

PFCC Decision Report

Report reference number: 041/2020
Classification: Not protectively marked
Title of report: BlueLight Commercial Limited
Area of county / stakeholders affected: Countywide
Report by: Pippa Brent-Isherwood (Chief Executive and Monitoring Officer) Date of report: 16 March 2020 Enquiries to: Pippa Brent-Isherwood (Chief Executive and Monitoring Officer)

1. Purpose of the report

The purpose of this report is to recommend that the Police, Fire and Crime Commissioner (PFCC) for Essex applies to become a member of BlueLight Commercial Limited, the company to be incorporated to form the new police commercial organisation.

2. Recommendation

That the Police, Fire and Crime Commissioner (PFCC) for Essex applies to become a member of BlueLight Commercial Limited by completing and submitting the application form attached at Appendix 1.

3. Benefits of the proposal

The establishment of a new police commercial organisation is intended to enhance the sector's commercial capability and deliver further efficiencies, with a particular focus on ICT, property / estates and professional / back office services. The company's proposed objects are to provide services, support, advice and data to enable policing and other associated bodies to:

- Better manage and reduce risk of its supply chain;
- Obtain better value for money from its supply chain;
- Develop commercial skills and expertise, and
- Enable the delivery of shared services.

4. Background and proposal

The PFCC, along with all other Police and Crime Commissioners and Police, Fire and Crime Commissioners, has been invited to become a member of BlueLight Commercial Limited, the company to be incorporated to form the new police commercial organisation.

It is intended that the company will be formally established by 1 April 2020, in order to become fully operational on 1 June 2020.

5. Alternative options considered and rejected

The PFCC could decline the offer to become a member of BlueLight Commercial Limited, however to do so is not recommended as this would fail to secure the anticipated benefits of membership set out in section 3 above.

6. Police and Crime Plan

The proposal aligns with the commitments made to collaboration and partnership working within the Police and Crime Plan.

7. Police operational implications

The Chief Constable has been consulted on and indicated support for the proposal.

8. Financial implications

The Policing Minister has confirmed that, as part of the funding settlement for 2020/21, BlueLight Commercial will receive £3.7m to set itself up.

The liability of each individual member is limited to £10, this being the amount that each member undertakes to contribute to the assets of the company in the event of it being wound up while they are a member, or within one year after they cease to be a member, for:

- Payment of the company's debts and liabilities contracted before they cease to be a member;
- Payment of the costs, charges and expenses of winding up, and
- Adjustment of the rights of the contributories among themselves.

9. Legal implications

The establishment of the company is governed by the Companies Act 2006. The legal compliance of the associated processes will be assured by TLT, the legal advisors supporting the programme.

10. Staffing implications

There are no direct staffing implications of the proposal for either the PFCC or Essex Police. The Shadow Board is currently in the process of interviewing for a Chief Executive Officer and the first two regional Directors.

11. Equality and Diversity implications

There are not considered to be any equality and diversity implications arising from the proposal.

12. Risks

Failure to secure membership of the new police commercial organisation would risk failure to secure the anticipated benefits described in section 3 above. The recommendation set out in section 2 mitigates this risk.

13. Governance Boards

The Association of Police and Crime Commissioners (APCC) agreed the Articles of Association attached at Appendix 2 at its General Meeting on 15 January 2020. However the document has been slightly amended since that meeting to ensure that details of the directorship appropriately accommodate potential changes in office holders following future PCC / PFCC elections.

Matthew Scott (Kent PCC) chairs the BlueLight Commercial Shadow Board. The PCCs for Nottinghamshire, North Wales, Warwickshire and Gwent also sit on the Shadow Board, making up the majority of the membership. An Implementation Board, chaired by the Director for Commercial and Financial Services for Surrey and Sussex Police, in his capacity as the Senior Responsible Officer (SRO) and reporting to the Shadow Board, has been established to drive and direct the programme.

Once applications for membership of BlueLight Commercial Limited have been received, the next stage will be for the Shadow Board to convene a Board meeting (hopefully before the end of March) to adopt the Articles of Association; accept the new members, and formally vote in the Shadow Board as the initial Board of BlueLight Commercial. The Board of Directors of the company shall initially comprise the following:

- Five PCCs / PFCCs;
- One representative appointed by the National Police Chiefs Council (NPCC);
- One Chief Constable representative;
- One representative of the Finance Co-ordinating Committee of the NPCC, and
- One Independent Non-Executive Director.

The Home Office, APCC and the Police ICT Company shall each have the right to send an observer to meetings of the Board, who shall have rights to attend and speak at meetings but no rights to vote.

The membership of the Board may be changed in future in accordance with the Articles of Association, and any member may at any time withdraw from the company by giving at least six months' notice in writing to the company, to expire on 31 March of any given year.

14. Background papers

Appendix 1 – Application for membership of BlueLight Commercial Limited
Appendix 2 – Articles of Association (BlueLight Commercial Limited)

Report Approval

The report will be signed off by the OPFCC Chief Executive and Treasurer prior to review and sign off by the PFCC / DPFCC.

Chief Executive / M.O. Sign: [Signature]
Print: P. Grant-Sherwood
Date: 16 March 2020

Chief Finance Officer / Treasurer Sign:
Print: N/A
Date:

Publication

Is the report for publication? YES
NO

If 'NO', please give reasons for non-publication (Where relevant, cite the security classification of the document(s). State 'None' if applicable)

.....
..... N/A

If the report is not for publication, the Chief Executive will decide if and how the public can be informed of the decision.

