

h DATED 5<sup>th</sup> Day of November 2012

THE COMPANIES ACT 2006  
COMPANY LIMITED BY GUARANTEE

## ARTICLES OF ASSOCIATION

of

Black Country Consortium Limited

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**THE COMPANIES ACT 2006**

**COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL**

**ARTICLES OF ASSOCIATION**

**OF**

**BLACK COUNTRY CONSORTIUM LIMITED**

**1. INTERPRETATION**

1.1 In these regulations:

"**Act**" means the Companies Acts (as defined in section 2 of the Companies Act 2006) including any statutory modification or re-enactment thereof for the time being in force, in so far as they relate to the Company;

"**Annual Partnership Meeting**" shall mean a meeting called in accordance with Article 6.2;

"**Annual Stakeholders' Symposium**" means the annual conference of the Company;

"**Articles**" means the articles of association of the Company and "Article" shall be construed accordingly;

"**Black Country**" means the geographical area covering Sandwell, Wolverhampton, Walsall and Dudley;

"**Board**" means the board of directors of the Company from time to time;

"**Budget**" means the annual budget of the Company contained in the Business Plan;

"**Business Plan**" means the annual business plan of the Company, to be adopted by the Guarantee Members within three months after the commencement of and in respect of each 12 month period commencing on 1 April in each year;

"**Chairman**" means the Chairman of the Company from time to time pursuant to the provisions of Article 20;

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**"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"** means the company registered in England and Wales being company number 5159791 the name of which at the date of adoption of these Articles is **Black Country Consortium Limited**;

**"Electronic Communication"** means a communication in electronic form as defined in section 1168 of the Companies Act 2006;

**"Executive Director"** means a person appointed as a director and designated an Executive Director pursuant to Article 13.1;

**"Executed"** includes any mode of execution;

**"Guarantee Meeting"** means a meeting of the Guarantee Members;

**"Guarantee Members"** means at the date hereof the Members who are specified as such in Article 4.3 and those Members who, at the point of their admission as Members are designated as such by the Guarantee Members all of whom shall comply with the provisions of Article 4;

**"Members"** means the subscribers to the Memorandum and such other persons as are admitted to membership (including Guarantee Members but excluding Observers) in accordance with the Articles and "Membership" shall be construed accordingly;

**"Memorandum"** means the memorandum of association of the Company;

**"Non-executive Director"** means a person appointed as a director and designated a Non-executive Director pursuant to Article 13.1;

**"Observers"** means organisations that work in relation to the regeneration of the Black Country but whose role extends beyond the Black Country;

**"Partnership Meeting"** means the Annual Partnership Meeting and any meeting convened as a Partnership Meeting which meetings shall constitute general or extraordinary general meetings for the purposes of the Act and the provisions of the Act relating to General Meetings shall apply to Partnership Meetings;

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**"Seal"** means the common seal of the Company;

**"Secretary"** means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a director or a joint, assistant or deputy secretary;

**"Subscription Fees"** means annual subscription fees payable by the Guarantee Members in accordance with Article 4 to ensure that the Company has sufficient funds to meet running costs from time to time;

**"United Kingdom"** means Great Britain and Northern Ireland; and

**"Vice Chairman"** means the vice chairman of the Company from time to time pursuant to the provisions of Article 20.

- 1.2 Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the Company.
- 1.3 Expressions referring to writing shall, unless the context requires otherwise be construed as including references to printing, lithography and other modes of representing or reproducing words in a visible form.
- 1.4 A **'person'** includes a natural person and a company and any other corporate or unincorporated body
- 1.5 The Model Articles as defined in the Act shall not apply to the Company.

