



South East Midlands
Local Enterprise Partnership

As Updated at the Extraordinary General Meeting on 24 February 2021

**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL
ARTICLES OF ASSOCIATION
OF**

SOUTH EAST MIDLANDS

LOCAL ENTERPRISE PARTNERSHIP LIMITED

("the Company")

1. PRELIMINARY

The regulations contained in Table C in the Schedule to the Companies (Tables A to F) Regulations 1985 and the model articles of association for private companies limited by guarantee contained in Schedule 2 to The Companies (Model Articles) Regulations 2008) in force at the time of adoption of these Articles shall not apply to the Company and these Articles alone shall constitute the regulations of the Company.

2. OPERATIVE CLAUSES

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

"the 2006 Act"	the Companies Act 2006 as amended from time to time;
"these Articles"	the Articles of Association of the Company adopted from time to time;
"Board"	the Board of Directors of the Company from time to time;
"Board Chair"	the chair of the Board from time to time, as such person is appointed pursuant to Article 11.1 .
"clear days"	in relation to the period of a notice means that period excluding the day

	when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
“company”	the word “company” , except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere;
“the directors”	the directors from time to time of the Company or (as the context shall require) any of them acting as the Board;
“Electronic Address”	any address or number used for the purposes of sending or receiving documents or information by electronic means;
"Electronic Means" and “Electronic Form”	have the meaning given in Section 1168 of the 2006 Act;
"executed"	includes any mode of execution;
“Further Education Director”	such individual as shall be appointed as director by the Further Education Members in accordance with Article 11.5 .
Further Education Members”	such Colleges of Further Education having an establishment within the SEMLEP Area as are appointed to membership in accordance with Article 3
"Hard Copy form"	has the meaning given in Section 1168 of the 2006 Act;

“Higher Education Director”	such individual as shall be appointed as director by the Higher Education Members in accordance with Article 11.4.
Higher Education Members”	such Universities having an establishment within the SEMLEP Area as are appointed to membership in accordance with Article 3
“Initial Period”	the period commencing on the date of incorporation of the Company and ending on the third anniversary of such date;
“Members”	Such Members as may be admitted to the Company from time to time in accordance with Article 3 (or any of them as the context may require);
“Memorandum”	the memorandum of association of the Company;
“Objects”	shall have the meaning given to it in Article 21.2;
“office”	the registered office of the Company;
“Powers”	shall have the meaning given to it in Article 21.3
“Private Sector Directors”	directors appointed from time to time by the Private Sector Members in accordance with Article 11.3;
“Private Sector Members”	the Chambers, Institute of Directors, Federation of Small Businesses and persons who undertake business, professional or other commercial activities within the SEMLEP Area with a view to making a profit and as are appointed to membership in accordance with Article 3;
“Public Sector Directors”	directors appointed from time to time by the Public Sector Members

in accordance with **Article 11.2**;

“Public Sector Members”

Bedford Borough Council
Central Bedfordshire Council
Luton Borough Council
Milton Keynes Council
North Northamptonshire Council
West Northamptonshire Council

“Relevant Agreement”

any agreement entered into by the members from time to time regulating their involvement in the Company in addition to these Articles;

“seal”

the common seal of the Company (if any);

“secretary”

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

“SEMLEP Area”

the areas of England within the responsibility of the Public Sector Members;

“Statutes”

the Companies Acts as defined in section 2 of the 2006 Act and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to companies and affecting the Company;

"the United Kingdom"

Great Britain and Northern Ireland;

“VCS Observer”

such individual (to represent the Voluntary and Community Sector) as shall be appointed to attend meetings of the Board in accordance with **Article 17.1**;

‘Observer’

such individual as shall be appointed to attend meetings of the Board in accordance with **Article**

17.2;

- 2.2 Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Statutes but excluding any statutory modification thereof not in force when these Articles become binding on the Company
- 2.3 Where the word "address" appears in these Articles it is deemed to include postal address and electronic address and "registered address" shall be construed accordingly.
- 2.4 The expression "working day" in relation to a period of notice means any day other than Saturday, Sunday and Christmas Day, Good Friday or any day that is a bank holiday under the Banking and Financial Dealing Act 1971 in the part of the UK where the company is registered.
- 2.5 The expressions "holding company" and "subsidiary" shall have meanings given to them respectively by section 1159 of the Companies Act 2006.
- 2.6 The word "person" shall be deemed to include any legal person whether masculine, feminine or neuter and any word denoting one gender shall be deemed to include all other genders.