Redaction

If the report is for publication, is redaction required:

1. Of Decision Sheet? YES NO
2. Of Appendix? YES NO

If 'YES', please provide details of required redaction:

.....
..... N/A

Date redaction carried out:

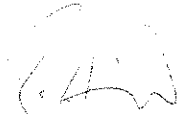
Treasurer / Chief Executive Sign Off – for Redactions only
If redaction is required, the Treasurer or Chief Executive is to sign off that redaction has been completed.

Sign:
Print:

Chief Executive/Treasurer

Decision and Final Sign Off

I agree the recommendations to this report:

Sign: 

Print: Roger Hirst

PFCC

Date signed: 18 March 2020

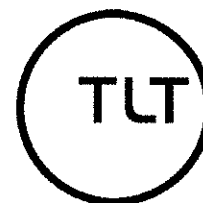
I do not agree the recommendations to this report because:

.....
.....
.....

Sign:

Print:

PFCC/Deputy PFCC



Articles of Association

BlueLight Commercial Limited

Draft 3: 26 February 2020 (TLT)

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The Companies Act 2006
Company not having a Share Capital
Articles of Association
of
BlueLight Commercial Limited

1 Name

The Company's name is BlueLight Commercial Limited.

2 Definitions and interpretation

2.1 The following definitions and rules of interpretation apply in these Articles:

Act	means the Companies Act 2006;
APCC	means the Association of Police and Crime Commissioners;
2004 Act	means the Fire and Rescue Services Act 2004
2011 Act	means the Police Reform and Social Responsibility Act 2011;
Articles	the Company's articles of association for the time being in force;
Board	means the board of Directors of the Company;
Clear days	means in relation to the period of a notice that period excluding the day when the notice is given or deemed to be given and the day on which it is to take effect;
Company	BlueLight Commercial Limited;
Chair	means the chair of the Board;
Chair of the meeting	has the meaning given in Article 16.4;
Chief Constable	means a person holding the office specified in section 2 of the 2011 Act;
Conflict	has the meaning given in Article 10.1;
Delegate	a person appointed by a Member organisation as its representative to attend and vote at any general meeting of the Company;
Director	means a director or directors of the Company from time to time;
Document	includes, unless otherwise specified, any document sent or supplied in electronic form;

Electronic form	has the meaning given in section 1168 of the Companies Act 2006;
Fire and Rescue Authority	means [details to be inserted] ¹
Independent Non-Executive Director	means a non-executive Director with no previous connection with any Policing Body, Other Police Governance Bodies or any Fire and Rescue Authorities
Member	means any person, body corporate or unincorporated body who is a subscriber to the memorandum of association of the Company or who is admitted to membership of the Company in accordance with these Articles;
MOPAC	The Mayor's Office for Policing and Crime established under section 3 of the 2011 Act;
NPCC	means the National Police Chiefs Council;
Objects	means the objects of the Company as set out in the Articles;
Observer	means a third party's appointed representative;
Other Police Governance Bodies	means any of the following Policing Bodies: MOPAC, the Civil Nuclear Police Authority, the British Transport Police Authority, the Common Council of the City of London in its capacity as a police authority, the Ministry of Defence Police Committee, the Scottish Police Authority and such other bodies as shall be admitted into the membership of the Company from time to time in accordance with these Articles;
Person	means an individual or body of persons corporate (including corporations sole) or unincorporated;
Police ICT Company	Means the Police ICT Company (company number 08113293);
Policing Body/Policing Bodies	the organisations referred to in Article 11.1, being either Members or eligible to be Members of the Company and who authorise Delegates appointed by them pursuant to these Articles to exercise all the usual powers of the Members of a Company;
Police and Crime Commissioner	means a natural person holding the office specified in section 1 of the 2011 Act;
Reserved Matters	means any resolution or vote pertaining to the following non-exhaustive matters: <ul style="list-style-type: none"> (a) changing the nature of the Company's business; (b) forming or participating in a joint venture (howsoever described);

¹ To cover fire and rescue authorities in Scotland and Northern Ireland

- (c) forming a subsidiary or acquiring shares in another corporate entity;
- (d) raising finance or incurring indebtedness, including (without limitation) by way of finance or operating lease, hire purchase, loan or deferred payment terms (other than standard trade credit on no more than thirty days terms);
- (e) bidding for contracts in excess of £500,000 on any one contract (whether singly or as part of a series of contracts which might properly be viewed as part and parcel of the same matter);
- (f) the ability to change the share capital or bring in private capital;
- (g) the right to appoint or remove Directors by notice in writing;
- (h) the right to appoint or request the removal of a Director,
- (i) any request to the Home Secretary in respect of national provision requiring participation of all national police forces

and "**Reserved Matter**" shall be construed accordingly;

The seal means the common seal of the Company;

Secretary means any person appointed to perform the duties of the secretary of the Company;

The United Kingdom means Great Britain and Northern Ireland.

- 2.2 Words importing one gender shall include all genders, and the singular includes the plural and vice versa.
- 2.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 2.4 A reference in these Articles to an **Article** is a reference to the relevant Article of these Articles unless expressly provided otherwise.
- 2.5 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 2.6 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 2.7 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 2.8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 2.9 The model Articles in Schedule One to The Companies (Model Articles) Regulations 2008 and any Table A to the Companies Act 1985 or any former enactment do not apply to the Company.

- 2.10 The Interpretation Act 1978 shall apply to these Articles in the same way it applies to an enactment.

3 Registered Office

The Company's registered office is to be situated in England and Wales.

4 Objects

The Company's objects are to provide services, support, advice and data to enable policing and other associated bodies to:

- 4.1 better manage and reduce risk of its supply chain;
- 4.2 obtain better value for money from its supply chain;
- 4.3 develop commercial skills and expertise; and
- 4.4 enable the delivery of savings from shared services.

