

**THE COMPANIES ACTS 1985-2006**  
**COMPANY LIMITED BY GUARANTEE**  
**AND NOT HAVING A SHARE CAPITAL**  
**ARTICLES OF ASSOCIATION**

**OF**

**LONDON UNIVERSITIES PURCHASING CONSORTIUM**

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**ADOPTED BY SPECIAL RESOLUTION DATED**

**11<sup>th</sup> December 2019**

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1. The Company's name is "London Universities Purchasing Consortium".
2. The Company's registered office is to be situated in England and Wales.
3. The object for which the Company is established is to provide a structure for higher education, further education, schools, the wider public sector and not for profit institutions mutually to secure value for money in matters relating to the effective procurement of goods and services.
4. Powers  
  
To further its objects the Company has the power:
  - 4.1 To supply services of all kinds and to carry on any activity which in the opinion of the Board of Directors are normally undertaken by an organisation with these or similar objects.
  - 4.2 To do all such things which in the opinion of the Board of Directors are in the best interests of the Company, its Members, its subscribers or other users of the Company's services or calculated directly or indirectly to enhance the value of or render more profitable any of the Company's property.
  - 4.3 To rent, purchase or by other means acquire any freehold, leasehold or other real property for any estate or interest whatever, and any rights, licences, privileges, or

easements over or in respect of any such property, and to develop and turn to account and deal with the same in such manner as may be thought expedient.

- 4.4 To purchase or otherwise acquire any estate or interest in any property, assets or rights of any kind which may appear to be necessary or convenient for any business of the Company, and to develop and turn to account and deal with the same in such manner as may be thought expedient.
- 4.5 To build, construct, maintain, alter, enlarge, pull down, remove or replace any buildings, works and machinery necessary for the Company's business.
- 4.6 To improve, manage, cultivate, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.
- 4.7 To apply for, exercise, use, register, turn to account, purchase, acquire and protect, prolong and renew, sell, let, grant or otherwise deal with or use whether in the United Kingdom or elsewhere any letters, patent, patent rights, trade marks, brevets d'invention, concessions, licences, inventions, rights, privileges or monopolies or any interest in the same.
- 4.8 To manufacture and deal in all kinds of articles and things required for the purposes of or commonly dealt in by persons engaged in any such business as aforesaid or in connection with any such letters patent, trade marks, brevets d'invention, concessions, licences, inventions, rights or privileges as aforesaid.
- 4.9 To acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for any such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.

- 4.10 To subscribe or guarantee money for any national, local, charitable, benevolent, public, general or useful object, or for any exhibition or for any other purpose which may be considered likely, directly or indirectly, to further the objects of the Company or the interests of its Members.
- 4.11 To invest any monies of the Company not for the time being required for the general purposes of the Company in such investments as may be thought proper, and to hold, sell or otherwise deal with such investments.
- 4.12 To borrow or raise or secure the payment of money, and for those or other purposes including in particular (but without prejudice to the generality of the foregoing), the giving of collateral security for any guarantee by the Company or for any obligation of the Company's holding company (if any) or any subsidiary of the Company or of such holding company or any company otherwise associated with the Company in business, to mortgage or charge the undertaking and all or any part of the property and rights of the Company, present or after acquired, including uncalled capital, and to create and issue redeemable debentures or debenture stock, bonds or other obligations.
- 4.13 To lend and advance money or give credit to any person, firm or company and, whether or not the Company receives any consideration or advantage from doing so, to guarantee or give indemnities for (or by both such means) the payment of monies secured by or payable under or in respect of or the performance of shares, debentures, debenture stock, bonds, mortgages, charges, securities, obligations and contracts of any company whether British, Commonwealth or foreign or of any authority, supreme, municipal, local or otherwise, or of any person whomsoever whether corporate or unincorporate including in particular (but without prejudice to the generality of the foregoing) the Company's holding company (if any) or any subsidiary of the Company or of such holding company or any company otherwise associated with the Company in business.
- 4.14 To amalgamate or enter into partnership or any joint purse or profit sharing arrangement, or co-operate in any way with any person, firm or company carrying on or proposing to carry on any business or operation within the objects of the Company, and to assist any such person, firm or company.
- 4.15 To draw, make, accept, endorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable transferable or mercantile instruments, or to purchase or guarantee the same.