## 2. **ADMISSION AND REFERRAL**

- 2.1 No person shall be admitted a Member, Guarantee Member or Observer of the Company unless he is first approved by the Guarantee Members. Every person who wishes to become a Member, Guarantee Member or Observer shall deliver to the Company an application for such position in such form as the Guarantee Members require Executed by him which application shall include (without limitation) an agreement to be bound by the Memorandum and the Articles and to act in accordance with accepted best practice in corporate governance principles from time to time. For the purposes of these Articles, the Guarantee Members

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shall be deemed to have approved in principle the admission of the following bodies as at the date of adoption of these Articles whether or not they are not currently admitted as Members or Guarantee Members or Observers although they shall not be deemed Members until so resolved by the Guarantee Members whose rights not to so resolve are reserved should they have reasonable grounds for doing so:

2.1.1 Members (not being Guarantee Members)

2.1.1.1 One of Dudley College of Technology, Halesowen College, Walsall College of Arts and Technology, Sandwell College, Stourbridge College, King Edwards VI College or City of Wolverhampton College as may be nominated by a majority of such organisations to represent their sector interests;

2.1.1.2 Homes and Communities Agency;

2.1.1.3 The Black Country Branch of the Federation of Small Businesses;

2.1.1.4 CBI West Midlands;

2.1.1.5 Institute of Directors;

2.1.1.6 Black Country Employment and Skills Board;

2.1.1.7 Black Country BeActive Partnership;

2.1.1.8 Black Country Environment Forum.

2.2

2.2.1 A Member, Guarantee Member and/or Observer may at any time withdraw from the Company and terminate their membership by giving at least seven Clear Days' notice to the Company unless by so doing there shall be no further Member. Membership, Guarantee Membership and the Position of Observer shall not be transferable and shall cease on death.

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2.2.2 Any Member, Guarantee Member or Observer may be removed from the Company by summary notice in writing given by the Guarantee Members (or by the other Guarantee Members if the summary notice refers to a Guarantee Member):

2.2.2.1 if, being an individual, he dies, becomes of unsound mind or is adjudged bankrupt or his estate or sequestrated or he suspends payment or compounds with his creditors;

2.2.2.2 if, being a firm, the estate of the firm or of any of the partners are sequestrated or the firm suspends payment or compounds with its creditors;

2.2.2.3 if being a company, organisation, institution or trust, it is wound up or dissolved (except to the extent that the assets and liabilities of any such organisation or institution are statutorily transferred in which event the organisation or institution to which the said assets and liabilities are statutorily transferred (or if more than one, the principal one) shall be entitled to become a Member, Guarantee Member or Observer (as appropriate) of the Company upon delivering to the Company written consent to become a Member, Guarantee Member or Observer (as appropriate)) or if a receiver or administrator is appointed to any of its property, assets or undertakings;

2.2.2.4 if the Guarantee Members by unanimous resolution of those present and entitled to vote at a Guarantee Meeting resolve that the Member, Guarantee Member and/or Observer (as appropriate) shall cease to be a Member, Guarantee Member or Observer (as appropriate);

2.2.2.5 if any Member, Guarantee Member or Observer shall fail in the observance of these Articles or of any regulations of the Board or the Company and/or it shall bring the Company or itself into disrepute and the Guarantee Members resolve accordingly;

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- 2.2.2.6 in the case of a Guarantee Member, any Subscription Fees are overdue for a period of one month;
- 2.2.2.7 in the case of a Guarantee Member, it fails to attend Guarantee Meetings without permission of the Guarantee Members for more than 12 consecutive months; or
- 2.2.2.8 in the case of a Guarantee Member, its appointed director shall be removed from office in accordance with Article 14.5.

### 3. MEMBERSHIP

The rights and privileges attaching to Membership shall be:

- 3.1 each Member shall have the right to attend and vote at a Partnership Meeting of the Company and save as provided in Article 20.1, to vote on the appointment of the Vice Chairman at the Annual Stakeholders' Symposium;
- 3.2 each Member shall have the right to cast the number of votes at a Partnership Meeting as are set out in Article 9.1;
- 3.3 Members shall be entitled to appoint directors as follows:
- 3.3.1 each of the Guarantee Members from time to time shall have the right to appoint (and terminate such appointment) one director to the Board provided always that the appointees are senior post-holders within such Guarantee Members; and
- 3.3.2 such other Member or Members as the Guarantee Members shall from time to time decide shall have the right to appoint one director to the Board provided always that the appointees are senior post-holders within the relevant Member.
- 3.4 With the exclusion of those rights specifically reserved to the Guarantee Members under these Articles (and for the avoidance of doubt only Guarantee Members shall be entitled to vote in relation to matters specifically reserved to them), the Members shall have the ability to exercise the rights reserved by company law and legislation (including the Act) for exercise by members of companies.