3.MEMBERS

- 3.The Members shall be:
 - 3.1.1 The Public Sector Members;
 - 3.1.2 The Private Sector Members;
 - 3.1.3 The Higher Education Members;
 - 3.1.4 The Further Education Members.
- 3.2 Where a Public Sector Member shall cease to exist its statutory successor shall automatically become a member of the Company (save where such statutory successor provides written notice to the Company that it does not wish to become a member of the Company).
- 3.3 Every person which 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 upon satisfying the directors as to its eligibility and thereupon being so admitted its name shall be entered in the register of members of the Company.

3.4 The directors shall be entitled to refuse admission to membership of:

3.4.1 any Local Authority (not being one of the Public Sector Members) if its area of responsibility is not contiguous to the existing SEMLEP Area or if in their opinion its joining would make the SEMLEP Area too large or lose its focus as a natural economic area; or

3.4.2 any prospective Private Sector Member whose membership of the Company would be likely to damage the Company's reputation or materially weaken its ability to achieve its objectives.

3.5 A member of the Company shall cease to be a member in the event of:

3.5.1 such member's resignation, by the giving of written notice to the Company;

3.5.2 such member's death, or being a corporation, its winding up;

3.5.3 such member's bankruptcy the making of any arrangement or composition with his creditors, or liquidation;

3.5.4 such member ceasing to have an office or other base within the SEMLEP Region.

3.5.5 the Board resolving to remove the member which is ratified by the passing of an ordinary resolution to remove that member at a General Meeting

3.6 Membership shall not be transferable save that where a member shall cease to exist, its statutory successor shall automatically become a member of the Company (save where such statutory successor provides written notice to the Company that it does not wish to become a member of the Company) provided that the number of statutory successors succeeding such member(s) is the same as the number of member(s) ceasing to exist.

4. GENERAL MEETINGS

4.1 The Company shall in 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. All general meetings shall be held at such time and place as the directors shall appoint.

- 4.2 The directors may call general meetings.
- 4.3 If at any time there are not within the United Kingdom sufficient directors capable of acting to form a quorum, any two directors of the Company may convene a general meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

5. NOTICE OF GENERAL MEETINGS

- 5.1 Subject to the provisions of the 2006 Act, all general meetings shall be called by at least fourteen clear days' notice but may be called by shorter notice if it is so agreed in accordance with section 307(4) of the 2006 Act. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.
- 5.2 Subject to the provisions of these Articles, notice of general meetings shall be given to all members, to all directors and to the auditors of the Company.
- 5.3 Subject always to **Article 6**, 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.
- 5.4 Notwithstanding that the Company does not have a share capital, every notice convening a general meeting shall comply with the provisions of section 325(1) of the 2006 Act as to giving information to members in regard to their right to appoint proxies.
- 5.5 Every notice convening a general meeting shall be given in accordance with the 2006 Act that is, in Hard Copy Form, Electronic Form or by means of a website.
- 5.6 The Company may send a notice of meeting by making it available on a website or by sending it in Electronic Form and if notice is sent in either way it will be valid provided it complies with the relevant provisions of the 2006 Act.

6. PROCEEDINGS AT GENERAL MEETINGS

- 6.1 Subject to **Articles 6.2** and **6.3**, no business shall be transacted at any general meeting unless a quorum is present. A quorum shall be constituted by at least half of the Public Sector Members and at least six Private Sector Members in either case being present in person or by proxy or by duly authorised representative (where appointed).
- 6.2 If a quorum is not present within half an hour from the time appointed for a general meeting, the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the directors may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed the member or members present in person or by proxy or by duly authorised representative (where appropriate) 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.
- 6.3 Where a member provides notice in writing (deposited at the registered office of the Company or such other place as the members may from time to time agree) that such member does not wish to attend a general meeting whether in person or by proxy or by duly authorised representative (where appointed), such meeting shall be deemed to be quorate without the attendance of the member, giving such notice.
- 6.4 The Board Chair shall preside as chair at every general meeting of the Company, or if there is no such Board Chair, or if he shall not be present within 15 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 chair of the meeting.
- 6.5 If at any general meeting no director is willing to act as chair or if no director is present within 15 minutes after the time appointed for holding the general meeting, the members present shall choose one of their number to be chair of the meeting.
- 6.6 A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting.
- 6.7 The chair 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.