- 4.16 To apply for, promote, and obtain any Act of Parliament, or other licence, permission or authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient; to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests, and to enter into any arrangements with any governments or authorities, supreme, municipal, local or otherwise, or any corporations, companies or persons, that may seem conducive to the attainment of the Company's objects or any of them.
- 4.17 To subscribe for, underwrite, purchase, or otherwise acquire and hold, dispose of, and deal in shares, stocks and securities of any company.
- 4.18 To act as agents or brokers and as trustees for any person, firm or company, to undertake and perform sub-contracts, and to act in any of the businesses of the Company through or by means of agents, brokers, sub-contractors or others.
- 4.19 To remunerate any person, firm or company rendering services to the Company, whether by cash payment or otherwise; to grant pensions or gratuities to and establish any contributory or non-contributory pension or superannuation fund for the benefit of any present Directors or former directors, officers or employees of the Company the Company's holding company (if any), the predecessors in business of, or any subsidiary or associated company of, or business acquired by, the Company or such holding company or the relations, connections or dependants of any such persons, and to establish or support Companies, institutions, clubs, funds and trusts which may be considered calculated to benefit any such persons.
- 4.20 To subscribe to, support, affiliate, become a member of, amalgamate with or co-operate with any other charitable organisation, institution, society or body not formed for or established for purposes of profit (whether incorporated or not and whether in Great Britain or Northern Ireland or elsewhere) whose objects are wholly or in part similar to those of the Company and which by its constitution prohibits the distribution of its income and property amongst its members to an extent at least as great as is imposed on the Company.
- 4.21 To purchase and maintain, for the benefit of any Director (including an alternate director), officer or auditor of the Company or of any company which is the holding company, a subsidiary, or a fellow subsidiary of the Company; insurance against any liability as is referred to in section 532(1) of the Companies Act 2006 and, subject to the provisions of the Acts, against any other liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have

been done or omitted to be done as a Director (including an alternate director), officer or auditor and, subject also to the provisions of the Acts, to indemnify any such person 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 and, without prejudice to the foregoing, to grant any such indemnity after the occurrence of the event giving rise to any such liability.

- 4.22 To pay all or any expenses incurred in connection with the formation, promotion and incorporation of the Company, or to contract with any person, firm or company to pay the same; and to pay commissions to brokers and others for underwriting, placing, selling or guaranteeing the subscription of any debentures, debenture stock or securities of the Company.
- 4.23 To procure the registration of the Company in or under the laws of any territory or jurisdiction.
- 4.24 To promote any company for the purpose of acquiring all or any of the property or undertaking any of the liabilities of the Company, the promotion of which shall be considered to be calculated to advance directly or indirectly the objects of the Company or the interests of its Members or subscribers.
- 4.25 To insure any of the property or assets of the Company against any insurable risk or risks and to effect, purchase or take assurances on the lives of any debtors to the Company, or on the lives of any other persons in whom the Company may have an insurable interest.
- 4.26 To sell and in any other manner deal with or otherwise dispose of the whole or any part of the business or property of the Company for such consideration as the Company may think fit, and in particular for shares, debentures, debenture stock, or securities of any other Company.
- 4.27 To do all or any of the things and matters aforesaid in any part of the world, and either as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents or otherwise, and either alone or in conjunction with others; and to do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.
- 4.28 It is hereby expressly declared that each sub-article of this **Article 4** shall be construed independently of the other sub-articles hereof, and that none of the objects mentioned in any sub-article shall be deemed to be merely subsidiary to the objects mentioned in any other sub-article.

