- (3) The notice shall be given to all the Members and to the Board Members and auditors.
- (4) Any Member entitled to attend at a general meeting shall be entitled to appoint another person (whether a Member or not) as his proxy to attend instead of him and any proxy so appointed shall have the same right as the Member to speak at the meeting.
- 11 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.
- 12 (1) No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Five Members present in person or by proxy shall be a quorum PROVIDED THAT this includes at least two persons present in person and also includes the Council Member, two Independent Members and one Tenant Member or all of the subscribers (as appropriate) PROVIDED FURTHER THAT if there are fewer than five such members or no such designated members all Members of the Company shall form a quorum.
- (2) If a quorum is not present within half an hour from the time appointed for a general meeting the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Board Members present may determine.
- (3) If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting then the meeting shall stand adjourned and the provisions of Article 12 (2) shall apply as if the same were repeated herein in extenso save that if at such further adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting then notwithstanding Article 12(1) the Members present shall constitute a quorum.
- 13 The Chairman, if any, of the Board or in his absence some other Board Member nominated by the Board Members shall preside as chairman of the meeting, but if neither the Chairman nor such other Board Member (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Board Members present shall elect one of their number to be chairman and, if there is only one Board Member present and willing to act, he shall be chairman.

- 14 If no Board Member is willing to act as chairman, or if no Board Member is present within fifteen minutes after the time appointed for holding the meeting the Members present and entitled to vote shall choose one of their number to be chairman.
- 15 A Board Member shall, notwithstanding that he is not a Member, be entitled to attend and speak at any general meeting or meeting of a class or type of Member.
- 16 (1) The chairman may, with the consent of a 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 an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. 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.
- (2) The chairman may also, without the consent of the meeting, adjourn the meeting (whether or not it has commenced or is quorate) either indefinitely or to such other time and place as he decides if it appears to him that:
- (a) the number of persons wishing to attend cannot be conveniently accommodated in the place appointed for the meeting, or
 - (b) the unruly conduct of persons attending the meeting prevents or is likely to prevent the orderly holding or continuance of the meeting, or
 - (c) an adjournment is otherwise necessary for the business of the meeting to be properly conducted, or
 - (d) a proposal of such importance is made that the consideration of a larger number of Members is desirable.
- (3) When a meeting is adjourned indefinitely, the time and place for the adjourned meeting shall be fixed by the Board. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of the original meeting. Except where these Articles otherwise require, it shall not be necessary to give notice of an adjournment or of the business to be transacted at the adjourned meeting.
- (4) If the chairman considers that the meeting place specified in the notice convening the meeting is inadequate to accommodate all those entitled and wishing to attend, the meeting shall nevertheless be duly constituted and its proceedings valid provided that the chairman is satisfied that adequate facilities are available to ensure that Members who cannot be accommodated are able to participate in the business of the meeting and to see and hear all persons present who speak (whether by the use of microphones, loud-speakers, audio visual communications equipment or otherwise), whether in the meeting place or elsewhere, and to be seen and heard by all other persons in the same manner.

Votes of members

- 17 (1) A resolution put to the vote of a 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 Chairman, or
 - (b) by at least two Members having the right to vote at the meeting, or
 - (c) by the Council Member,
- and a demand by a person as proxy for a Member shall be the same as a demand by a Member.
- (2) On a show of hands, every Member present in person (or represented in accordance with Article 4) shall have one vote.
- (3) On a poll the Members present in person or by proxy shall be entitled to vote in accordance with the following percentages of the total votes cast:
- (a) The Council Member: 33%,
 - (b) The Independent Members: 33% apportioned equally between them,
 - (c) The Tenant Members: 34% apportioned equally between them,
- (4) In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman shall be entitled to a casting vote in addition to any other vote he may have.
- 18 Unless a poll is duly demanded a declaration by the Chairman that a resolution 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 shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 19 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman 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.
- 20 A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be Members) and 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.
- 21 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman 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 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.

- 22 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.
- 23 A resolution in writing executed by or on behalf of each Member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more Members.
- 24 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 chairman whose decision shall be final and conclusive.
- 25 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in the form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Board may approve) set out in Appendix A to these Articles.
- 26 Where it is desired to afford Members an opportunity of instructing the proxy how he shall act the instrument appointing a proxy shall be in the form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Board Members may approve) set out in Appendix B to these Articles.
- 27 This instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Board Members may:
- (1) be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or
 - (2) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll, or
 - (3) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any Board Member,
- and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

- 28 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement 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.