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3.5 The Members of the Company (other than Guarantee members) as at the date of adoption of the Articles are:

- 3.5.1 The University of Wolverhampton;
- 3.5.2 Black Country Chamber;
- 3.5.3 The Skills Funding Agency
- 3.5.4 The Borough Council of Dudley;
- 3.5.5 The Borough Council of Sandwell;
- 3.5.6 The Borough Council of Walsall;
- 3.5.7 Wolverhampton City Council;
- 3.5.8 Black Country Faith Cabinet;
- 3.5.9 Black Country Voluntary Sector Councils;
- 3.5.10 Canal and River Trust West Midlands Local Partnership;
- 3.5.11 Black Country Health Organisations;
- 3.5.12 The Chairman and private sector and social enterprise members of the Black Country Local Enterprise Partnership from time to time;
- 3.5.13 Black Country Reinvestment Society.

3.6 Meetings of Members shall be referred to as Partnership Meetings.

#### 4. GUARANTEE MEMBERS

4.1 Guarantee Members shall in addition to the rights which they have as Members, have the following class rights:

- 4.1.1 to amend the Articles;
- 4.1.2 to approve the Business Plan and Budget and any variations that may be required thereto;

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- 4.1.3 to approve applications from third parties for admission as Members, Guarantee Members or Observers;
- 4.1.4 to nominate the Vice Chairman in accordance with Article 20;
- 4.1.5 to set the level and date for payment of Subscription Fees in accordance with Article 4.4;
- 4.1.6 to appoint the Secretary;
- 4.1.7 to consent to and/ or approve those matters set out in Article 19 prior to them being approved by the Board and to amend such matters requiring their prior consent from time to time;
- 4.1.8 to decide which Members have the right to appoint a director to the Board;
- 4.1.9 to cast the number of votes at a Guarantee Meeting as are set out in Article 9.1;
- 4.1.10 to reserve such other rights as rights of Guarantee Members as they may from time to time resolve in accordance with the provisions of the Articles; and
- 4.1.11 to appoint the first Vice Chairman.
- 4.2 Guarantee Members shall be required to meet at least once in every three calendar months or at such lesser or greater frequency as the Guarantee Members shall in their discretion decide.
- 4.3 Upon the adoption of the Articles, the following are Guarantee Members:
- 4.3.1 The Borough Council of Dudley;
- 4.3.2 The Borough Council of Sandwell;
- 4.3.3 The Borough Council of Walsall; and
- 4.3.4 Wolverhampton City Council.

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## 4.4

4.4.1 Guarantee Members shall be obliged to pay the Subscription Fees. The amount and date for payment of Subscription Fees each year shall be determined by the Guarantee Members from time to time.

4.4.2 Subscription Fees may be set at different amounts for each Guarantee Member and shall be payable in full to the Company by cash or BACS transfer on a date to be set by the Guarantee Members.

4.4.3 Without prejudice to Article 2.2.2.6, any unpaid Subscription Fees shall at the discretion of the Guarantee Members incur interest at the rate of three per cent above the base rate from time to time of HSBC Bank plc.

## 5. OBSERVERS

5.1 The rights and privileges attaching to Observers shall be to:

5.1.1 attend and speak at the Annual Stakeholders' Symposium;

5.1.2 attend and speak at such Partnership Meetings, Guarantee Meetings and Board meetings that they shall be invited to attend and speak at from time to time by the Members, the Guarantee Members and/or the directors (as appropriate); and

5.1.3 save as provided in Article 20.1, to vote on the approval of the nominations for a Vice-Chairman at the Annual Stakeholders' Symposium.