5. The income and property of the Company shall be applied solely towards the promotion of its objects as set forth in these Articles and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit to Members of the Company (save in relation to any Gift Aid payment to charitable organisations, as agreed by the Board of the Company from time to time), PROVIDED THAT nothing shall prevent the Company from making payment in good faith at a reasonable and proper rate to any Member, officer or servant of the Company in respect of remuneration for services rendered, interest on monies lent, rent for premises demised or reimbursement of out-of-pocket expenses.
6. The liability of the Members is limited.
7. Every Member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets if it should be wound up while it is a Member or within one year after he or she ceases to be a Member, for payment of the Company's debts and liabilities contracted before it 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.
8. If upon the winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid or distributed to the Members of the Company but shall be given or transferred to some other charitable institution or institutions as the Members determine 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 **Article 5** above, such institution or institutions to be determined by the Members of the Company at or before the time of dissolution.

## **9. PRELIMINARY**

The relevant model articles for a company limited by guarantee are hereby expressly excluded.

## **10. DEFINED TERMS**

- 10.1 The interpretation of these Articles is governed by the provisions set out in the Schedule at the end of the Articles.

## **11. MEMBERS**

- 11.1 The subscriber(s) 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.
- 11.2 No person shall be admitted as a Member of the Company unless it is approved by the Directors.
- 11.3 Every person who wishes to become a Member shall deliver to the Company an application for membership in such form as the Directors require to be executed by it agreeing to be bound by these Articles and these Articles and being so admitted its name shall be entered in the register of members of the Company as a Member from time to time.
- 11.4 Every person or organisation which fulfils the criteria for membership as determined by the Directors from time to time may be Members of the Company, but where such organisation is unincorporated or is for any other reason unable to be itself registered as a Member, it may nominate a representative to be registered as a Member, and it may remove or replace any such representative.
- 11.5 A Member may at any time withdraw from the Company by giving at least one year's notice from 1 August in any year to the Company provided that after such withdrawal the number of Members remaining is not less than two. Full membership shall not be transferable and shall cease on insolvency or the ceasing by a Member to carry on any activity. Any Member that no longer fulfils the criteria as Member shall cease to be a Member.
- 11.6 A Member shall not be entitled to any refund of subscription or membership fee on ceasing to be a Member for any reason and shall remain liable to pay any subscription or membership fees outstanding at the date of ceasing to be such a Member.
- 11.7 The Directors shall have an absolute discretion in determining whether to accept or reject any application for full membership and shall not be bound to assign any reason for their decision.
- 11.8 The Directors may establish such classes of associate membership with such description and with such rights and obligations (including without limitation the obligation to pay a subscription) as they think fit and may admit and remove such associate members in accordance with such regulations as the Directors shall make,

provided that no such associate members shall be Members of the Company for the purposes of the Articles or the Acts.

## **12. GENERAL MEETINGS**

12.1 The Directors may call a general meeting at any time.

12.2 The Directors must call a general meeting if required to do so by the Members under the Acts.

## **13. NOTICE OF GENERAL MEETINGS**

13.1 All general meetings of the Company shall be called by at least fourteen clear days' notice in writing. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted, in case of special business.

13.2 All business shall be deemed special that is transacted at a general meeting, with the exception of the consideration of the profit and loss account, balance sheet, and the reports of the Directors and auditors, the election of Directors in the place of those retiring and the appointment of, and the fixing of the remuneration, of the auditors.

13.3 Subject to the provisions of these Articles notice of general meetings shall be given to all Members, to all Directors and to the auditors.

13.4 Notwithstanding the foregoing provisions of these Articles a general meeting may be called by shorter notice if it is so agreed in accordance with the Acts.

13.5 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.

13.6 Notwithstanding that the Company does not have a share capital, every notice convening a general meeting shall comply with the provisions of the Acts as to giving information to Members in regard to their right to appoint proxies.

## **14. PROCEEDINGS AT GENERAL MEETINGS**

14.1 No business shall be transacted at any general meeting unless a quorum of Members is present. There shall be at least five Members present in person or by proxy or (being a corporation) by a duly authorised representative.

14.2 If within half an hour from the time appointed for the general meeting a quorum is not present 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 Directors may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor the Member(s) present in person or by proxy or (being a body corporate) by representative and entitled to vote upon the business to be transacted shall constitute a quorum and shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place.