Number of board members

- 29 (1) The number of Board Members shall be fifteen (comprising five Tenant Board Members, five Council Board Members, and five Independent Board Members) PROVIDED THAT in the event that the number of Board Members shall consist of fewer than fifteen the remaining Board Members shall use all reasonable endeavours to appoint further Board Members and may act notwithstanding this Article.
- (2) No more than five Board Members may be Local Authority Persons.
- (3) No more than seven Board Members may be Tenants.
- (4) At least one third of Board Members shall be Independent Board Members, PROVIDED THAT in the event that fewer than one third of Board Members shall be Independent Board Members, the Board shall use reasonable endeavours to appoint further Independent Board Members and may act notwithstanding this Article.
- (5) The First Board Members shall be those persons named in the statement delivered pursuant to Section 10(2) of the Act who shall be deemed to have been appointed under the Articles. Future Board Members shall be appointed as provided subsequently in the Articles.

Appointment of board members by the council member

- 30 Subject to Article 29 the Council Member shall have the power from time to time and at any time to appoint up to five persons as Council Board Members and to remove from office any such Board Member. Appointment or removals shall be effected by an instrument in writing signed by the Council Member and shall take effect upon lodgement at the registered office of the Company or such date later than such lodgement as may be specified in the instrument.

Retirement and election of tenant board members

- 31 (1) At the first annual general meeting following the Transfer of the Company, and at every subsequent annual general meeting, Tenant Board Members shall retire from office in the following rotation:
- (a) at the first annual general meeting following the Transfer, one Tenant Board Member shall retire,
- (b) at the second annual general meeting following the Transfer, a further two Tenant Board Members shall retire, and

- (c) at the third annual general meeting following the Transfer, a further two Tenant Board Members shall retire

and so forth such that the Tenant Board Members shall subsequently retire in a rotation which mirrors that in sub-paragraphs (a) to (c).

- (2) The Tenant Board Members to retire at any annual general meeting shall be those who have been longest in office since they last became Tenant Board Members, but as between persons who became Board Members on the same day those to retire shall be chosen by lot PROVIDED THAT where a Tenant Board Member is appointed as a consequence of the death or retirement (other than by operation of this sub-paragraph) of another Tenant Board Member ("the Predecessor"), the period of time for which the Tenant Board Member shall have held office shall, for the purposes only of this Article 31(2) be deemed to include the period since the last election or appointment of the Predecessor.
- (3) Prior to the first and thereafter every annual general meeting, direct or indirect elections shall be held among the Company's tenants for the number of Tenant Board Members to be appointed thereat. The mode and manner of such elections shall be as the Board may from time to time agree subject at all times to compliance with Article 29.
- (4) The Company Secretary shall announce the results of the elections referred to in Article 31(3) at each relevant annual general meeting and the Tenants so elected shall be duly appointed as Tenant Board Members with effect from the end of such annual general meeting without any further formality.

Retirement and election of independent board members

- 32
- (1) At the first annual general meeting following the Transfer of the Company, and every subsequent annual general meeting, the Independent Board Members shall retire from office in the following rotation:
 - (a) at the first annual general meeting following the Transfer, two Independent Board Members shall retire,
 - (b) at the second annual general meeting following the Transfer, a further two Independent Board Members shall retire, and
 - (c) at the third annual general meeting following the Transfer, a further one Independent Board Member shall retireand so forth such that the Independent Board Members shall subsequently retire in a rotation which mirrors that in sub-paragraphs (a) to (c).
 - (2) The Independent Board Members to retire at any annual general meeting shall be those who have been longest in office since they last became Independent Board Members but as between persons who became Board Members on the same day those to retire shall be chosen by lot **PROVIDED THAT** where an Independent Board Member is appointed as a consequence of the death or retirement (other than by operation of this sub-paragraph) of another Independent Board Member

(the **Predecessor**), the period of time for which the Independent Board Member shall have held office shall, for the purposes only of this Article 32 (2) be deemed to include the period since the last election or appointment of the Predecessor.