5 Powers

The Company has the power to do anything lawful which is necessary or desirable to achieve any of its Objects including (without limitation) the power:

- 5.1 to provide an overarching commercial strategy to assist police forces, Fire and Rescue Authorities and other police and fire and rescue bodies;
- 5.2 to procure goods and services on behalf of police forces, Fire and Rescue Authorities and other police and fire and rescue bodies;
- 5.3 to support police forces in delivering policing services more efficiently and effectively by facilitating and enabling greater collaboration, integration and harmonisation of commercial systems, processes and procedures;
- 5.4 to secure value for money by helping police forces to obtain the best deal from suppliers;
- 5.5 to provide a centre of knowledge and expertise in relation to commercial matters, social value and shared services;
- 5.6 to accept any gift or transfer of money or any other property whether or not subject to any special trust;
- 5.7 to issue appeals, hold public meetings, establish subscription arrangements and support groups and take such other steps as may be required for the purpose of procuring contributions to the funds of the Company in the shape of donations, grants, subscriptions or otherwise;
- 5.8 to make reasonable charges for services the Company may provide in pursuit of the Objects;
- 5.9 to carry on trade;
- 5.10 to purchase or form trading companies alone or jointly with others;
- 5.11 to buy, take on lease or exchange, hire or otherwise acquire and hold any real or personal estate;
- 5.12 to maintain, alter or equip for use any real or personal estate;

- 5.13 to erect, maintain, improve or alter any buildings in which the Company for the time being has an interest;
- 5.14 subject to such consents as may be required by law to sell, lease or otherwise dispose of all or any part of the real or personal estate belonging to the Company;
- 5.15 subject to such consents as may be required by law to borrow or raise money and to give security for loans or grants;
- 5.16 to make grants or loans of money to give guarantees and become or give security for the performance of contracts and to grant powers of attorney by way of security for the performance of obligations;
- 5.17 to establish, develop and maintain links and to exchange information with other bodies at local, national and international level in order to promote the Objects;
- 5.18 to co-operate, including exchanging information and advice and enter into arrangements with other bodies, international, national, local or otherwise;
- 5.19 to establish or support any charitable trusts, associations, companies, institutions or other bodies connected with the Objects;
- 5.20 to acquire any other organisation;
- 5.21 to enter into partnership, joint venture or other arrangement with any body with objects similar in whole or part to the Objects;
- 5.22 to affiliate to or accept affiliation from any body with objects similar in whole or part to the Objects;
- 5.23 to set aside funds for special purposes or as reserves against future expenditure in accordance with a written reserves policy;
- 5.24 to deposit or invest funds with all the powers of a beneficial owner;
- 5.25 to delegate the management of investments to a financial expert;
- 5.26 to insure and arrange insurance cover of every kind and nature in respect of the Company, its property and assets and take out other insurance policies to protect the Company, its employees, volunteers or members as required;
- 5.27 to provide indemnity insurance to cover the liability of the Directors or any other officer of the Company;
- 5.28 to employ and pay any person or persons to supervise, organise, carry on the work of and advise the Company;
- 5.29 to pay reasonable annual sums or premiums for or towards the provision of pensions for officers or employees for the time being of the Company or their dependants;
- 5.30 to enter into contracts to provide services to or on behalf of other bodies;
- 5.31 to publish or distribute information;
- 5.32 to hold exhibition, meetings, lectures, classes, seminars or courses either alone or with others;
- 5.33 to cause to be written, printed or otherwise reproduced and circulated, gratuitously or otherwise periodicals, magazines, books, leaflets or other documents, films, recorded tapes or materials reproduced on electronic media;
- 5.34 to foster and undertake research into any aspect of the Objects and its work and to disseminate and exchange the results of any such research;

- 5.35 to act as trustee of any trust;
- 5.36 to make any charitable donation either in cash or assets;
- 5.37 to obtain any Act of Parliament or other order or authority or to promote, support or oppose legislative or other measures or proceedings or to petition the Crown, Parliament or other public persons or bodies in the United Kingdom in respect of any matter affecting the interests of the Company.

6 Application of income and property

- 6.1 The income and property of the Company shall be applied solely towards the promotion of the Objects.
- 6.2 None of the income or property of the Company may be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to any Member, provided that this shall not prevent:
 - 6.2.1 a Member (whether or not such Member is also a Director) receiving a benefit from the Company in its capacity as a beneficiary of the Company;
 - 6.2.2 a Member, Director, employee or officer of the Company from receiving reasonable and proper remuneration for any goods or services supplied to the Company;
 - 6.2.3 payment by the Company of interest at a rate not exceeding commercial banking rates in existence at the time on money lent or reasonable and proper rent for premises demised or let to the Company;
 - 6.2.4 a Director or other officer of the Company paying out of, or being reimbursed from, the property of the Company in respect of any reasonable expenses properly incurred by him or her when acting on behalf of Company;
 - 6.2.5 a Director or other officer of the Company being indemnified out of the Company's assets against any liability incurred by that person in connection with any negligence, default, breach of duty or breach of trust in relation to the Company in accordance with Article 35.1.1;
 - 6.2.6 the purchase of indemnity insurance for any officer(s) of the Company against any liability that would otherwise attach to such officer(s) in accordance with Article 35.2.1.

