

Registered number: 05453601

The Companies Act 2006

Company limited by guarantee and not having a share capital

Articles of association

of

South Essex Homes Limited

(as adopted by sole member's resolution passed on 1st May,.2014)

1 Definitions and interpretation

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| "the Act" | Means the Companies Act 2006 and any statutory modification or re-enactment thereof for the time being in force. |
| "the Articles" | Means these Articles of Association as originally adopted and as altered from time to time. |
| "Board" | Means the board of directors of the Organisation from time to time. |
| "Board Members" | Means the non-executive director(s) from time to time. |
| "Chairman" | Means the Chairman of the Organisation appointed pursuant to Article 23.1 or in his absence any vice or deputy chairman appointed pursuant to Article23.3. |
| "Council Board Member" | Means a Board Member appointed by the Council pursuant to Article 12. |
| "Council " | Means Southend-on-Sea Borough Council or any successor body thereto. |
| "document" | Includes, unless otherwise specified, any document sent or supplied in electronic form. |
| "electronic form" | Has the meaning given in Section 1168 of the Act. |
| "electronic means" | Means any means of electronic equipment for processing, storage and transmission of data as defined in Section 1168 of the Act. |
| "executed" | Means in relation to any contract, agreement or other document consent thereto and includes any mode of execution. |

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| "Independent Board Member" | Means a Board Member appointed pursuant to Article 13.2. |
| "Leadership Group" | Means a group agreed by the Board to be made up of residents, officers and Board Members. |
| "Local Authority Person" | Means any person: <ul style="list-style-type: none"> (i) who is a member of the Council; or (ii) who is an officer of the Council (which for these purposes shall not include employees with non-managerial posts apart from housing employees). |
| "Organisation" | Means South Essex Homes Limited. |
| "Regulator" | Means any statutory regulator or other competent body with authority over the Organisation. |
| "Secretary" | Means the company secretary of the Organisation or any other person fulfilling the duties of the Secretary of the Organisation. |
| "Tenant" | Means an individual who holds a secure tenancy, introductory tenancy or lease of a residential property from and occupies a property belonging to the Council. |
| "Tenant Board Member" | Means a Board Member appointed pursuant to Article 13.1. |
| "Tenants Representative" | Means Southend Tenants and Residents Federation or any successor body thereto or such other body as the Board shall from time to time resolve to be representative of the tenants of the Council whose dwellings are managed by the Organisation. |
| "the United Kingdom" | Means Great Britain and Northern Ireland. |
| "working day" | Means a day, other than a Saturday or a Sunday or a bank or public holiday in England and Wales, on which the clearing banks in the City of London are open for business. |
| "writing" | Means the representation or reproduction of words, symbols or other information in visible form by a method or combination of methods, whether sent or supplied in electronic form or otherwise. |

1.1 Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act as in force when these Articles become

binding on the Organisation.

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

2 **Name**

The name of the company is South Essex Homes Limited ("the **Organisation**").

3 **Registered office**

The Organisation's registered office is to be located in England.

4 **Powers**

- 4.1 Subject to Articles 4.2 and 4.3 the Organisation shall have power to do anything that a natural or corporate person can lawfully do which is necessary or expedient in furtherance of its objects unless prohibited by these Articles.

- 4.2 Subject to Article 4.3 and without limiting the powers described in Article 4.1 the Organisation shall have power:

4.2.1 subject to the prior written consent of the Council and to such consents as may be required by law, to borrow money, issue loan stock or raise money in such manner as the Organisation shall think fit and to secure the repayment of any money borrowed raised or owing by such security as the Organisation shall see fit (including by way of floating charge) upon the whole or any part of the Organisation's property or assets (whether present or future) and also by giving similar security to secure and guarantee the performance by the Organisation of any obligation or liability it may undertake or which may become binding on it;

4.2.2 subject to Article 28, to insure and arrange insurance cover for and to indemnify its Board Members, employees and voluntary workers and the Council from and against all such risks incurred in the proper performance of their duties as it shall consider appropriate and to pay any premium in relation to indemnity insurance in respect of liabilities of its Board Members or any of them which would otherwise attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty in respect of the Organisation **provided that** such insurance shall not extend to any liability in respect of an act or omission which such Board Member or Board Members knew or ought reasonably to have known was a breach of duty or trust or which was committed by such Board Member or Board Members recklessly without due regard as to whether such act or omission might be a breach of duty or trust;