- (3) If, at the meeting at which a Board Member retires in accordance with Article 32(1), there are no other candidates to fill the post the retiring Board Member shall, if willing to act, be deemed to have been re-appointed unless a resolution not to reappoint the Board Member is passed by the meeting.
- (4) No person other than an Independent Board Member retiring by rotation shall be appointed as an Independent Board Member at any general meeting unless he is recommended by the Board.
- (5) Subject to Articles 29, 32 and 34 the Company may by ordinary resolution in general meeting appoint any person who is willing to act as an Independent Board Member to fill a vacancy arising pursuant to this Article 32.
- (6) Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a Board Member retiring by rotation at the meeting) who is recommended by the Board for appointment or reappointment as an Independent Board Member at the meeting. The notice shall give the particulars of that person which would, if he were so appointed or re-appointed, be required to be included in the Company's register of Board Members.

Casual vacancies and co-options

- 33
- (1) Subject to Articles 29, 32 and 34 the Company may by ordinary resolution in general meeting appoint any person who is willing to act as Board Member to fill a vacancy.
 - (2) Subject to Article 29 the Board may appoint a person who is willing to act to be a Board Member to fill a vacancy **PROVIDED THAT** the Board may only fill vacancies occurring among Council Board Members where the Council Member shall have failed within three months of a written request by the Company to make the appropriate appointments pursuant to Article 30. A Board Member so appointed shall hold office only until the next following annual general meeting. If not re-appointed at such annual general meeting he shall vacate office at the conclusion thereof.
 - (3) The Board may from time to time co-opt up to a maximum of five persons including up to two of the Company's executive officers to the Board and may at any time revoke such co-option. Co-optees cannot be Local Authority Persons or Tenants

Disqualification and removal of board members

- 34
- A person shall be ineligible for appointment as a Board Member or as a Co-optee and if already appointed shall immediately cease to be a Board Member or a Co-optee if the relevant individual:

- (1) ceases to be a Board Member by virtue of any provision of the Act or is or becomes prohibited by law from being a Board Member, or
- (2) is or becomes an undischarged bankrupt or makes any arrangement or composition with his creditors generally, or
- (3) is, or may be, suffering from mental disorder and either:
 - (a) 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 (Scotland) Act 1960, 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/her detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs, or
- (4) resigns his office by notice to the Company, or
- (5) is removed from office by a resolution of (or written notice signed by) at least three quarters of all the other Board Members from time to time, or
- (6) shall for more than six consecutive months have been absent without permission of the Board from meetings of the Board held during that period and the Board resolves that his office be vacated, or
- (7) in any period of 12 months, he shall have been absent (without the permission of the Board Members) from at least 60% of the meetings of Board Members held during that period and the Board Members resolve that his office be vacated, or
- (8) in the case of a Tenant Board Member he/she ceases to be a Tenant PROVIDED THAT this Article 34 (8) shall not apply in respect of a Tenant Board Member temporarily ceasing to be a Tenant as a result of the demolition of or works carried out to that Tenant Board Member's home, or
- (9) is a Tenant Board Member and is or becomes a Local Authority Person leading to a breach of the limit in Article 29(2), or
- (10) is a Council Board Member and becomes a Tenant leading to a breach of the limit in Article 29(3), or
- (11) is an Independent Board Member and is or becomes a Tenant or a Local Authority Person, or

- (12) is a Tenant and is (in the reasonable opinion of a majority of Board Members) in serious breach of his obligations as a Tenant, or
- (13) is a Co-optee and his co-option is revoked by the other Board Members, or
- (14) is disqualified under the Charities Act 1993 from acting as a charity trustee.

Powers of the board

- 35 Subject to the provisions of the Act and the Memorandum and the Articles, the business of the Company shall be managed by the Board who may exercise all the powers of the Company. No alteration of the Memorandum or Articles shall invalidate any prior act of the Board which would have been valid if that alteration had not been made. The powers given by this regulation 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.
- 36 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.

Borrowing powers

- 37 The Board may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and to grant any mortgage, charge or other security over its undertaking and property, or any part thereof, and to issue any debenture, whether outright or as security for any debt, liability or obligation of the Company or any company or other body of which the Company is the holding company as defined in section 736 of the Act.

Delegation of board members' powers

- 38 The Board may delegate any of their powers to any committee consisting of two or more Board Members together with such other persons as the Board sees fit. They may also delegate to the Chairman/or any vice or deputy Chairman or to any executive officer such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, 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.

Alternate board members

- 39 No Board Member shall be entitled to appoint any person as an alternate Board Member.

Board members' expenses

- 40 Subject to Part 1 of Schedule 1 of the Housing Act 1996 and the provision of Clause 6 of the Memorandum and in accordance with the Housing Corporation's published guidance from time to time, the Board Members and Co-optees may be remunerated in connection with their attendance at meetings of the Board or committees of the Board or general

meetings or separate meetings of classes or types of Member or of the holders of debentures of the Company or otherwise in connection with the discharge of their duties.