7 No return of capital

- 7.1 On the winding up or dissolution of the Company, the Board shall collect all the assets of the Company and shall pay or make provision for all of the liabilities of the Company and transfer any remaining property or money (that would otherwise be available to its Members):
 - 7.1.1 to another body with objects similar to its own, or
 - 7.1.2 to another body, the objects of which are the promotion of the Company (whether or not such body is a Member).
- 7.2 In no circumstances shall the net assets of the Company on a winding up or dissolution be paid to or distributed among the Members except as set out in Article 7.1 and in no other circumstances shall the Company return any capital to its Members.

8 Liability of Members

- 8.1 The liability of each Member is limited to £10, being the amount that each Member undertakes to contribute to the assets of the Company in the event of its being wound up while he is a Member or within one year after he ceases to be a Member for:
- 8.1.1 payment of the Company's debts and liabilities contracted before he ceases to be a Member;
 - 8.1.2 payment of the costs, charges and expenses of winding up; and
 - 8.1.3 adjustment of the rights of the contributories among themselves.

9 Transactions or Other Arrangements with the Company

- 9.1 If a proposed decision of the Board is concerned with an actual or proposed transaction or arrangement with the Company in which a Director is interested, that Director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- 9.2 But if Article 9.3 applies, a Director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in the decision-making process for quorum and voting purposes.
- 9.3 This Article applies when:
- 9.3.1 the Company by ordinary resolution disapplies the provision of the Articles which would otherwise prevent a Director from being counted as participating in the decision-making process;
 - 9.3.2 the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - 9.3.3 the Director's conflict of interest arises from a permitted cause.
- 9.4 For the purposes of this Article, the following are permitted causes:
- 9.4.1 a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;
 - 9.4.2 subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
 - 9.4.3 arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former Directors.
- 9.5 For the purposes of this Article, references to proposed decisions and decision-making processes include any Board meeting or part of a Board meeting.
- 9.6 Subject to Article 9.7, if a question arises at a Board meeting or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chair whose ruling in relation to any Director other than the Chair is to be final and conclusive.
- 9.7 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chair, the question is to be decided by a decision of the

Directors at that meeting, for which purpose the Chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

10 Directors' Conflicts of Interest

10.1 The Board may, in accordance with the requirements set out in this Article 10, authorise any matter proposed to them by any Director which would, if not authorised, involve a Director breaching his or her duty under Section 175 of the Act to avoid conflicts of interest ("**Conflict**").

10.2 Any authorisation under this Article 10 will be effective only if:

10.2.1 the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;

10.2.2 any requirement as to the quorum of the meeting of Directors at which the matter is considered is met without counting as present the Director in question; and

10.2.3 the matter was agreed to without his or her voting or would have been agreed to if his or her vote had not been counted.

10.3 Any authorisation of a Conflict under this Article 10 may (whether at the time of giving the authorisation or subsequently):

10.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the Conflict so authorised;

10.3.2 be subject to such terms and for such duration and impose such limits or conditions as the Directors may determine; and

10.3.3 be terminated or varied by the Directors at any time

Provided that this will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.

10.4 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his or her involvement with the Conflict otherwise than as a Director of the Company and in respect of which he or she owes a duty of confidentiality to another person the Director is under no obligation to:

10.4.1 disclose such information to the Directors or to any Director or other officer or employee of the Company; or

10.4.2 use or apply any such information in performing his or her duties as a Director

where to do so would amount to a breach of that confidence.

10.5 Where the Directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the Director.

10.5.1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;

10.5.2 is not given any documents or other information relating to the Conflict; and

- 10.5.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict.
- 10.6 If the Directors authorise a Conflict:
 - 10.6.1 the Director will be obliged to conduct himself or herself in accordance with the terms imposed by the Directors in relation to the Conflict; and
 - 10.6.2 the Director will not infringe any duty he or she owes to the Company by virtue of Sections 171 to 177 of the Act provided he or she acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation.

11 Members

- 11.1 The following persons shall be eligible to be Members and (subject to their having become Members pursuant to Articles 11.2, 11.3 and 11.4) shall remain Members provided their membership has not terminated in accordance with Articles 11.7 or 13:
 - 11.1.1 all elected local policing bodies in England and Wales as defined in section 102 of the 2011 Act and any subsequent amending legislation;
 - 11.1.2 all Fire and Rescue Authorities;
 - 11.1.3 the British Transport Police Authority;
 - 11.1.4 the Northern Ireland Policing Board;
 - 11.1.5 the Common Council of the City of London in its capacity as a local authority;
 - 11.1.6 the organisations comprising the Other Police Governance Bodies which are not already specifically referred to in some other provision of this Article 11;
 - 11.1.7 such organisations agreed from time to time by Council as representing the interests of carrying out a similar role or function to Policy Bodies or providing support to Policing Bodies in carrying out their role or functions;
 - 11.1.8 any organisation with a purpose or interest in delivery of efficient and effective policing services, including but not limited to organisations in Scotland or Northern Ireland, the Civil Nuclear Police Authority, Ministry of Defence Police Committee, Jersey Police Authority, Government departments, the College of Policing, National Crime Agency;
 - 11.1.9 any government department on behalf of the Crown; and
- 11.2 Application for membership shall be made in writing to the Secretary by those persons or organisations eligible to be Members in accordance with Article 11.1 on an application form in the manner prescribed by the Board together with written undertakings to be bound by the Articles of the Company in force from time to time.
- 11.3 The application shall be submitted to the Board, which may make such enquiry as it may deem necessary or desirable in order to determine the suitability of the applicant for membership.
- 11.4 If an application for membership is approved by a simple majority of the Directors of the Board present and voting, the applicant shall become a Member.
- 11.5 The Board shall have full power and authority to refuse an application for membership without giving any reason for its refusal.