- 14.3 The chairman, if any, of the Directors shall preside as chairman at every general meeting of the Company, or if there is no such chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the Directors present shall elect one of their number to be chairman of the meeting.
- 14.4 If at any meeting no Director is willing to act as chairman or if no Director is present within fifteen minutes after the time appointed for holding the general meeting, the Members present shall choose one of their number to be chairman of the meeting.
- 14.5 A Director shall, notwithstanding that he is not a Member be entitled to attend and speak at any general meeting.
- 14.6 The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 14.7 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless before, or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the provisions of the Acts, a poll may be demanded:
- 14.7.1 by the chairman; or
- 14.7.2 by at least two Members having the right to vote at the meeting; or
- 14.7.3 by a Member or Members representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting,

and a demand by a person as a proxy for a Member shall be the same as a demand by the Member.

- 14.8 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 of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 14.9 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.
- 14.10 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.
- 14.11 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a casting vote in addition to any other vote which he may have.
- 14.12 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.
- 14.13 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.

## **15. WRITTEN RESOLUTIONS**

- 15.1 Subject to **Article 15.3** below a written resolution of the Company passed in accordance with this **Article 15** shall have effect as if passed by the Company in general meeting:
- 15.1.1 A written resolution is passed as an ordinary resolution if it is passed by a simple majority of the total voting rights of eligible Members.
- 15.1.2 A written resolution is passed as a special resolution if it is passed by Members representing not less than 75% of the total voting rights of eligible Members. A written resolution is not a special resolution unless it states that it was proposed as a special resolution.
- 15.2 In relation to a resolution proposed as a written resolution of the Company the eligible Members are the Members who would have been entitled to vote on the resolution on the Circulation Date of the resolution.
- 15.3 A Members' resolution under the Companies Acts removing a Trustee or an auditor before the expiry of his term of office may not be passed as a written resolution.
- 15.4 A copy of the written resolution must be sent to every eligible Member together with a statement informing the Member how to signify their agreement to the resolution and the date by which the resolution must be passed if it is not to lapse.
- 15.5 A Member signifies his or her agreement to a proposed written resolution when the Company receives from him or it (or from someone acting on his, her or its behalf) an authenticated Document identifying the resolution to which it relates and indicating his or its agreement to the resolution.
- 15.5.1 If the Document is sent to the Company in Hard Copy Form, it is authenticated if it bears the Member's signature.
- 15.5.2 If the Document is sent to the Company by Electronic Means, it is authenticated if the identity of the Member is confirmed in a manner specified by the Trustees or if the Member is clearly identified and the Company has no reason to doubt the identity of the sender or if it is from an email Address specified by the Member to the Company for the purposes of receiving Documents or information by Electronic Means.
- 15.6 A written resolution is passed when the required majority of eligible Members have signified their agreement to it.

15.7 A proposed written resolution lapses if it is not passed within 28 days beginning with the Circulation Date.

## 16. VOTES OF MEMBERS

16.1 On a show of hands every Member present in person or by proxy (not being himself a Member entitled to vote) or (being a corporation) is present by a duly authorised representative or proxy (not being himself a Member entitled to vote) shall have one vote and on a poll every Member present in person or by proxy or by a duly authorised representative (as the case may be) shall have one vote.

16.2 No Member shall be entitled to vote at any general meeting unless all moneys presently payable by it to the Company pursuant to any rules or bye-laws made by the Directors under **Article 29** below or otherwise have been paid.

16.3 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.

16.4 A Member shall not be entitled to appoint more than one proxy to attend on the same occasion. Any such proxy shall be entitled to cast the votes to which he is entitled in different ways.

16.5 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve):

“[NAME OF MEMBER]

We [name]of [SPECIFY] being a Member of the above named Company, hereby appoint

[NAME] of [SPECIFY] or failing him [NAME] of [SPECIFY] as our proxy to vote for us in our name and on our behalf at the [*annual*] [*extraordinary*] general meeting of the Company to be held on [DATE], and at any adjournment thereof.

Signed on [DATE].”

16.6 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 following form (or in a

form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve):

“[NAME OF MEMBER]

We [NAME] of [SPECIFY] being a Member of the above named Company, hereby appoint [NAME] of [SPECIFY] or failing him [NAME] of [SPECIFY] as my proxy to vote for us in our name and on our behalf at the general meeting of the Company to be held on [DATE], 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 on [DATE].”