4.2.3 subject to the prior written consent of the Council and such other consents as may be required by law and compliance with any formal and applicable guidance issued by the Regulator, to purchase or otherwise acquire or to

encourage or promote and in any way support or aid the establishment and development of any subsidiary, or any other body established for the purposes of carrying on any trade or business either for the purpose of raising funds for the Organisation or for the furtherance of the objects of the Organisation;

- 4.2.4 subject to the prior written consent of the Council, make donations, grants or loans or provide services or assistance to such persons and Organisations and on such terms as the Organisation shall think fit.

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

- 4.3 The Organisation shall not do any act or thing which causes or might cause the Council to be in breach of the CIPFA Prudential Code for Capital Finance in Local Authorities.

5 **Application of income and property**

- 5.1 The income and property of the Organisation shall be applied solely towards the promotion of its objects.

- 5.2 Save as provided in Articles 5.3 and 5.4, no portion of the income and property of the Organisation shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to the Council and no Board Member (other than the Chairman) shall be appointed to any office of the Organisation paid by salary or fees or receive any remuneration or other benefit or money or money's worth from the Organisation.

- 5.3 Notwithstanding the provisions of Articles 5.1 and 5.2, the Organisation may make payment in good faith:

5.3.1 of reasonable and proper remuneration (including pensions, contributory pension payments, payment of premiums to pension policies and terminal grants and gratuities) to any officer or employee of the Organisation (not being a Board Member other than the Chairman) in return for any services rendered to the Organisation;

5.3.2 of fees, remuneration or other benefit in money or money's worth to a company or other body corporate of which a Board Member may be a member holding not more than 2% of the share capital of the company or body corporate;

5.3.3 to any Board Member (other than a Council Board Member) of reasonable expenses properly incurred by them and meeting allowances (whether payable through the Organisation's payroll system or otherwise) pursuant to the Organisation's expenses policy (as amended from time to time) and such other sums as may be determined by the Council, or the Regulator
provided that:

(a) no sum shall be paid to a Board Member in excess of that permitted by any applicable guidance issued from time to time by the Regulator; and

(b) no meeting allowance shall be paid to the Chairman;

5.3.4 of reasonable and proper remuneration to the Council or employees thereof (not being Board Members) in return for any services rendered to the Organisation;

5.3.5 of reasonable and proper rent for premises demised or let by the Council; or

5.3.6 of reasonable and proper interest on money lent by the Council.

5.4 Notwithstanding the provisions of Articles 5.1 and 5.2, the Organisation may manage property in accordance with its objects (including the full range of activities it may undertake) notwithstanding the fact that the tenant or lessee (or prospective tenant or lessee) of such property may be a Board Member **provided that** no Board Member shall be entitled to speak in any debate or cast his vote in respect of any matter relating solely to the property of which he is tenant or lessee and shall absent himself from such proceedings but such Board Member shall be entitled to speak and vote in respect of matters which relate not only to such property but also to other properties managed by the Organisation.

6 **Limited liability**

The liability of the Council is limited.

7 **Members Guarantee**

The Council undertakes to contribute to the assets of the Organisation, in the event of the same being wound up while they are a member of the Organisation, or within one year after they cease to be a member of the Organisation, for payment of the debts and liabilities of the Organisation contracted before they cease to be a member of the Organisation, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound.

8 **Winding Up**

If, upon the winding up or dissolution of the Organisation, there remains, after the satisfaction of all its debts and liabilities any property whatsoever, the same shall be paid or transferred to the Housing Revenue Account (as defined in the Local Government and Housing Act 1989) of the Council.

9 **Membership**

9.1 No person other than the Council shall be admitted to membership of the Organisation.

9.2 The Council shall nominate a person to act as its representative in the manner

provided in Section 323 of the Act. Such representative shall have the right on behalf of the Council to attend meetings of the Organisation and vote thereat, and generally exercise all rights of membership on behalf of the Council. The Council may from time to time by written notice to the Secretary revoke the nomination of such representative and nominate another representative in his place.