- 11.6 Each Member shall be entitled to appoint a Delegate determined in accordance with Article 15 and such Delegate shall be entitled to attend and vote at any general meeting and generally to exercise the ordinary functions of the Member of a company.
- 11.7 A Member may at any time withdraw from the Company by giving at least six months notice in writing to the Company to expire on 31 March of any given year.
- 11.8 Membership shall not be transferable.
- 11.9 The Company shall maintain a register of Members.

12 Classes of membership

The Directors may establish different classes of membership and prescribe their respective privileges and duties and set the amounts of any subscriptions.

13 Termination of membership

- 13.1 Membership is terminated if:
 - 13.1.1 the Member resigns by written notice to the Company unless, after the resignation, there would be less than 10 Members;
 - 13.1.2 the Member is dissolved, enters into a scheme of arrangement with its creditors, becomes insolvent or otherwise ceases to operate;
 - 13.1.3 at a meeting of the Board, a resolution is passed by not less than three-fourths of the Directors present and voting that it is undesirable that such Member shall remain a Member.

14 Annual General Meetings and General Meetings

- 14.1 The Company shall each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notice calling it. Not more than 15 months shall elapse between the date of one annual general meeting of the Company and that of the next. The annual general meeting shall, subject as aforesaid, be held at such time and in such place as the Board shall appoint.
- 14.2 In addition to the annual general meeting the Board may, whenever it thinks fit, convene a general meeting and such general meeting may also be convened following a requisition (or in default may be convened by such requisitions) as is provided by the Act. If at any time there are not within the United Kingdom sufficient Members of the Board to form a quorum, any Director or any three Members may convene a general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Board.

15 Delegates

- 15.1 Each Member of the Company, being an organisation may authorise any person to act as its Delegate at any meeting of the Company. Such Delegate shall, subject to Article 15.2 be entitled to exercise on behalf of the Member organisation the same powers as the organisation could exercise if it were an individual Member of the Company.
- 15.2 Written notice of the Delegate's authority shall be given to the Company, failing which the Company shall not be required to accept the right of the Delegate to exercise the organisation's rights at meetings. Any such notice given to the Company shall be conclusive evidence that the Delegate is entitled to represent the organisation and that

his or her authority has not been revoked. The Company shall not be required to consider whether the Delegate has been properly authorised by the organisation.

- 15.3 The Company shall be entitled to regard the Delegate as eligible to represent the Member organisation until written notice is received by the Company.

16 Organisation of General Meetings

16.1 Notices of General Meetings

16.1.1 Save as provided by Article 16.1.2, a general meeting shall be called by at least fourteen clear days' notice.

16.1.2 Notwithstanding the provisions of Article 16.1, a general meeting may be called by shorter notice if it is so agreed by a majority of the Members having a right to attend and vote at the meeting being a majority together holding not less than 95% of the total voting rights at the meeting of all Members.

16.1.3 The notice shall specify the place, the day and the hour of the meeting and the general nature of the business and shall set out any specific resolutions proposed to be put to the meeting.

16.1.4 Notice of every general meeting shall be given in any manner authorised by these Articles to:

- (a) Every Member except those Members who (having no registered address within the United Kingdom) have not supplied the Company an address within the United Kingdom or a fax number or electronic mail address for the giving of notices to them;
- (b) each Director;
- (c) the Secretary; and
- (d) the Auditor.

16.1.5 No other person shall be entitled to receive notices of general meetings.

16.1.6 A Member present by proxy or by its Delegate at any general meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

16.2 Attendance and Speaking at General Meetings

16.2.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate orally to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

16.2.2 A person is able to exercise the right to vote at a general meeting when:

- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
- (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

16.2.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

- 16.2.4 In determining attendance at a general meeting, it is immaterial whether any two or more Members attending it are in the same place as each other.
- 16.2.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.
- 16.3 Quorum for General Meetings
- 16.3.1 No business other than the appointment of the Chair of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
- 16.3.2 Fifteen persons entitled to vote upon the business to be transacted, being each a Delegate or a substitute for a Delegate, individual Member or proxy for a Member, or one third of all Delegates and individual Members, whichever is the higher, shall be a quorum.
- 16.4 Chairing General Meetings
- 16.4.1 If the Directors have appointed a Chair, the Chair shall chair general meetings if present and willing to do so.
- 16.4.2 If the Directors have not appointed a Chair, or if the Chair is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
- (a) the Directors present; or
- (b) (if no Directors are present), the Members present and entitled to vote, must appoint a Director or Member to chair the meeting, and the appointment of the Chair of the meeting must be the first business of the meeting.
- 16.4.3 The person chairing a meeting in accordance with this Article 16.4 is referred to as the "Chair of the meeting".
- 16.5 Attendance and Speaking by Directors and non-Members
- 16.5.1 Directors may attend and speak at general meetings, whether or not they are Members.
- 16.5.2 The Chair of the meeting may permit other persons who are not
- (a) Members of the Company, or
- (b) otherwise entitled to exercise the rights of Members in relation to general meetings, to attend and speak at a general meeting.
- 16.6 Adjournment
- 16.6.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chair of the meeting must adjourn it, provided that if the Company has only a single Member, the provisions of this Article 16.6.1 as to adjournment shall not apply and if, within 30 minutes of the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall be dissolved and shall not be adjourned.