- 16.7 The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- 16.8 The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a copy of that power or authority notarially or in some other way approved by the Directors may:
  - 16.8.1 be deposited at the office or at such other place within the United Kingdom as is specified for that purpose 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
  - 16.8.2 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
  - 16.8.3 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 of that meeting or to the Secretary or to any Director,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

- 16.9 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 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.

## **17. DIRECTORS**

- 17.1 Directors shall be appointed as provided subsequently in these Articles.

## **18. POWERS OF DIRECTORS**

- 18.1 Subject to the provisions of the Acts, and these Articles and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this **Article 18** shall not be limited by any special power given to the Directors by these Articles and a meeting of Directors at which a quorum is present may exercise all the powers exercisable by the Directors.
- 18.2 In addition to all powers hereby expressly conferred upon them and without detracting from the generality of their powers under these Articles the Directors shall have the following powers, namely:
- 18.2.1 to expend the funds of the Company in such manner as they shall consider most beneficial for the achievement of the Objects and to invest in the name of the Company such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the objects of the Company;
  - 18.2.2 to enter into contracts on behalf of the Company.

## **19. APPOINTMENT AND RETIREMENT OF DIRECTORS**

- 19.1 The Company shall have not more than ten Directors or not more than eleven Directors if the chairman for the time being of the Board is not at the time of his appointment as chairman a Director of the Company elected by the full Members, plus the Managing Director described in **Article 21.5.7** below.
- 19.2 The Directors shall make and may vary bye-laws governing the nomination and election of persons to the Board. These bye-laws shall be framed so as to ensure, in so far as is practical:
- 19.2.1 that persons shall be appointed as Directors for a period of one, two or three years and shall retire with effect from the conclusion of the Board meeting immediately following the first, second or third anniversary (as the case may be) of their appointment;
- 19.2.2 Directors retiring under **Article 19.2.1** above shall be eligible for re-election provided that they are only entitled to serve as a Director for a maximum period of 9 years;
- 19.2.3 that the chairman of the Directors shall be appointed by the Directors as constituted from time to time.

## **20. DISQUALIFICATION AND REMOVAL OF DIRECTORS**

- 20.1 A Director shall cease to hold office if she/he:
- 20.1.1 ceases to be an employee of the Company or an employee of a Member;
- 20.1.2 ceases to be a Director by virtue of any provision in the Acts or is otherwise prohibited by law from being a Director;
- 20.1.3 becomes bankrupt or makes any arrangement or composition with his or her creditors generally;
- 20.1.4 becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs;
- 20.1.5 resigns his or her office by notice to the Company (but only if at least two officers will remain in office when the notice of resignation is to take effect);

- 20.1.6 is absent without the permission of the Directors from all their meetings held within a period of six months and the Directors resolve that his or her office be vacated; or
- 20.1.7 if, at a duly convened meeting, more than 50% of Members vote to remove any Director from office; or
- 20.1.8 at a meeting of the Directors at which at least half of the Directors are present, a resolution is passed that he or she be removed from office. Such a resolution shall not be passed unless he or she has been given at least 14 clear days' notice that the resolution is to be proposed, specifying the circumstances alleged to justify removal from office, and has been afforded a reasonable opportunity of either (at his or her option) being heard by or of making written representations to the Directors.

## **21. PROCEEDINGS OF DIRECTORS**

- 21.1 Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors. It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. When a matter is put to a vote, all Directors who have the right to vote shall have one vote each. In the case of an equality of votes, the Chairman of the Directors shall not have a second or casting vote.
- 21.2 The quorum for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be 3.
- 21.3 The Directors may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting.
- 21.4 The Directors may appoint one or more sub-committees consisting of two or more Directors for the purpose of making any inquiry or supervising or performing any function or duty which in the opinion of the Directors would be more conveniently undertaken or carried out by a sub-committee: provided that all acts and proceedings of any such sub-committees shall be fully and promptly reported to the Directors.
- 21.5