Board members' appointments and interests

- 41 A Board Member (or Co-optee) may not have any financial interest personally or as a member of a firm or as a director or senior employee (being an employee with managerial status) or in any contract or other transaction of the Company unless it is permitted by these Articles and is not prohibited by Clause 6 of the Memorandum or under Part I of Schedule I of the Housing Act 1996.
- 42 Each Board Member (and Co-optee) shall ensure that the Secretary has at all times an up to date list of:
- (1) all bodies trading in which he has an interest as:
 - (a) a director or senior employee,
 - (b) a member of a firm,
 - (c) the owner or controller of more than 2% of the issued share capital in a company,
 - (2) all interests as an official or elected member of any statutory body,
 - (3) all interests as the occupier of any property owned or managed by the Company, or
 - (4) any other significant or material interest.

Proceedings of board meetings

- 43
- (1) The Board may regulate their proceedings as they think fit and the quorum for the transaction of the business of the Board at the time when the meeting proceeds to business shall be six including no fewer than two Independent Board Members. Co-optees may not count towards a quorum.
 - (2) Any two Board Members may call a meeting of the Board. It shall not be necessary to give notice of a meeting to a Board Member who is absent from the United Kingdom.
 - (3) If a quorum is not present within half an hour from the time appointed for a Board Meeting the Board Meeting shall, if requested by a majority of those Board Members present, be adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Board Members present may determine.
 - (4) If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting then notwithstanding Article 43(1) the Board Members present shall constitute a quorum.
 - (5) Co-optees shall be entitled to attend and to speak but not to vote at meetings of the Board or of a committee of the Board and shall not be counted as part of the quorum.

- 44 Questions arising at a Board Meeting shall be decided by a majority of votes and each Board Member present in person shall be entitled to one vote. In the case of an equality of votes, the Chairman shall have a second or casting vote.
- 45 (1) Any Board Member (or Co-optee) having an interest in any arrangements between the Company and another person or body shall disclose that interest to the meeting before the matter is discussed by the Board or committee of the Board. Unless the interest is of the type specified in Articles 45(2) or (3) the Board Member (or Co-optee) concerned shall not remain present during the discussion of that item unless requested to do so by the remaining Board Members or committee of the Board. Unless permitted by Articles 45(2) or 45(3) the Board Member (or Co-optee) concerned may not vote on the matter in question, but no decision of the Board or any committee of the Board shall be invalidated by the subsequent discovery of an interest which should have been declared.
- (2) Provided the interest has been properly disclosed pursuant to Article 45(1) a Board Member (or Co-optee) may remain present during the discussion and may vote on the matter under discussion where the interest arises:
- (a) because the Board Member (or Co-optee) is a Tenant so long as the matter in question affects all or a substantial group of Tenants, or
- (b) because the Board Member (or Co-optee) is a director or other officer of a company or body which is a Parent, subsidiary or associate of the Company, or
- (c) because the Board Member (or Co-optee) is an official or elected member of a Relevant Council.
- (3) A Board Member (or Co-optee) shall not be treated as having an interest:
- (a) of which the Board Member (or Co-optee) has no knowledge and of which it is unreasonable to expect him to have knowledge,
- (b) in the establishment of a policy in respect of Board Member (or Co-optee) expenses payable pursuant to Article 40.
- 46 If a question arises at a meeting of the Board or of a committee of the Board as to the right of a Board Member to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any Board Member other than himself shall be final and conclusive.
- 47 (1) The Board shall appoint one of their number to be the Chairman of the Board to hold office until the Company's first Annual General Meeting but may at any time remove him from that office.
- (2) At the first Board Meeting following each annual general meeting the Board Members shall appoint one of their number to be the chairman of the Board to hold office until the next annual general meeting and may at any time remove him from that office
- (3) Unless he is unwilling to do so, the Board Member so appointed shall preside at every meeting of the Board at which he is present. But if there is no Board Member holding that office, or if the Board Member holding it is unwilling to preside

or is not present within ten minutes after the time appointed for the meeting, the Board Members present may appoint one of their number to be chairman of the meeting.

- (4) No Board Member may serve as Chairman of the Board for more than five years in aggregate in any seven year period.
- (5) The Board may appoint a vice or deputy chairman to act in the absence of the Chairman on such terms as the Board shall think fit.