6.8 Subject to Article 7 and the Statutes, at any general meeting, a resolution put to the vote of the meeting shall be carried only on a majority vote in favour to include votes in favour by at least half of the Public Sector Members and at least half of the Private Sector Members in either case being present in person or by proxy or by an Alternate Director duly appointed in accordance with Article 9 and 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 Statutes a poll may be demanded:

6.8.1 by the chair; or

6.8.2 by at least 2 members having the right to vote at the meeting;

and a demand by a person as a proxy or a duly authorised representative for a member shall be the same as a demand by the member.

6.9 Unless a poll is duly demanded a declaration by the chair 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.

6.10 Subject to **Article 6.8**, a written resolution, executed by or on behalf of at least half the members, to include at least half of the Public Sector Members and at least half of the Private Sector Members (but subject as required by the Statutes, these Articles) shall be valid and take effect as if it had been passed at a meeting duly convened and held. Any such resolution shall be circulated to the members in writing or by Electronic Form and shall be accompanied by a statement informing the members how to signify their agreement to such resolution. A written resolution may consist of several instruments in the like form each executed by or on behalf of one or more members.

6.11 A written resolution, proposed in accordance with section 288(3) of the 2006 Act, will lapse if it is not passed before the end of the

period of 28 days beginning with the circulation date. For the purposes of this **Article 6** "circulation date" is the day on which copies of the written resolution are sent or submitted to members, or, if copies are sent or submitted on different days, the first of those days.

7. VOTES OF MEMBERS

- 7.1 On a written resolution every member shall have one vote, on a show of hands at a meeting every member (being an individual) present in person or by proxy (not being himself a member entitled to vote) or (not being an individual) 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.
- 7.2 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointer and shall be in the form which the directors may approve from time to time.

8. NUMBER OF DIRECTORS

Unless and until otherwise unanimously agreed by the Board the number of directors shall be not less than 17 and not more than 20.

9. ALTERNATE DIRECTORS

- 9.1 Any director may appoint any person willing to act, to be an alternate director and may remove from office any alternate director at any time.
- 9.2 An alternate director appointed pursuant to **Article 9.1** shall be entitled to receive notices of all meetings of directors and of all meetings of committees of directors of which his appointer is a member, to attend and vote at any such meeting at which his appointer is not present, and generally to perform all the functions of his appointer as a director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate director.
- 9.3 Any appointment or removal of an alternate director shall be by notice to the Company signed by the director making or revoking the appointment or in any other manner approved by the Board.

10. POWERS OF DIRECTORS

- 10.1 Subject to the provisions of the Statutes 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 these 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 10.1** 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 powers exercisable by the directors.
- 10.2 The Board may delegate any of its powers to committees or sub-committees consisting of such director or directors as the Board thinks fit and any committee or sub-committee so formed shall, in the exercise of the powers so delegated, conform to any regulations imposed on it by the Board. The meetings and proceedings of such committee or sub-committee shall be governed by the provisions of these Articles for regulating the meetings and proceedings of the Board so far as applicable and so far as the same shall not be superseded by any regulations made by the Board. Insofar as such power is so delegated, any reference in these Articles to the exercise by the directors of such power shall be read and construed as if it were a reference to such committee or subcommittee.

11. APPOINTMENT OF DIRECTORS

- 11.1 The Board assisted by a Recruitment Panel comprising at least one public sector director and two private sector directors and an independent observer shall appoint an experienced business person who is willing to act as a director, to be the Board Chair. Such appointment shall be for a fixed term of three years which can be extended for an initial further three year term (or thereafter in exceptional circumstances a second extension of a further one year term) decisions to extend shall be by decisions of the Board.
- 11.2 The Public Sector Members may from time to time by notice in writing appoint no more than six persons to be Public Sector Directors. Each Public Sector Director appointed shall hold office and may at any time be removed from office by notice in writing by a majority of the Public Sector Members
- 11.3 The Board assisted by a Recruitment Panel comprising at least one Public Sector Director and two Private Sector Directors and an independent observer shall appoint no more than twelve persons to be Private Sector Directors. Each Private Sector Director appointed shall hold office and may at any time be removed from office by

notice in writing in accordance with Clause 12.1.6 of these Articles. Such appointment shall be for a fixed term of three years which can be extended for an initial further three year term (or thereafter in exceptional circumstances a second extension of a further one year term). Such decisions to extend shall be by decisions of the Board.