- 21.5.1 The Board shall establish an executive committee (“the Executive Committee”) comprising not more than ten people (none of whom shall be Directors) being persons who are employees of Members and who have purchasing authority and significant experience.
- 21.5.2 The Executive Committee shall have as its chairman the person occupying the position for the time being of Managing Director of the Company (referred to in **Article 21.5.7** below) who shall in that role be the eleventh member of the Executive Committee.
- 21.5.3 Not more than one member of the Executive Committee shall be employed by the same Member.
- 21.5.4 The Executive Committee shall through the Managing Director have power only to advise the Board and not to bind the Company (subject to the power of the Board to delegate authority to the Executive Committee from time to time). Its remit shall be:
- (a) to advise the Board on institutional requirements and to suggest policies for their delivery;
  - (b) to develop and implement a co-operative purchasing policy and other purchasing initiatives;
  - (c) to be a two-way conduit through the Managing Director between the Board and Members; and
  - (d) to establish commodity and service networks, and to assist in the establishment of teams to specify, negotiate, adjudicate and award contracts and secure agreements.
- 21.5.5 The Executive Committee shall regulate its affairs as it sees fit from time to time PROVIDED ALWAYS that such regulations are approved by the Board.
- 21.5.6 In order to facilitate communications with Members and to acquire internal organisational knowledge upon which to build effective commodity networks, each member of the Executive Committee should be assigned a 'constituency' of Members with which liaison is to be maintained.
- 21.5.7 The central office of the Company shall be led by a Managing Director who in that capacity should be a member of the Board and accountable to the

Chairman of the Board. The role of the Managing Director shall be specified by the Board from time to time.

- 21.6 All acts done by a meeting of Directors, or of a committee of Directors, shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Directors 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 Directors and had been entitled to vote.
- 21.7 A resolution in writing, signed by all the Directors entitled to receive notice of and vote at a meeting of Directors or of a committee of Directors, shall be as valid and effective as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held. Such a resolution may consist of several Documents in the same form, each signed by one or more of the Directors.
- 21.8 Any Director (including an alternate director) may participate in a meeting of the Directors or a committee of the Directors of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Acts, he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
- 21.9 Any bank account in which any part of the assets of the Company is deposited shall be operated in accordance with the instructions of the Directors and shall indicate the name of the Company.

## **22. DIRECTORS' INTERESTS AND CONFLICTS OF INTEREST**

### *Declaration of interests*

- 22.1 Unless **Article 22.2** below applies, a Director must declare the nature and extent of:
- 22.1.1 any direct or indirect interest which he or she has in a proposed transaction or arrangement with the Company; and
- 22.1.2 any duty or any direct or indirect interest which he or she has which conflicts or may conflict with the interests of the Company or his or her duties to the Company.

22.2 There is no need to declare any interest or duty of which the other Directors are, or ought reasonably to be, already aware.

***Participation in decision-making***

22.3 If a Director's interest or duty cannot reasonably be regarded as likely to give rise to a conflict of interest or a conflict of duties with or in respect of the Company, he or she is entitled to participate in the decision-making process, to be counted in the quorum and to vote in relation to the matter. Any uncertainty about whether a Director's interest or duty is likely to give rise to a conflict shall be determined by a majority decision of the other Directors taking part in the decision-making process.

22.4 If a Director's interest or duty gives rise (or could reasonably be regarded as likely to give rise) to a conflict of interest or a conflict of duties with or in respect of the Company, he or she may participate in the decision-making process and may be counted in the quorum and vote unless:

22.4.1 the decision could result in the Director or any person who is Connected with him or her receiving a benefit other than:

- (a) any benefit received in his, her or its capacity as a beneficiary of the Company and which is available generally to the beneficiaries of the Company;
- (b) the payment of premiums in respect of indemnity insurance effected in accordance with **Article 28** below;
- (c) payment under the indemnity set out at **Article 28** below; and
- (d) reimbursement of expenses; or

22.4.2 a majority of the other Directors participating in the decision-making process decide to the contrary,

in which case he or she must comply with **Article 22.5** below.

22.5 If a Director with a conflict of interest or conflict of duties is required to comply with this **Article 22.5**, he or she must:

22.5.1 take part in the decision-making process only to such extent as in the view of the other Directors is necessary to inform the debate;

22.5.2 not be counted in the quorum for that part of the process; and

22.5.3 withdraw during the vote and have no vote on the matter.