9.3 The rights of the Council shall be personal and shall not be transferable.

10 **Member decisions**

If the Council makes a decision which is required to be taken in a general meeting or by means of a written resolution, that decision shall be valid and effectual as if agreed by the Organisation in a general meeting. Any decision taken by the Council pursuant to this Article 10 shall be recorded in writing and delivered to the Secretary for entry in the Organisation's minute book. Any such decision shall take effect on delivery or at such later time as may be specified in such written record.

11 **The Board**

11.1 The Board shall comprise eleven Board Members being:

11.1.1 three Council Board Members;

11.1.2 three Tenant Board Members; and

11.1.3 five Independent Board Members.

11.2 No Board Members other than Tenant Board Members shall be Tenants.

11.3 No Board Members other than Council Board Members shall be Local Authority Persons.

11.4 In the event that the number of Board Members shall be less than the numbers specified in Article 11.1 the remaining Board Members shall use reasonable endeavours to appoint further Board Members and may act notwithstanding this Article.

12 **Council Board Members**

12.1 The Council shall from time to time appoint three persons as Council Board Members and shall have the power to remove from office any such Board Member after such Board Member has served a term of not less than one year.

12.2 Appointment or removal pursuant to Article 12.1 shall be by notice in writing signed on behalf of the Council and delivered to the Secretary. Any such appointment or removal shall take effect on delivery or such later time as may be specified in such notice.

13 **Tenant Board Members and Independent Board Members**

13.1 Tenant Board Members shall be appointed by the Board following a selection process held in accordance with the Board's recruitment policy from time to time.

13.2 Independent Board Members shall be selected and appointed by the Board in accordance with the Board's recruitment policy from time to time.

13.3 Each Tenant Board Member and each Independent Board Member shall be appointed for a fixed period of three years, save where a shorter term is set prior to appointment ("**Fixed Term**"). Each such Board Member shall retire from the Board at the end of his Fixed Term but shall be eligible for reappointment unless the provisions of Article 15.1.15 apply.

14 **Casual vacancies**

Subject to Article 11 the Board may appoint a person who is willing to act to be a Board Member to fill a vacancy **provided that:**

14.1 The Board may only fill vacancies occurring among Council Board Members where the Council shall have failed within three months of a written request by the Organisation to make the appropriate appointments pursuant to Article 12.

14.2 The Board may only fill vacancies occurring among Tenant Board Members where the Tenants Representative shall have failed within three months of a written request by the Organisation to make a nomination to fill such vacancy.

14.3 A Board Member appointed under this Article 14, shall hold office for no more than one year from appointment.

15 **Disqualification and removal of Board Members**

15.1 A person shall be ineligible for appointment to the Board and if already appointed shall immediately cease to be a Board Member if the relevant individual:

15.1.1 ceases to be a Board Member by virtue of any provision of the Act or becomes prohibited by law from being a company director; or

15.1.2 is or becomes a person disqualified from elected membership of a local authority; or

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

15.1.4 is or becomes physically or mentally incapable of acting as a director (and a written confirmation of this has been provided by a registered medical practitioner who is treating that person) and may remain so for more than three months; or

15.1.5 resigns his office by written notice to the Organisation; or

15.1.6 is removed from office by a resolution (or written notice signed by) at least three quarters of all the other Board Members from time to time; or

15.1.7 shall for more than six consecutive months have been absent (without permission of the Board) from meetings of the Board held during that period and the Board resolves that his office be vacated; or

- 15.1.8 in any period of 12 months, shall have been absent (without the permission of the Board) from at least 60% of the meetings of the Board held during that period and the Board resolves that his office be vacated; or
 - 15.1.9 in the case of a Tenant Board Member ceases to be a Tenant **provided that** this Article 15.1.9 shall not apply in respect of a Tenant Board Member temporarily ceasing to be a Tenant as a result of the demolition of or works carried out to that Tenant Board Member's home; or
 - 15.1.10 is a Tenant Board Member and is (in the reasonable opinion of a majority of other Board Members) in serious breach of their obligations as a Tenant; (including, but not limited to, being 7 weeks in arrears in respect of any payments due under their lease or tenancy, as the case may be); or
 - 15.1.11 is a Council Board Member and is or becomes a Tenant; or
 - 15.1.12 is a Tenant Board Member and is or becomes a Local Authority Person; or
 - 15.1.13 is an Independent Board Member and is or becomes a Tenant or a Local Authority Person; or
 - 15.1.14 is removed by resolution of the Council pursuant to Article 15.2; or
 - 15.1.15 has served on the Board for nine consecutive years (the "**Maximum Term**") **provided that** any Independent Board Member who has reached the Maximum Term on or before 28 February 2017 would have a right to have his Maximum Term to be extended for one more year if the Board so resolves.
- 15.2 Notwithstanding any other provisions of these Articles, the Council shall have the power at any time by notice in writing to the Secretary to remove and/or appoint any Board Member.