5.2 At the date of adoption of the Articles, the following are appointed as Observers:

5.2.1 The current Black Country MPs and MEPs;

5.2.2 JobcentrePlus

5.2.3 West Midlands Integrated Transport Authority;

5.2.4 The TUC;

5.2.5 West Midlands Fire and Rescue Authority;

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- 5.2.6 West Midlands Police Authority or its successor body
- 5.2.7 Skills Funding Agency

## 6. PARTNERSHIP MEETINGS

- 6.1 The directors may call Partnership Meetings and, on the requisition of Members pursuant to the provisions of the Act and in any event at least once in every three months, shall forthwith proceed to convene a Partnership meeting in accordance with sections 303 to 305 of the Companies Act 2006. If there are not within the United Kingdom sufficient directors to call a Partnership Meeting, any director or any Member of the Company may call a Partnership Meeting.
- 6.2 The Company shall in each year and within 9 months after the end of any financial year hold its Annual Partnership Meeting in addition to any other meetings in that year. In the notice convening the Annual Partnership Meeting it shall specify the meeting as being such and not more than 15 months shall elapse between the date of one Annual Partnership Meeting of the Company and the next. The business of the Annual Partnership Meeting shall include the laying before the meeting of the audited accounts of the Company and the appointment of the Company's auditors. The Annual Partnership Meeting shall be held at such time and place as the Board shall decide.
- 6.3 The Company shall in each year hold the Annual Stakeholders' Symposium. Notice of the Annual Stakeholders' Symposium shall be sent to Members, Guarantee Members and Observers. In the notice convening the Annual Stakeholders' Symposium, it shall specify the meeting as being such and not more than 15 months shall elapse between the date of one Annual Stakeholders' Symposium and the next. The Annual Stakeholders' Symposium shall be held at such time and place as the Board shall decide.

## 7. NOTICE OF PARTNERSHIP MEETINGS AND GUARANTEE MEETINGS

- 7.1 An Annual Partnership Meeting and a Partnership Meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called by at least 21 Clear Days' notice. The Annual Stakeholders' Symposium shall be called by at least 30 Clear Days' notice. All other Partnership Meetings

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and Guarantee Meetings shall be called by at least 14 Clear Days' notice but a Partnership meeting and a Guarantee Meeting may be called at shorter notice if it is so agreed:

- 7.1.1 in the case of an Annual Partnership Meeting, by all Members entitled to attend and vote thereat; and
- 7.1.2 in the case of any other Partnership Meeting or Guarantee Meeting by a majority in number of the Members or Guarantee Members (as appropriate) having a right to attend and vote being a majority together holding not less than ninety-five per cent of the total voting rights at the meeting of all the Members or the Guarantee Members (as appropriate).

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 Partnership Meeting, shall specify the meeting as such. The notice shall be given to all the Members or all Guarantee Members (as appropriate) and to the Chairman, the Vice Chairman directors and auditors.

- 7.2 The accidental omission to give notice of a Partnership Meeting and/or a Guarantee Meeting to, or the non-receipt of a notice of such a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the Partnership Meeting and / or the Guarantee Meeting (as appropriate).

## 8. PROCEEDINGS AT PARTNERSHIP MEETINGS AND GUARANTEE MEETINGS

- 8.1 No business shall be transacted at any Partnership Meeting unless a quorum is present. Four Members entitled to vote upon the business to be transacted, at a Partnership Meeting, two of which shall be Guarantee Members, (including any Representative, Alternate Representative or Proxy) shall be a quorum.
- 8.2 No business shall be transacted at a Guarantee Meeting unless a quorum is present. Two Guarantee Members entitled to vote upon the business to be transacted at a Guarantee Meeting shall be a quorum.
- 8.3 If such a quorum is not present within half an hour from the time appointed for the Partnership Meeting and / or the Guarantee Meeting (as appropriate), or if during any such meeting such a quorum ceases to be present, the Partnership Meeting and / or the Guarantee Meeting (as appropriate) shall stand adjourned to the same day

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in the next week at the same time and place or to such time and place as the directors may determine in the case of a Partnership Meeting and the Guarantee Members may determine in the case of a Guarantee Meeting.