***Continuing duties to the Company***

22.6 Where a Director or person Connected with him or her has a conflict of interest or conflict of duties and the Director has complied with his or her obligations under these Articles in respect of that conflict:

22.6.1 the Director shall not be in breach of his or her duties to the Company by withholding confidential information from the Company if to disclose it would result in a breach of any other duty or obligation of confidence owed by him or her; and

22.6.2 the Director shall not be accountable to the Company for any benefit expressly permitted under these Articles which he or she or any person Connected with him or her derives from any matter or from any office, employment or position.

**23. SECRETARY**

A Secretary may be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and may be removed by them. If there is no Secretary:

23.1 anything authorised or required to be given or sent to, or served on, the Company by being sent to its Secretary may be given or sent to, or served on, the Company itself, and if addressed to the Secretary shall be treated as addressed to the Company; and

23.2 anything else required or authorised to be done by or to the Secretary of the Company may be done by or to a Director, or a person authorised generally or specifically in that behalf by the Directors.

**24. MINUTES**

The Directors shall cause minutes to be made in books kept for the purposes:

24.1 of recording the names and addresses of all Members;

24.2 of all appointments of officers made by the Directors; and

24.3 of all proceedings at meetings of the Company and of the Directors and of committees constituted pursuant to **Article 21** above including the names of Directors and Members (as appropriate) present at each such meeting.

**25. THE SEAL**

If the Company has a seal it shall only be used with the authority of the Directors or of a committee constituted pursuant to **Article 21** above which is comprised entirely of Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined, every instrument to which the seal is affixed shall be signed by one Director and by the Secretary or another Director.

**26. ACCOUNTS**

No Member shall (as such) have any right of inspecting any accounting records or other book or Document of the Company except as conferred by statute or authorised by the Directors or by ordinary resolution of the Company.

**27. NOTICES**

27.1 Any notice to be given to or by any person pursuant to these Articles shall be in writing except that a notice calling a meeting of the Directors need not be in writing.

27.2 The Company may give notice to a Member:

27.2.1 personally; or

27.2.2 by sending it by first class post in a pre-paid envelope addressed to the Member at its main address; or

27.2.3 by leaving it at that address; or

27.2.4 by sending it in Electronic Form or by Electronic means to the Member's address.

27.3 A Member who does not register an address with the Company or who registers only a postal address that is not within the United Kingdom shall not be entitled to receive any notice from the Company.

27.4 A Member present or person at any meeting of the Company shall be deemed to have received notice of the meeting and of the purposes for which it was called.

27.5 Where a notice is sent by first class post, proof of the notice having been posted in a properly addressed, prepaid envelope shall be conclusive evidence that the notice was given and shall be deemed to have been given at the expiration of 24 hours after the envelope containing the same is posted.

- 27.6 Proof that a notice sent in Electronic form or by Electronic Means was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice sent in Electronic form or by Electronic Means shall be deemed to be given 24 hours after it was sent.
- 27.7 If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised in at least one national daily newspaper and such notice shall be deemed to have been duly served on all Members entitled thereto at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

## **28. INDEMNITY**

- 28.1 In the lawful execution of his duties and the exercise of his rights in relation to the affairs of the Company (and without prejudice to any indemnity to which he may otherwise be entitled) every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against any costs, losses, claims, actions or other liabilities suffered or incurred by him and arising by reason of any improper investment made by or for the Company in good faith (so long as he shall have sought professional advice before making or procuring the making of such investment) or by reason of any negligence or fraud of any agent engaged or employed by him in good faith (provided reasonable supervision shall have been exercised) notwithstanding the fact that the engagement or employment of such agent was strictly not necessary or by reason of any mistake or omission made in good faith by him or by reason of any other matter or thing other than deliberate fraud, wrongdoing or wrongful omission on the part of the Director or other officer of the Company who is sought to be made liable.
- 28.2 The Directors shall have power to purchase and maintain at the expense of the Company for the benefit of any Director, officer or auditor of the Company insurance against any such liability as is referred to in section 532(1) of the Companies Act 2006 and, subject to the provisions of the Acts, against any other liability which may attach to him for loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a Director, officer or auditor.