16 **Powers and functions of the Board**

- 16.1 The Board's main functions include duties to:-
- 16.1.1 define and ensure compliance with the values and objectives of the Organisation;
 - 16.1.2 establish strategies, policies and plans to achieve those objectives;
 - 16.1.3 approve each year's budget and accounts prior to publication;
 - 16.1.4 establish and monitor a framework of delegation and financial regulations;
 - 16.1.5 agree policies and make decisions on all matters that might create significant financial or other risk to the Organisation or which raise material issues of principle;
 - 16.1.6 establish a risk management strategy for the Organisation and monitor and ensure compliance with the same;

- 16.1.7 oversee the Organisation's health and safety and safeguarding policies and compliance with the same and to review these policies on at least an annual basis;
 - 16.1.8 monitor the Organisation's performance in all key areas on an exception basis;
 - 16.1.9 appoint (and if necessary dismiss) the Chief Executive and be represented in the appointment of the executive management team (**EMT**);
 - 16.1.10 ensure that, when necessary (e.g. resignation or retirement), the Chief Executive is replaced in a timely and orderly fashion;
 - 16.1.11 determine the remuneration of the Chief Executive and the EMT and ensure a proper annual appraisal process is carried out with the Chief Executive;
 - 16.1.12 satisfy itself that the Organisation's affairs are conducted lawfully and in accordance with generally accepted standards of performance, conduct and priority;
 - 16.1.13 appoint the first Commercial Director of Atilius Limited and determine the remuneration of such person.
 - 16.1.14 appoint the chair of the board of any subsidiary of the Organisation (excluding Atilius Limited) and determine the remuneration of such persons; and
 - 16.1.15 monitor the performance of any subsidiary of the Organisation (including Atilius Limited) in all key performance areas.
- 16.2 Subject to the provisions of the Act, any resolution of the Council and the Articles, the business of the Organisation shall be managed by the Board who may exercise all the powers of the Organisation. No alteration of the Articles or resolution of the Council shall invalidate any prior act of the Board which would have been valid if that alteration or resolution had not been made. The powers given by this Article shall not be limited by any special power given to the Board by the Articles and a meeting of the Board at which a quorum is present may exercise all powers exercisable by the Board.
- 16.3 The Board may, by power of attorney or otherwise, appoint any person to be the agent of the Organisation for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

17 **Borrowing powers**

Subject to Article 4.2.1, the Board may exercise all the powers of the Organisation to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and to grant any mortgage, charge or other security over its undertaking and property, or any part thereof, and to issue any debenture, whether outright or as security for any debt, liability or obligation of the Organisation or of any third party.

18 **Delegation of Board Members' powers**

The Board may delegate any of their powers to any Leadership Group and/or committee consisting of one or more Board Members together with such other persons as the Board sees fit (but so that in each case Board Members shall constitute a majority). The Board may also delegate to the Chairman and/or any vice or deputy chairman or to any executive officer of the Organisation or any subsidiary of the Organisation such of their powers as they consider desirable to be exercised by such person. Any such delegation may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of any committee shall be governed by the Articles regulating the proceedings of the Board so far as they are capable of applying.

19 **Alternate Board Members**

No Board Member shall be entitled to appoint any person as an alternate board member.

20 **Board Members' interests**

20.1 A Board Member may not have any financial interest personally or as a member of a firm or as a director or senior employee (being an employee with managerial status) or in any contract or other transaction of the Organisation unless it is permitted by these Articles and is not prohibited by Article 5.