- 8.4 The Chairman shall preside as Chairman at any Partnership Meeting and Guarantee Meeting but if the Chairman shall not be present within 15 minutes after the time appointed for holding the meeting or is unwilling to preside the Vice Chairman shall preside as Chairman and reference in the Articles to Chairman shall be deemed to include the Vice Chairman but if the neither the Chairman nor the Vice Chairman is be present within 15 minutes after the time appointed for holding the Partnership Meeting and/ or the Guarantee Meeting (as appropriate) or are both unwilling to preside the Members or Guarantee Members (as appropriate) present and entitled to vote shall elect one of their number to conduct the proceedings of the Partnership Meeting and / or the Guarantee Meeting (as appropriate) and for the avoidance of doubt such elected person shall not be or be deemed to be Chairman.
- 8.5 A director and any elected member of a local authority in the Black Country shall, notwithstanding that he is not a Member and/or a Guarantee Member, be entitled to attend and speak at any Partnership Meeting and/or Guarantee Meeting.
- 8.6 The Chairman may allow public and/or press access to any Partnership Meeting on such terms as the Chairman shall at his absolute discretion decide.
- 8.7 The Chairman may, with consent of a Partnership Meeting and / or a Guarantee Meeting (as appropriate) at which a quorum is present (and shall if so directed by the Members or the Guarantee Members (as appropriate), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned Partnership Meeting and/ or adjourned Guarantee Meeting (as appropriate) other than business which might properly have been transacted at such a meeting had the adjournment not taken place. When a Partnership Meeting and/ or a Guarantee Meeting (as appropriate) is adjourned for fourteen days or more, at least seven Clear Days' notice shall be given specifying the time and place of the adjourned Partnership Meeting and/ or Guarantee Meeting (as appropriate) and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice. Partnership Meetings shall be adjourned if and to the extent that any matters are raised therein which require the

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approval of the Guarantee Members, pending approval or otherwise of the matter by the Guarantee Members.

- 8.8 A resolution put to the vote of a Partnership Meeting and/ or a Guarantee Meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
- 8.8.1 by the Chairman; or
- 8.8.2 by at least two Members (or Guarantee Members (as appropriate)) having the right to vote at the Partnership Meeting and / or Guarantee Meeting (as appropriate); or
- 8.8.3 by a Member or Members or Guarantee Member or Guarantee Members (as appropriate) representing not less than one-tenth of the total voting rights of all the Members or Guarantee Members (as appropriate) having the right to vote at the Partnership Meeting and / or Guarantee Meeting (as appropriate)
- 8.9 Unless a poll is 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 Partnership Meeting and / Guarantee Meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution .
- 8.10 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.
- 8.11 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 Partnership Meeting and/ or Guarantee Meeting (as appropriate) at which the poll was demanded .

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- 8.12 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman and/or Vice Chairman (as appropriate) shall not be entitled to a casting vote in addition to any other vote he may have.
- 8.13 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 Partnership Meeting and/ or Guarantee Meeting (as appropriate) 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 Partnership Meeting and/ or the Guarantee Meeting (as appropriate) shall continue as if the demand had not been made.
- 8.14 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 Partnership Meeting and/or Guarantee Meeting (as appropriate) 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.
- 8.15 A resolution in writing Executed by or on behalf of each Member or Guarantee Member (as appropriate) who would have been entitled to vote upon it if it had been proposed at a Partnership Meeting or Guarantee Meeting (as appropriate) at which he was present shall be as effectual as if it had been passed at a Partnership Meeting or Guarantee Meeting (as appropriate) duly convened and held and may consist of several instruments in the like form each Executed by or on behalf of one or more Members or Guarantee Members (as appropriate).

## **9. VOTE OF MEMBERS AND GUARANTEE MEMBERS**

- 9.1 On a show of hands, every Member or Guarantee Member (as appropriate) present in person shall have one vote. On a poll, every person present in person who shall have undertaken to contribute to the assets of the Company pursuant to an application for Membership shall have one vote.
- 9.2 A Member or Guarantee Member (as appropriate) in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or

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elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the registered office of the Company, not less than 48 hours before the time appointed for holding the Partnership Meeting and/ or Guarantee Meeting (as appropriate) or adjourned Partnership Meeting and/ or Guarantee Meeting (as appropriate) at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