## 29. RULES OR BYE-LAWS

29.1 The Directors may from time to time make such rules or bye laws as they may deem necessary or expedient or convenient for the proper conduct and management of the Company and for the purposes of prescribing classes of and conditions of membership, and in particular but without prejudice to the generality of the foregoing, it may by such rules or bye-laws regulate:

29.1.1 the admission and classification of Members of the Company, and the rights and privileges of such Members, and the conditions of membership and the terms on which Members may resign or have their membership terminated and the entrance fees, subscriptions and other fees or payments to be made by Members;

29.1.2 the conduct of Members of the Company in relation to one another, and to the Company's servants;

29.1.3 the setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes;

29.1.4 the procedure at general meetings and meetings of the Directors and committees constituted pursuant to **Article 21** above in so far as such procedure is not regulated by these Articles;

29.1.5 and, generally, all such matters as are commonly the subject matter of such rules,

provided, nevertheless, that no rule or bye-law shall be inconsistent with, or shall affect or repeal anything contained in these Articles,

29.2 The Company shall have power to alter or repeal the rules or bye-laws referred to in **Article 29.1** above and to make additions thereto. The Directors shall adopt such means as they deem sufficient to bring to the notice of Members all such rules or bye-laws made pursuant to this **Article 29** which, so long as they shall be in force, shall be binding on all Members.

## SCHEDULE

### INTERPRETATION

1. In these Articles the following expressions have the following meanings unless inconsistent with the context:

<b>“the Acts”</b>	The Companies Acts (as defined in Section 2 of the Companies Act 2006), in so far as they apply to the Company
<b>“these Articles”</b>	These Articles of Association, whether as originally adopted or as from time to time altered by special resolution
<b>“Board”</b>	The board of Directors for the time being of the Company
<b>“Circulation Date”</b>	In relation to a written resolution, has the means given to it in the Acts
<b>“clear days”</b>	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
<b>“the Company”</b>	The company intended to be regulated by these Articles
<b>“Connected”</b>	Any person falling within one of the following categories: <ul style="list-style-type: none"><li>(a) any spouse, civil partner, parent, child, brother, sister, grandparent or grandchild of a Director; or</li><li>(b) the spouse or civil partner of any person in (a); or</li><li>(c) any other person in a relationship with a Director which may reasonably be regarded as equivalent to such a</li></ul>

relationship as is mentioned at (a) or (b);  
or

- (d) any company, partnership or firm of which a Director is a paid director, member, partner or employee, or shareholder holding more than 1% of the capital.

<b>“the Directors”</b>	The directors for the time being of the Company or (as the context shall require) any of them acting as the board of directors of the Company
<b>“Document”</b>	Includes summons, notice, order or other legal process and registers and including unless otherwise specified any document sent or supplied in Electronic Form
<b>“Electronic Form” and “Electronic Means”</b>	Have the meanings respectively given to them in section 1168 of the Companies Act 2006
<b>“Hard Copy” and “Hard Copy Means”</b>	Have the meanings respectively given to them in the Companies Act 2006
<b>“executed”</b>	Includes any mode of execution
<b>“Managing Director”</b>	The person appointed by the Board to lead the central office as described in <b>Article 21.5.7</b>
<b>“Member”</b>	The subscribers to the Memorandum of Association and all other persons who agree to become a Member of the Company and whose name is entered in the register of members as a Member
<b>“office”</b>	The registered office of the Company
<b>“the seal”</b>	The common seal of the Company (if any)
<b>“Secretary”</b>	The secretary of the Company (if any) or any other person appointed to perform the duties of the secretary of the Company, including a joint,

assistant or deputy secretary

**“the United Kingdom”**

Great Britain and Northern Ireland.

2. Words importing one gender shall include all genders, and the singular includes the plural and vice-versa.
3. A reference to any statute or provision of a statute shall include any orders, regulations or other subordinate legislation made under it and shall, unless the context otherwise requires, include any statutory modification or re-enactment of it for the time being in force.
4. Save as aforesaid, and unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Companies Act 2006.