20.2 Each Board Member shall ensure that the Secretary has at all times an up to date list of:

20.2.1 all bodies trading in which he or she has an interest as:

- (a) a director or senior employee,
- (b) a member of a firm,
- (c) the owner or controller of more than 2% of the issued share capital in a company or other body corporate,

20.2.2 all interests as an official or elected member of any statutory body;

20.2.3 all interests as the occupier of any property owned or managed by the Organisation and/or;

20.2.4 any other significant or material interest.

20.3 **Authorisation of conflicts**

20.3.1 If an actual or potential conflict of interest arises for a Board Member other than in relation to a transaction or arrangement with the Organisation and the conflict is not authorised by virtue of any other provision in the Articles, the un-conflicted Board Members may authorise such a conflict of interests **provided that:**

- (a) any conflicted Board Member is not to be counted in the quorum of Board Members at the meeting where the conflict is to be authorised; and
- (b) the un-conflicted Board Members consider it is in the interests of the Organisation to authorise the conflict of interest in the circumstances applying.

20.3.2 The Board Members may attach any conditions to an authorisation given under Article 20.3.1 that they consider to be in the best interests of the Organisation.

20.3.3 The Board should consider whether any actual or potential conflicts should be authorised in accordance with Article 20.3.1 each time:

- (a) a new Board Member is appointed; or
- (b) a new situation (not already authorised) arises for an existing Board Member that gives rise to an actual or potential conflict of interests.

20.3.4 In authorising any matter under this Article 20.3, the Board may also decide that, if a Board Member receives or has received information otherwise than by virtue of his position as a Board Member of the Organisation and in respect of which he owes a duty of confidentiality to another person, the Board Member is under no obligation to:

- (a) disclose any such information to the Organisation, the Board or any other Board Member or employee of the Organisation; or
- (b) use or apply any such information in connection with the performance of his duties as a Board Member.

20.4 **Declaration of interests**

20.4.1 Any Board Member having an interest in any arrangement between the Organisation and another person or body shall disclose that interest to the meeting before the matter is discussed by the Board. Unless the interest is of the type specified in Article 20.4.2 or 20.4.3 the Board Member concerned shall not remain present during the discussion of that item unless requested to do so by the remaining members of the Board and may not vote on the matter in question, but no decision of the Board shall be invalidated by the subsequent discovery of an interest which should have been declared.

20.4.2 Provided the interest has been properly disclosed pursuant to Article 20.4.1 a Board Member may remain present during the discussion and a Board Member may vote on the matter under discussion where the interest arises because:

- (a) the Board Member is a Tenant, so long as the matter in question affects all or a substantial group of Tenants; or

- (b) the Board Member is a director or other officer of a company or body which is a parent, subsidiary or associate of the Organisation; or
- (c) the Board Member is an official or elected member of any statutory body; or
- (d) of any other reason provided that the conflict was authorised under Article 20.3.

20.4.3 A Board Member shall not be treated as having an interest:

- (a) of which the Board Member has no knowledge and of which it is unreasonable to expect him to have knowledge; and
- (b) in the establishment of any policy as long as it affects all Board Members.

20.5 If a question arises at a meeting of the Board as to the right of a Board Member (other than the Chairman of the meeting) to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any Board Member (other than himself) shall be final and conclusive

20.6 If a question arises at a meeting of the Board as to the right of the chairman of the meeting to vote, and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be decided by resolution of the Board Members present at that meeting (excluding the chairman), whose majority vote shall be final and conclusive.

21 **Proceedings of Board Meetings**

21.1 Subject to any regulations established from time to time by the Organisation and compliance with any relevant statutory requirements, the Board may regulate their proceedings as they think fit.

21.2 One third of the total number of Board Members (or such whole number of Board Members nearest to one third) may request the Secretary to call a meeting of the Board. It shall not be necessary to give notice of a meeting to a Board Member who is absent from the United Kingdom. Five working days' notice must be given of a Board meeting.

21.3 The quorum for the transaction of the business of the Board at the time when the meeting proceeds to business shall be any four Board Members.

21.4 If a quorum is not present within half an hour from the time appointed for a Board Meeting the Board meeting shall, if requested by a majority of those Board Members present, be adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Board Members present may determine.