- 9.3 Any corporation and/or organisation which is a Member shall by resolution of its governing body authorise such senior post-holder within its organisation as it thinks fit to act as its representative at any Partnership Meeting and / or Guarantee Meeting (to the extent that the Member is also a Guarantee Member) of the Company ("**Representative**") and an alternative representative to attend in the absence of the Representative ("**Alternate Representative**"). The persons so authorised shall be entitled to exercise the same voting powers on behalf of the corporation he represents as that corporation could have exercised if it were a personal Member of the Company . A corporation represented at a Partnership Meeting and/ or Guarantee Meeting (as appropriate) by its Representative or Alternate Representative as the case may be shall be deemed for all purposes to be present in person. A copy of the resolution appointing its Representative and Alternate Representative which shall be certified as a correct copy by the Chairman or other recognised officer of the governing body of a corporation shall be conclusive evidence of such appointments (**Representative Appointment Notice**) and no individual shall be entitled to vote as a Representative or Alternate Representative unless a Representative Appointment Notice evidencing his appointment is delivered to the Company at its registered office at least 24 hours prior to the relevant meeting.

For the avoidance of doubt, the persons to be appointed as the Representative and Alternate Representatives of the Members of the Company which are corporations and/or organisations as at the date of adoption of the Articles must hold the offices in such corporations and/or organisations as listed in the table below (but the appointment of the specific person must nevertheless be notified by way of a Representative Appointment Notice as herein before provided before such person is

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entitled to vote at any meeting). The identity of the Representatives and Alternative Representatives of Members who become Members after the date of adoption of the Articles shall be decided at the point of admission to Membership.

<b>Name of Member</b>	<b>Representative</b>	<b>Alternate Representative</b>
1. University of Wolverhampton	Vice Chancellor	A member of the University Executive
2. Homes and Communities Agency	Midlands Executive Director or other senior post holder	Senior post holder
3. Black Country Chamber	President or Board Member	Board Member
4. The Borough Council of Dudley	Leader	Cabinet Member
5. The Borough Council of Sandwell	Leader	Cabinet Member
6. The Borough Council of Walsall	Leader	Cabinet Member
7. Wolverhampton City Council	Leader	Cabinet Member
8. Black Country Faith Cabinet	Chair or member of the Cabinet	Cabinet Member
9. Black Country Voluntary Sector Councils	Chair, Vice-Chair or Chief Executive of any of the Black country Voluntary Sector Councils	Vice-Chair, Chief Executive, Council Member or senior post holder of any of the Black country Voluntary Sector Councils

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<b>Name of Member</b>	<b>Representative</b>	<b>Alternate Representative</b>
10. Canal and River Trust West Midlands Local Partnership	Chair, Regional Director or other senior post holder within the Partnership Area	Partnership Board Member or senior post holder within the Partnership Area
11. Further Education	Principal of one of the Institutions referred to at paragraph 2.1.2.1	Principal or Vice-Principal of one of the Institutions referred to at paragraph 2.1.2.1
12. Black Country Health organisations	Chair or Chief Executive of Black Country Health organisation	Board Member. Chief Executive or senior post holder of Black Country Health organisation
13. The Black Country Branch of the Federation of Small Businesses	Branch Chairman, Vice-Chairman or Treasurer	Vice-Chairman, Branch Secretary or Treasurer
14. CBI West Midlands	Black Country Based Member	Black Country Based Member
15. Institute of Directors	Black Country Based Member	Black Country Based Member
16. Black Country Employment and Skills Board	Chair or Vice- Chair	Vice-Chair or Board Member
17. Black Country BeActive Partnership	Chair or Vice- Chair	Vice-Chair or Partnership Board Member

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<b>Narne of Member</b>	<b>Representative</b>	<b>Alternate Representative</b>
18. Black Country Environment Forum	Vice-Chair or Forum Member	Forum Member
19. Black Country Reinvestment Society	Chairman ,Vice- Chairman or Chief Executive	Vice-Chairman, Chief Executive, Board or Senior Management Team Member