11.4 The Higher Education Members may from time to time by notice in writing appoint one person to be Higher Education Director. Such Higher Education Director shall hold office and may at any time be removed from office by notice in writing by the majority of the Higher Education Members appointing the Higher Education Director. The Higher Education Director shall be deemed to be a Private Sector Director, provided that the provisions of Clause 11.3 shall not apply in relation to that Director.

11.5 The Further Education Members may from time to time by notice in writing appoint one person to be Further Education Director. Such Further Education Director shall hold office and may at any time be removed from office by notice in writing by the majority of the Further Education Members appointing the Further Education Director. The Further Education Director shall be deemed to be a Private Sector Director, provided that the provisions of Clause 11.3 shall not apply in relation to that Director.

12. DISQUALIFICATION AND REMOVAL OF DIRECTORS

12.1 The office of a director shall be vacated if:

12.1.1 he ceases to be a director by virtue of any provision of the Statutes or these Articles or he becomes prohibited by law from being a director; or

12.1.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or

12.1.3 he is, or may be, suffering from mental disorder and either:

12.1.3.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or

12.1.3.2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his

detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or

- 12.1.4 such director resigns his office by written notice to the Company; or
- 12.1.5 such director shall for more than six consecutive months have been absent without permission of the directors from meetings of directors (save where present by alternate director) held during that period and the directors resolve that his office be vacated; or
- 12.1.6 the directors determine by ordinary resolution that such director shall be removed from office; or
- 12.1.7 in the case of a director appointed for a fixed term, the end of that fixed term unless extended by the Board as permitted by these Articles.

13. PROCEEDINGS OF THE DIRECTORS

- 13.1 The Board may meet together for the despatch of business, adjourn and, regulate their meetings as they think fit. A director may; and the secretary at the request of a director shall, call a meeting of the directors. Questions arising at any meeting shall be decided by a majority of votes and each director shall have one vote. In case of an equality of votes, the Board Chair shall have a second or casting vote.
- 13.2 Subject to **Article 13.3**, no business shall be transacted at any Board meeting unless a quorum is present. A quorum shall be six directors present in person or by alternate director provided that there shall be no quorum unless at least two Public Sector Directors and at least four Private Sector Directors are present. Notwithstanding any vacancies in their number, the continuing directors or where, there is only one, the sole continuing director may continue to act, but, if the number of directors is less than the number fixed as the quorum, they may act only for the purposes of calling a general meeting.
- 13.3 If a quorum is not present within half an hour from the time appointed for a Board meeting the Board 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 Board meeting a

quorum is not present within half an hour from the time appointed the director or directors present in person or by alternate or (being a corporation) by duly authorised representative 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.

- 13.4 Meetings of the Board and any committee or sub-committee thereof shall be summoned by not less than ten working days' notice served on the directors and in the case of any committee or sub-committee meetings, on the members of such committee or sub-committee. Any such notice must include an agenda of the matters to be discussed at any such meeting. A director who is absent from the United Kingdom shall not be entitled to notice of a meeting.
- 13.5 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 Statutes, 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 Board Chair of the meeting then is.
- 13.6 Subject to the provisions of the Statutes, and provided that he has disclosed to the directors the nature and extent of any interest of his, a director notwithstanding his office:
 - 13.6.1 may be a party to or otherwise be interested in any transaction or arrangement with the Company or in which the Company is in any way interested;
 - 13.6.2 may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in anybody corporate promoted by the Company or in which the Company is in any way interested;
 - 13.6.3 may or any firm or company of which he is a member or director may act in a professional capacity for the Company or any body corporate in which the Company is in any way interested; and
 - 13.6.4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or

arrangement or any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit;

13.7 For the purposes of **Article 13.6**:

13.7.1 a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;

13.7.2 Notwithstanding compliance with Clause 13.7.1 above, a Director must declare that he has an interest in a particular matter at the start of every meeting whenever it becomes clear to the Director where such a circumstance arises so as to comply with the Company's Assurance Framework;

13.7.3 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and

13.7.4 an interest of a person who is for any purpose of the Statutes (excluding any statutory modification not in force when the Company was incorporated) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

13.8 Whenever a director has an interest in a matter to be discussed at a meeting of the directors (or a committee of the directors) the director concerned shall subject to any rules or policies of the Company or the terms of any authorisation given by the directors under **Article 13.9** or unless the directors resolve otherwise not be:

13.8.1.1 entitled to remain present at the meeting for that item;

13.8.1.2 counted in the quorum for that part of the meeting;

13.8.1.3 entitled to vote on the matter.