21.5 If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting then notwithstanding Article 21.3 the Board Members

present shall constitute a quorum.

- 21.6 Questions arising at a Board meeting shall be decided by a majority of votes and each Board Member present in person shall be entitled to one vote. In the case of an equality of votes, the chairman of that meeting shall have a second or casting vote.
- 21.7 All acts done by a meeting of the Board, or by a person acting as a Board Member shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Board Member or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Board Member and had been entitled to vote.
- 21.8 A Board meeting may consist of a conference between Board Members through the medium of conference telephone or any form of electronic communication or similar form of communications equipment or combination of such methods **provided that** each Board Member participating in the meeting is able to hear and speak to each other participating Board Member throughout the meeting. A Board Member so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Act, all business transacted in such manner by the Board Members shall for the purposes of these Articles be deemed to be validly and effectively transacted at a meeting of the Board notwithstanding that fewer than two Board Members are physically present at the same place. 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. The word "meeting" in these Articles shall be construed accordingly.

22 **Written resolution**

A resolution in writing signed by:—

- 22.1 two thirds of all the Board Members entitled to receive notice of a meeting of the Board or of a committee of the Board; and
- 22.2 the Chairman of the Organisation or of the relevant committee; and

which satisfies the quorum requirements of Article 21.3 shall be as valid and effectual as if it had been passed at a meeting of the Board or (as the case may be) a committee of the Board duly convened and held and may consist of several documents in the like form each signed by one or more Board Members. The signed resolution can be returned to the Organisation by the Board Member in hard copy or electronic form.

23 **Chairman and vice or deputy chairman**

- 23.1 The Board shall appoint one of the Independent Board Members to be the Chairman of the Board to hold office for a term of one year but may at any time remove him from that office. The appointment shall take place in September of each year unless a vacancy arises before then. No Board Member shall be eligible for an appointment as the Chairman after holding an office of the Chairman for six consecutive years unless the Board agrees otherwise.

23.2 Unless he is unwilling to do so, the Board Member appointed as the Chairman shall preside at every meeting of the Board at which he is present. But if there is no Board Member holding that office, or if the Board Member holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the Board Members present may appoint one of their number to be chairman of that meeting only.

23.3 The Board may appoint a vice or deputy chairman to act in the absence of the Chairman, the vice chairman to be appointed on the same terms mutatis mutandis as the Chairman or otherwise the vice or deputy chairman shall be appointed on such terms as the Board shall think fit.

24 **Secretary**

The Board shall appoint the Secretary from time to time.

25 **Minutes**

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

25.1 of all appointments of officers made by the Board Members; and

25.2 of all proceedings at meetings of the Organisation and of the Board, and of committees of the Board and of the Council in its capacity as the sole member of the Organisation, including the names of the Board Members present at each such meeting.

26 **Records accounts and returns**

26.1 The Organisation shall comply with the provisions of the Act in respect of:-

26.1.1 the keeping and auditing of accounting records;

26.1.2 the provision of accounts and annual reports of the directors; and

26.1.3 making an annual return.

26.2 The Board Members must ensure that the Organisation keeps a written record of every decision taken by the Council for at least ten years from the date of the decision recorded in it.

27 **Notices**

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

27.2 The Organisation may give any notice to the Council either personally or by sending it by post in a prepaid envelope addressed to the Council at its registered address or by leaving it at that address.

27.3 The Council present by its duly authorised representative at any meeting of the

Organisation shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

27.4 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.

27.5 Subject to these Articles anything sent or supplied by or to the Organisation under these Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Organisation.

28 **Indemnity**

28.1 Every Board Member or other officer of the Organisation shall be indemnified out of the assets of the Organisation against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 1157 of the Act in which relief is granted to him and no Board Member or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Organisation in the execution of the duties of his office or in relation thereto **provided that** this Article shall only have effect in so far as its provisions are not avoided by Section 232 of the Act.

28.2 The Board shall have power to purchase and maintain for any Board Member or officer of the Organisation insurance against any such liability as is referred to in Section 232 of the Act.

ARTICLES OF ASSOCIATION

OF

SOUTH ESSEX HOMES LIMITED

Registration Number: 05453601