- 9.4 No objection shall be made to the qualification of any voter except at a Partnership Meeting and/ or Guarantee Meeting (as appropriate) or adjourned Partnership Meeting and/or Guarantee Meeting (as appropriate) at which the vote objected to is tendered and every vote not disallowed at such meeting shall be valid. Any objection made in due time shall be referred to the Chairman whose decision shall be final and conclusive.
- 9.5 The matters which require approval and/or determination by the Guarantee Members and which are set out in Articles 4.1 and 19 shall require the unanimous approval of the Guarantee Members present at a Guarantee Meeting and being entitled to vote on the matter to be considered in order for the matter to be approved.
- 9.6 Members and Guarantee Members (as appropriate) shall be entitled to appoint proxies in accordance with the provisions of the Act. Proxies may only validly be appointed by a notice in writing (a "proxy notice") which
- 9.6.1 states the name and address of the Member or Guarantee Member appointing the proxy;
- 9.6.2 identifies the person appointed to be that Member's or Guarantee Member's proxy and the meeting in relation to which that person is appointed;
- 9.6.3 is signed by or on behalf of the Member or Guarantee Member appointing the proxy, or is authenticated in such manner as the directors may determine; and

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- 9.6.4 is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the Partnership meeting to which they relate.
- 9.7 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 9.8 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 9.9 Unless a proxy notice indicates otherwise, it must be treated as:
- 9.9.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- 9.9.2 appointing that person as a proxy in relation to any adjournment of the Partnership meeting to which it relates as well as the meeting itself.
- 9.10 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a Partnership meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
- 9.11 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 9.12 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 9.13 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

## 10. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall be not less than four.

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## 11. ALTERNATE DIRECTORS

- 11.1 Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.
- 11.2 An alternate director shall be entitled to receive notice 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 the director appointing him is not personally 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. It shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.
- 11.3 An alternate director shall cease to be an alternate director if his appointer ceases to be a director; but if a director retires but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which is in force immediately prior to his retirement shall continue after his reappointment.
- 11.4 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 directors.
- 11.5 Save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

## 12. POWERS OF DIRECTORS

- 12.1 Subject to the provisions of the Act, the Memorandum and Articles and to any directions given by resolution of the Members and/or the Guarantee Members, the day to day business of the Company shall be managed by the Executive Directors who may exercise all the powers of the Company. No alteration of the Memorandum or 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

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direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors. The Non-executive Directors shall be entitled to attend speak at and vote at all directors meetings but the votes of the Non-executive directors shall only be counted in relation to any resolution in the event of there being an equality of votes on such resolution by the Executive Directors.

12.2 The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

12.3 The directors may:

12.3.1 delegate any of their powers to any committee constituting of one or more directors, Members, Guarantee Members and/or Observers on such conditions as they shall appoint and such committees may, without limitation, include an Audit Committee, Appeals Committee and the Black Country Local Enterprise Partnership. Subject to any such conditions, the proceedings of a committee with two or more Members shall be governed by the Articles regulating the proceedings of directors so far as they are capable of applying; and

12.3.2 create an advisory council or councils or committee or committees to act along with them and/or advise them on any or all of the objects of the Company provided always that the creation, constitution, membership of any such advisory council or committee or the individual membership thereof shall be done in conjunction with the Guarantee Members.

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

13.1 Directors shall only be capable of appointment as directors by such of the Members as are referred to in Article 3.3. Any director nominated by a Guarantee Member pursuant to Article 3.3.1 shall be designated an Executive Director and all other directors (unless designated an Executive Director by a majority of the Guarantee Members in writing) shall be designated Non-executive Directors.

13.2 Directors shall not be required to retire by rotation.

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- 13.3 The following directors shall be the directors of the Company as at the date of adoption of these Articles:

<b>Name of Member appointing Director</b>	<b>Director</b>
The Borough Council of Dudley	Councillor David Sparks
The Borough Council of Sandwell	Councillor Darren Conrad Cooper
The Borough Council of Walsall	Councillor Michael Arthur Bird
Wolverhampton City Council	Councillor Roger Charles Lawrence
Chairman and Private Sector members of the Black Country Local Enterprise Partnership being Members of the Consortium pursuant to Article 3.5.12	Stewart Ronald Towe CBE  Paul Gerard Brown  Simon Paul Eastwood  Timothy Melville Hair  Christopher Handy  Ninder Johal  Peter Michael Mathews CMG  Vicki Angharad Wilkes