- 13.9 The directors may, at any time authorise a director to be involved in a situation in which the director has or may have a direct or indirect interest which conflicts or may conflict with the interests of the Company ("a conflict of interest") provided that the directors consider that public benefit from such involvement will outweigh the conflict and: -
- 13.9.1 if so authorised the director shall not be counted in the quorum in respect of the matter and shall not have a vote on the matter;
 - 13.9.2 the directors may in their absolute discretion impose such terms or conditions on the grant of the authorisation as they think fit and in doing so that directors will act in such a way in good faith they consider will be most likely to promote the success of the Company;
 - 13.9.3 a director will not be in breach of his duty under sections 172, 174 and 175 of the 2006 Act or the authorisation given by this **Article 13.9** by 'reason only that he received confidential information from a third party relating to the conflict of interest which has been authorised by this **Article 13.9** and either fails to disclose it to the directors or fails to use it in relation to the Company's affairs and neither will be in breach of his duty under the said section 175 for anything done or omitted to be done by him in accordance with the provisions of **Articles 13.7** and **13.8**;
 - 13.9.4 where approval to a transaction which falls within Chapter 4 of part 10 of the 2006 Act is given by members in accordance with that Chapter further authorisation for that transaction by the Directors under this **Article 13.9** is not necessary; and
 - 13.9.5 for the purposes of **Article 13.9**, "conflict of interest" includes a conflict of interest and a conflict of duty and a conflict of duties.
- 13.10 A resolution in writing, sent to the VCS Observer and all directors entitled to receive notice of a meeting of directors or of a committee constituted pursuant to **Article 10.2** and signed by a simple majority of the Public Sector Directors and a simple majority of the Private Sector Directors on the Board or a committee constituted pursuant to **Article 10.2** (as the case may be) shall be valid and effectual as if it had been passed at a meeting of the Board or such committee (as the case may be) duly convened and

held and may consist of several documents in the like form each signed by one or more directors.

13.11 Where the Board considers such attendance worthwhile or necessary to the matters to be transacted at the relevant meeting of the Board, it shall be entitled to invite relevant third parties to attend any meeting of the Board as observers providing that such third parties agree to be bound by obligations of confidentiality reasonably acceptable to the Company and shall be entitled to speak at meeting of the Board with the prior permission of the Board Chair.

14. SECRETARY

14.1 Subject to the provisions of the Statutes, the secretary shall be appointed by the directors for such term, such remuneration and upon such conditions as they think fit, and any secretary so appointed may be removed by them, provided always that no director may hold office as secretary, where such office is remunerated.

15. THE SEAL

If the Company has a seal it shall be used only with the authority of the directors or of a committee of the 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 whose signature must be attested in presence of a witness or by one director and the secretary or by two directors.

16. MINUTES

16.1 The directors shall cause minutes to be made in books kept for the purposes of:

16.1.1 recording the names and addresses of all the members;

16.1.2 all appointments of offices made by the directors; and

16.1.3 all proceedings at meetings of the Company and of the directors and of committees constituted pursuant to **Article 10.2** including the names of directors and members present at each such meeting.

17. OBSERVER

- 17.1 The VCS Observer shall be appointed by a majority of the directors and may be removed from office by notice in writing by a majority of the directors and such appointment shall be for a fixed term of three years which can be extended for an initial further three year term (or thereafter in exceptional circumstances a second extension of a further one year term). Such decisions to extend shall be by decisions of the Board.
- 17.2 Up to 4 Observers may be appointed by a majority of the directors. Any such appointments shall be for a fixed term of three years, provided that an Observer may be removed from office before the end of the fixed term by notice in writing by a majority of the directors. The fixed term may be extended for an initial further three year term (or thereafter in exceptional circumstances a second extension of a further one year term). Such decisions to extend shall be by decisions of the Board.

18. NOTICES

- 18.1 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.
- 18.2 The Company may give notice to a member either personally or by sending it by first class post in a pre paid envelope addressed to the member at his registered address or by leaving it at that address or by giving it in Electronic Form to an address for the time being notified to the Company by the member. A member who gives to the Company an address within the United Kingdom at which notices may be given to him, or an address to which notices may be sent in electronic form, shall be entitled to have notices given to him or her at that address, but otherwise no such member shall be entitled to receive any notice from the Company.
- 18.3 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. Where a notice is sent in Electronic Form, the notice shall be deemed to have been given at the expiration of 24 hours after the time of transmission.
- 18.4 Where a notice is sent by making it available on a website, the

notice shall be deemed to have been given either when it was first made available on the website or when the member received or was deemed to have received notice of the fact that the notice was available on the website.