48 All acts done by a meeting of the Board, or of a committee of the Board or by a person acting as a Board Member shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Board Member or that 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 and was qualified and had continued to be a Board Member and had been entitled to vote.

Written resolution

49 A resolution in writing signed by all the Board Members entitled to receive notice of a meeting of the Board or of a committee of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board or (as the case may be) a committee of the Board duly convened and held and may consist of several documents in the like form each signed by one or more Board Members.

Secretary

50 Subject to the provisions of the Act, the Secretary and any deputy or alternate Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them.

Minutes

51 The Board shall cause minutes to be made in books kept for the purpose:

- (1) of all appointments of officers made by the Board Members, and
- (2) of all proceedings at meetings of the Company and of the Board, and of committees of the Board and of any class or type of Member, including the names of the Board Members present at each such meeting.

Records accounts and returns

52 The Company shall comply with the provisions of Part VII of the Act in respect of:

- (1) the keeping and auditing of accounting records,
- (2) the provision of accounts and annual reports of the directors, and
- (3) in making an annual return.

The seal

- 53 (1) If the Company has a seal it shall only be used with the specific or general authority of the Board or of a committee of the Board. The Board may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Board Member and by the Secretary or a second Board Member.
- (2) The Company may exercise the powers conferred by Section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Board Members.

Notices

- 54 Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the Board or of a committee of the Board need not be in writing.
- 55 The Company may give any notice to a Member either personally or by sending it by post in a prepaid envelope addressed to the Member at his registered address or by leaving it at that address. A Member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such Member shall be entitled to receive any notice from the Company.
- 56 A Member present, either in person or by proxy, at any meeting of the Company or any class or type of Member shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 57 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.

Indemnity

- 58 (1) Every Board Member or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 727 of the Act in which relief is granted to him and no Board member or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto PROVIDED THAT this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.
- (2) The Board shall have power to purchase and maintain for any Board Member or officer of the Company insurance against any such liability as is referred to in Section 310(1) of the Act.

Rules or bye laws

59 The Board may from time to time make and amend such Rules and Byelaws as they may from time to time deem necessary or expedient or convenient for the proper conduct and management of the Company and for the purposes of prescribing the conditions of membership, and in particular but without prejudice to the generality of the foregoing, they shall by such Rules and Bye laws regulate:

- (1) the admission of Members of the Company, their rights and privileges and the terms on which Members may resign insofar as these are not provided in the Articles,
- (2) the conduct of Members of the Company in relation to one another, and to the Company's employees,
- (3) the setting aside of the whole or any part of parts of the Company's premises at any particular time or times or for any particular purpose or purposes,
- (4) the procedure at general meetings and meetings of the Board Members and Committees of the Company in so far as such procedure is not regulated by these Articles,
- (5) and, generally, all such matters as are commonly the subject matter of Company rules.

The Company in general meeting shall have power to alter or repeal the Rules and Bye laws and to make additions thereto and the Board shall adopt such means as they deem sufficient to bring to the notice of Members of the Company all such Rules and Bye laws, which so long as they shall be in force, shall be binding on all Members of the Company provided nevertheless, that no Rule or Bye law shall be inconsistent with, or shall affect or repeal anything contained in, the Memorandum or Articles of the Company.

Amendment of memorandum or articles

60 A Members resolution to amend the Memorandum or Articles of the Company shall only be validly passed if such resolution is supported by at least two thirds of the Board.

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▼
Names, Addresses and Descriptions of Subscribers

Dated this *day of*

Witness to the above signatures:

APPENDIX A

North Lincolnshire Homes Limited (the **Company**)

I/We, _____, being a Member/Members of the above-named Company,
hereby appoint _____ of _____, or failing him,
_____ of _____, as my/our proxy to vote in
[my/our name[s] and on [my/our] behalf at the annual/extraordinary general meeting of the Company
to be held on [_____], and at any adjournment thereof.

Signed on _____ this _____ day of _____

APPENDIX B

North Lincolnshire Homes Limited (the **Company**)

I/We, _____ being a
Member/Members of the above-named Company, hereby appoint

of _____, or failing him, _____ of _____, as my/our
proxy to vote in [my/our name[s]] and on [my/our] behalf at the annual/extraordinary general meeting
of the Company to be held on [_____], and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No. 1 *for *against

Resolution No. 2 *for *against

*Strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed this _____ day of _____