- 16.6.2 The Chair of the meeting may adjourn a general meeting at which a quorum is present if:
- (a) the meeting consents to an adjournment,
 - (b) it appears to the Chair of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or to ensure that the business of the meeting is conducted in an orderly manner, or
 - (c) it appears to the Chair that it is unreasonable or impracticable for any reason to hold a general meeting at the time or place specified in the notice of that meeting.
- 16.6.3 The Chair of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 16.6.4 When adjourning a general meeting, the Chair of the meeting must:
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors, and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 16.6.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it (that is, excluding the Day of the adjourned meeting and the day on which the notice is given)
- (a) to the same persons to whom notice of the Company's general meetings is required to be given; and
 - (b) containing the same information which such notice is required to contain.
- 16.6.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

17 Voting at General Meetings

17.1 Voting General

- 17.1.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.

17.2 Errors and Disputes

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

17.3 Demanding a Poll

- 17.3.1 A poll on a resolution may be demanded:
- (a) in advance of the general meeting where it is to be put to the vote, or

- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 17.3.2 A poll may be demanded by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 17.3.3 A demand for a poll may be withdrawn if:
 - (a) the poll has not yet been taken, and
 - (b) the Chair of the meeting consents to the withdrawal,
 and a demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.
- 17.3.4 Polls must be taken immediately and in such manner as the Chair of the meeting direct.
- 17.4 Content of Proxy Notices
 - 17.4.1 Proxies may only validly be appointed by a notice in writing (proxy notice) which:
 - (a) states the name and address of the Member appointing the proxy;
 - (b) identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
 - (c) is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and
 - (d) is delivered to the Company in accordance with these Articles and in accordance with any instructions contained in the notice of the general meeting to which they relate.
 - 17.4.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
 - 17.4.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
 - 17.4.4 Unless a proxy notice indicates otherwise, it must be treated as
 - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.
- 17.5 Delivery of Proxy Notices
 - 17.5.1 Any notice of a general meeting must specify the address or addresses (proxy notification address) at which the Company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.
 - 17.5.2 In accordance with the Act, and these Articles, the Directors may allow an appointment of proxy to be sent or supplied in electronic form, subject to any conditions or limitations which the Directors may specify, and where the Company has given an electronic address in any instrument of proxy or invitation to appoint a proxy, any document or instrument relating to proxies for the meeting (including any document necessary to show the validity of,

or otherwise relating to, the appointment of a proxy, or notice of the termination of the authority of a proxy) may be sent by electronic means to such electronic address, subject to any conditions or limitations specified in the relevant notice of meeting.

- 17.5.3 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
 - 17.5.4 Subject to Articles 17.5.5 and 17.5.6, a proxy notice must be delivered to a proxy notification address not less than 48 hours before the general meeting or adjourned meeting to which it relates.
 - 17.5.5 In the case of a poll taken more than 48 hours after it is demanded, the proxy notice must be delivered to a proxy notification address not less than 24 hours before the time appointed for the taking of the poll.
 - 17.5.6 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the proxy notice must be delivered:
 - (a) in accordance with Article 17.5.4, or
 - (b) at the meeting at which the poll was demanded to the Chair, secretary or any Director.
 - 17.5.7 An appointment under a proxy notice may be revoked by delivering a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given to a proxy notification address.
 - 17.5.8 A notice revoking a proxy appointment only takes effect if it is delivered before:
 - (a) the start of the meeting or adjourned meeting to which it relates, or
 - (b) (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates.
 - 17.5.9 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.
- 17.6 Amendments to Resolutions
- 17.6.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
 - (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chair of the meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the Chair of the meeting, materially alter the scope of the resolution.
 - 17.6.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if
 - (a) the Chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution

- 17.6.3 If the Chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chair's error does not invalidate the vote on that resolution.

18 Written Resolutions

18.1 Lapsing of Written Resolutions

- 18.1.1 Where a written resolution of the Company is proposed by the Directors or the Members in accordance with Chapter 2 of Part 13 of the Act, the written resolution shall lapse in accordance with section 297 of the Act if it is not passed before the end of the period of 21 days beginning with the circulation date (as defined in the Act) and the agreement of a Member to a written resolution is ineffective if signed after the expiry of that period.

19 Directors

- 19.1 The Board shall act as the Board of Directors of the Company and shall comprise the following:

- 19.1.1 five Police and Crime Commissioners;
- 19.1.2 one representative appointed by the NPCC
- 19.1.3 one Chief Constable representative;
- 19.1.4 one representative of the Finance Co-ordinating Committee of the NPCC; and
- 19.1.5 one Independent Non-Executive Director.

- 19.2 A Director may appoint an alternate Director in accordance with Article 24.

- 19.3 The Chair of the Board shall be elected annually by the Directors from among those Directors representing Members at the AGM and shall be eligible for re-election, each appointment to take effect immediately upon election at the AGM and ending immediately prior to the beginning of the subsequent AGM.

20 Appointment and Retirement of Directors

- 20.1 At each AGM all the Directors shall retire from office and shall be eligible for re-appointment for a maximum of 9 times.
- 20.2 At the first general meeting following adoption of these Articles, and at each subsequent AGM, the relevant appointing bodies pursuant to Article 19.1 shall be entitled to appoint their representatives to the Board in accordance with such rules or byelaws as may be in force from time to time.
- 20.3 The Board shall appoint one Independent Non-Executive Director to serve as a Director in accordance with such rules or byelaws as may be in force from time to time.

21 Removal of Directors

- 21.1 Without prejudice to the provisions of the Act, the Company may, by ordinary resolution, remove a Director before the expiration of his period of office (but such removal shall be without prejudice to any claim for damages for breach of any contract of service between the Director and the Company) and may, by ordinary resolution, appoint another person instead of him.