- 18.5 A member present, either in person, by proxy or by duly authorised representative, at any meeting of the Company shall be deemed to have received notice of that meeting and, where requisite, of the purposes for which it was called.
- 18.6 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 giving notice by e-mail or facsimile (to such address or facsimile number as shall be notified by the members to the Company from time to time) or 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.
- 18.7 Where the Statutes permit the Company to send documents or notices to its members in Electronic Form or by means of a website such documents and notices will be validly sent provided the Company complies with the requirements of the Statutes. Subject to any requirements of the Statutes, documents and notices may be sent to the Company in Electronic Form to the address specified by the Company for that purpose and such documents or notices sent to the Company are sufficiently authenticated if the identity of the sender is confirmed in the way the Company has specified.

19. WINDING UP

- 19.1 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 such party is a member or within one year after such party ceases to be a member, for payment of the Company's debts and liabilities contracted before such party 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.
- 19.2 If at the conclusion of the winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities

any property or operating surplus whatsoever, the same shall be divided equally between the Public Sector Members or on such other basis as the then current Public Sector Members shall unanimously agree in writing.

20. INDEMNITY

- 20.1 Subject to the provisions of, and so far as may be permitted by, the Statutes but without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Company may indemnify every director, alternate director, secretary or other officer of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, including any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, alternate director, secretary or other officer of the Company.
- 20.2 The directors may buy and maintain at the cost of the Company insurance cover for or for the benefit of every director, alternate director, auditor, secretary or other officer of the Company or of any associated company (as defined in section 256 of the 2006 Act) against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Company (or such associated company), including anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, alternate director, auditor, secretary or other officer of the Company or associated company.
- 20.3 Subject to the provisions of, and so far as may be permitted by, the Statutes, the Company shall be entitled to fund the expenditure of every director, alternate director or other officer of the Company incurred or to be incurred:
- 20.3.1 in defending any criminal or civil proceedings; or
 - 20.3.2 in connection with any application under sections 661(3), 661(4) or 1157 of the 2006 Act.

21. ENTRENCHED PROVISIONS AND LIABILITY OF MEMBERS

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

- 21.2 The Company's objects ("the Objects") are to assist, promote, encourage, develop, lead and deliver sustainable economic growth in the SEMLEP Area creating a diverse and competitive knowledge economy with first class infrastructure and high growth built on local private sector strengths, exports and job creation.
- 21.3 In pursuance of the Objects, the Company has the powers (the "Powers") to:
- (a) do all such things which in the opinion of the directors are in the best interests of the Company and its Members; and
 - (b). do all such other lawful things as are incidental or conducive to the pursuit or to the attainment of any of the Objects.
- 21.4 None of the Objects or Powers shall be restrictively construed but the widest interpretation shall be given to each such Object or Power, and none of such Objects or Powers shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other Object(s) or Power(s) or by inference from the name of the Company.
- 21.5 None of the Objects specified shall be deemed subsidiary or ancillary to any of the Objects specified in any other such sub-clause, and the Company shall have full power to exercise each and every one of the Objects as though each such sub clause contained the objects of a separate company.
- 21.6 In exercising its Powers the Company shall have due regard to the principles of equality and diversity and shall comply with all relevant legislation, including the Equality Act 2010 (as amended from time to time).

22. LIABILITY

- 22.1 The liability of the members is limited.

23. INCOME AND PROPERTY

- 23.1 Subject to the provisions of this Article the income and property of the Company shall be applied solely towards the promotion of the Objects of the Company. No portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit to members of the Company, provided that nothing in these Articles shall prevent any payment in good faith by the Company:

- 23.1.1 of reasonable and proper remuneration to any servant of the Company for any services rendered to the Company;
- 23.1.2 of interest or capital in respect of money lent by any member of the Company;
- 23.1.3 of reasonable and proper rent or licence fee for any premises demised, let or licensed by any member of the Company or director of the Company;
- 23.1.4 to any director of reasonable out of pocket expenses properly incurred in connection with the business or undertaking of the Company.