22 Termination of Director's Appointment

- 22.1 A person ceases to be a Director as soon as:
- 22.1.1 that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law;
 - 22.1.2 a bankruptcy order is made against that person or such person has an interim receiving order made against him;
 - 22.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts or such person applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act;
 - 22.1.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three Months and the Directors resolve that this office should be vacated;
 - 22.1.5 notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms;
 - 22.1.6 he receives or is deemed to receive notice in writing by all the other Directors to resign (without prejudice to any claim for damages for breach of any contract of service between the Director and the Company), such notice to be addressed to him at his last known address;
 - 22.1.7 he is removed from office under the provisions of Articles 21.1; or
 - 22.1.8 having been appointed a Director pursuant to Article 19.1.1, that person ceases to be a Police and Crime Commissioner.
- 22.2 A resolution of the Directors that a Director has vacated office under the terms of this Article 22 shall be conclusive as to the fact and grounds of vacation stated in the resolution.

23 Ceasing to be a Director Shall Cease Committee Membership

- 23.1 If a Director shall vacate his office as Director for any reason, he shall automatically cease to have any position on any committee set up by the Directors.

24 Alternate Directors

- 24.1 Appointment and Removal of Alternates.
- 24.1.1 Any Director (appointor) may appoint as an alternate any other Director, or any other person approved by resolution of the Directors to:
 - (a) exercise that Director's powers; and
 - (b) carry out that Director's responsibilities.
- in relation to the taking of decisions by the Directors, in the absence of the alternate's appointor.
- 24.1.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors.

- 24.1.3 The notice must
- (a) identify the proposed alternate, and
 - (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

24.2 Rights and Responsibilities of Alternate Directors

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

24.2.2 Except as these Articles specify otherwise, alternate Directors

- (a) are deemed for all purposes to be Directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their appointors; and
- (d) are not deemed to be agents of or for their appointors.

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

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

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
- (b) may sign a written resolution (but only if it is not signed or to be signed by that person's appointor);

and no alternate may be counted as more than one Director for such purposes.

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

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

25 Termination of Alternate Directorship

25.1 An alternate Director's appointment as an alternate terminates:

- 25.1.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- 25.1.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;
- 25.1.3 on the death of the alternate's appointor; or

25.1.4 when the alternate's appointor's appointment as a Director terminates.

26 Proceedings Of The Board

- 26.1 The Board may meet together for the despatch of business, adjourn, and otherwise regulate its meetings, as it thinks fit. Questions arising at any meeting of the Board shall be decided by a majority of votes. In the case of an equality of votes the Chair (or, in his absence, the person elected by the Board to preside over the meeting in accordance with Article 26.7 below) shall not have a second or casting vote. A Director may, and the Secretary on the requisition of a Director of the Board shall, at any time summon a meeting of the Board.
- 26.2 Any Director may call a meeting of the Board by giving notice of the meeting to the Board or by authorising the Secretary to give such notice. Notice of any meeting of the Board must indicate:
- 26.2.1 its proposed date and time,
 - 26.2.2 where it is to take place; and
 - 26.2.3 if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 26.3 Notice of a meeting of the Board must be given to each Director, but need not be in writing.
- 26.4 Notice of a meeting of the Board need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 26.5 It shall not be necessary to give notice of a meeting of the Board to any Director for the time being absent from the United Kingdom unless such Director has given the Company notice of the address thereof abroad.
- 26.6 At a meeting of the Board, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting. The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed shall be, and in any case, shall never be less than five, or where there is only one initial Director in office, that initial Director.
- 26.7 The Chair shall chair all meetings of the Board at which the Chair is present but in his absence, the Board shall elect another person to chair that meeting.
- 26.8 All acts bona fide done by any meeting of the Board or of any sub-committee, 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 any such Director, or any of them were disqualified, 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.
- 26.9 The Board shall hold at least four meetings in every calendar year at intervals of not more than four calendar months between each.
- 26.10 A resolution in writing signed by all the Directors for the time being of the Board 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.

- 26.11 The Directors participate in a meeting of the Board when the meeting has been called and takes place in accordance with the Articles, and they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting. In determining whether Directors are participating in a meeting of the Board, it is irrelevant where Director is or how they communicate with each other.
- 26.12 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any one of them is located.
- 26.13 The Home Office, the APCC and the Police ICT Company shall each have the right to send an Observer at meetings of the Board. Any such Observer shall have the right to attend and speak at meetings but shall have no rights to vote.

27 Directors May Delegate

- 27.1 The Board may delegate any of the powers which are conferred on them under the Articles:
- 27.1.1 to such person or committee;
 - 27.1.2 by such means (including by power of attorney),
 - 27.1.3 to such an extent,
 - 27.1.4 in relation to such matters or territories, and
 - 27.1.5 on such terms and conditions,
as they think fit.
- 27.2 If the Board so specify, any such delegation may authorise further delegation of the Board's powers by any person to whom they are delegated.
- 27.3 The Board may revoke any delegation in whole or part, or alter its terms and conditions.

28 Committees

- 28.1 The Board may appoint committees, task forces and other groups for such objects or purposes and with such powers and duties as it may prescribe.
- 28.2 Unless the Board decides otherwise, all committees shall go out of office at the expiration of 60 days after the annual general meeting in each calendar year but any or all of the committees may be reconstituted or re-appointed in the absolute discretion of the Board.
- 28.3 Unless specifically provided otherwise by the Board, any committee may appoint such task forces as may be thought fit.

29 Chief Executive Officer

- 29.1 The Board may appoint a Chief Executive Officer to lead the Company for such term, at such remuneration as they may think fit. If so agreed by the Board, the Chair may take such steps as are necessary or desirable from time to time to remove such person and/or terminate the employment of the Chief Executive Officer, and to appoint a replacement. The Chief Executive Officer shall be entitled to attend and, if invited by the Chair of the meeting, speak at all general meetings and all meetings of the Board, unless such meeting relates to the actual or potential removal and/or termination of the Secretary.

30 Secretary

- 30.1 The Board may appoint any person who is willing to act as the Secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and appoint a replacement. The Secretary shall be entitled to attend and, if invited by the Chair of the meeting, speak at all general meetings and all Board meetings, unless such meeting relates to the actual or potential removal and/or termination of the Secretary.

31 Records

- 31.1 The Board shall cause proper minutes to be made of all appointments of Directors made by the Board and of the proceedings of all meetings of the Company and of the Board and of Committees and of all business transacted at such meeting, signed by the chair of such meeting, or by the chair of the next succeeding meeting shall be sufficient proof of the facts stated therein.
- 31.2 A resolution in writing signed by all the Directors or all members of any committee 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 such committee duly convened and constituted. Such resolution may consist of several documents in the like form, each signed by one or more of the Directors sitting on any such committee. The Directors shall ensure that the Company keeps records, in writing, comprising

32 Accounts

- 32.1 The Directors shall comply with the requirements of the Act for keeping financial records, the audit or other scrutiny of accounts (as required) and the preparation and transmission to the Registrar of Companies of:
- 32.1.1 Annual reports
 - 32.1.2 Annual returns; and
 - 32.1.3 Annual statements of account
- 32.2 Accounting records relating to the Company shall be made available for inspection by any Director at any reasonable time during normal office hours and may be made available for inspection by Members who are not Directors if the Directors so decide.
- 32.3 The Directors shall supply a copy of the Company's latest available statement of account to any Director or Member on request, and within two months of the request to any other person who makes a written request and pays the Company's reasonable costs of complying with this request.

33 Audit

Auditors shall be appointed and their duties regulated as required in accordance with the Act.

34 Administrative Arrangements

- 34.1 Means of Communication to be Used
- 34.1.1 Subject to these Articles, anything sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company.

- 34.1.2 Subject to these Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- 34.1.3 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.
- 34.2 Service of Notices, Documents or Other Information
- 34.2.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient.
- (a) if sent by post, on the day following that on which the envelope containing the notice, document or information was posted, if pre-paid as first class post, and within 48 hours, if pre-paid as second class post, after it has been posted Proof that the envelope was properly addressed, prepaid and posted shall be conclusive evidence that the notice, document or information was sent;
- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- (c) in electronic form, at the expiration of one hour after the time it was sent Proof that a notice, document or information in electronic form was sent in accordance with the Institute of Chartered Secretaries and Administrators' guidance (in issue at the time the relevant notice, document or information was sent) shall be conclusive evidence that the notice, document or information was sent notwithstanding that the Company is aware of the failure in delivery of such notice, document or information Without prejudice to such deemed delivery, if the Company is aware of the failure in the delivery of a notice, document or information sent in electronic form and has sought to give such notice, document or information by such means at least three times, it shall, within 48 hours of the original attempt, send the notice, document or information in writing by post to the Member at his registered address or address for service in the United Kingdom provided that the date of deemed service or delivery shall be 48 hours from the despatch of the original notice, document or information sent in electronic form in accordance with this Article 34.2.1; and
- (d) by making it available on a website, shall be deemed to have been received on the date on which it is first made available on the website or if later, when notification of availability on the website Article 34.2.1.
- 34.2.2 For the purpose of Article 34.2.1 no account shall be taken of any part of a day that is not a working day.
- 34.2.3 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.
- 34.3 Company Seals
- 34.3.1 Any common seal may only be used by the authority of the Directors.
- 34.3.2 The Directors may decide by what means and in what form any common seal is to be used.

- 34.3.3 Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- 34.3.4 For the purposes of this Article 34.3, an authorised person is
- (a) any Director of the Company;
 - (b) the secretary; or
 - (c) any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.
- 34.3.5 If the Company has an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, has been authorised by a decision of the Directors.

35 Directors' Indemnity and Insurance

35.1 Indemnity

- 35.1.1 Subject to Article 35.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled.
- (a) each relevant officer may be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
 - (i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
 - (ii) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and
 - (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 35.1.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 35.1.2 This Article 35.1 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- 35.1.3 In this Article 35.1:
- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
 - (b) relevant officer means any Director or other officer or former Director or other officer of the Company or an associated company (including any

company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a Director or other officer), to the extent he acts in his capacity as auditor).

35.2 Insurance

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

35.2.2 In this Article 35.2:

- (a) relevant officer means any Director or other officer or former Director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a Director or other officer), to the extent he acts in his capacity as auditor),
- (b) relevant loss means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

36 Rules or Byelaws

36.1 The Board may from time to time make whatever rules or bye-laws they deem necessary, expedient or convenient for the proper conduct and management of the Company or for the purpose of prescribing classes and conditions of membership of the Company. In particular but without prejudice to the generality of the above, they may be such rules or byelaws regulate:

- 36.1.1 the admission of Members, and their rights and privileges,
- 36.1.2 the conduct of Members in relation to one another and to the Company's employees,
- 36.1.3 the procedure at general meetings and meetings of the Directors in so far as such procedure is not regulated by these Articles,

PROVIDED THAT nothing in these rules or bye-laws shall be inconsistent with the Articles. The Company in general meeting shall have the power to alter or repeal the rules and bye-laws and to make additions to them and the Secretary shall notify all Members of any rules and bye-laws, which so long as they shall be in force, shall be binding on all Members.