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## 14. DISQUALIFICATION AND REMOVAL OF DIRECTORS

The office of a director shall be vacated if:

- 14.1 he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
- 14.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- 14.3 he is, or may be, suffering from mental disorder and either:
  - 14.3.1 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
  - 14.3.2 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
- 14.4 he resigns his office by notice to the Company; or
- 14.5 if he is an Executive Director he shall for more than twelve consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated; or
- 14.6 if the Member who appointed him as a director shall have ceased (for whatever reason) to be a Member;
- 14.7 subject to complying with the Act if the Members resolve to remove him as a director; or
- 14.8 he ceases to be a senior post-holder within his appointing Member.

## 15. REMUNERATION OF DIRECTORS

The directors shall not be entitled to remuneration.

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## 16. DIRECTORS' EXPENSES

The directors may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or Partnership Meetings or Guarantee Meetings or separate meetings of the holders of debentures of the Company or otherwise in connection with the discharge of their duties as may be agreed by the Company from time to time.

## 17. DIRECTORS' CONFLICT OF INTERESTS

17.1 The directors may, in accordance with the requirements set out in this Article, authorise any matter proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Companies Act 2006 to avoid conflicts of interest ('Conflict').

17.2 Any authorisation under this article will be effective only if:

17.2.1 the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;

17.2.2 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question; and

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

17.3 Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):

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

17.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine;

17.3.3 be terminated or varied by the directors at any time.

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This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation.

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

17.4.1 disclose such information to the directors or to any director or other officer or employee of the Company;

17.4.2 use or apply any such information in performing his duties as a director;

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

17.5 Where the directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the director:

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

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

17.5.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict.

17.6 Where the directors authorise a Conflict:

17.6.1 the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict;

17.6.2 the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Companies Act 2006 provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation.

17.7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the

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Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in Partnership Meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

## **18. PROCEEDINGS OF DIRECTORS**

- 18.1 Subject to the provisions of the 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 of the Board to a director who is absent from the United Kingdom. Notices of directors meetings shall also be given to the Chairman and the Vice Chairman. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall not have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.
- 18.2 The Chairman shall preside as Chairman at any meeting of directors but if the Chairman shall not be present within 15 minutes after the time appointed for holding the meeting or is unwilling to preside the Vice Chairman shall preside as Chairman and reference in these Articles to Chairman shall be deemed to include the Vice Chairman but if neither the Chairman nor the Vice Chairman shall be present within 15 minutes after the time appointed for holding the meeting or is unwilling to preside the directors present and entitled to vote shall elect one of their number to conduct the proceedings of the meeting. For the avoidance of doubt, such elected person shall not be or be deemed to be Chairman.
- 18.3 The quorum for the transaction of the business of the directors shall be two executive directors. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
- 18.4 The continuing directors may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as a quorum, the continuing directors may act only for the purpose of calling a Partnership Meeting for the purpose of appointing further directors.

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18.5 Subject to the Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:

18.5.1 the meeting has been called and takes place in accordance with the Articles, and

18.5.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other. If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

18.6 All acts done by a meeting of directors or of a committee of directors, or by a person acting as a director shall notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director 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 ever such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

18.7 A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual 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 and may consist of several documents in the like form each signed by one or more directors, but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director it need not be signed by the alternate director in that capacity.

18.8 If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes. However if Article 18.9 applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.

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18.9 This Article 18.9 applies when:

18.9.1 the Company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;

18.9.2 the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or

18.9.3 the director's conflict of interest arises from a permitted cause and for the purposes of this Article, the following are permitted causes

18.9.3.1 a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;

18.9.3.2 arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.

18.9.4 For the purposes of this Article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

18.10 Subject to Article 18.11, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any director other than the Chairman is to be final and conclusive.

18.11 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the Chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

18.12 For the purposes of this Article, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this

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regulation becomes binding on the Company), 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.

- 18.13 Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to be counted in the quorum in respect of each resolution except that concerning his own appointment.

## **19. MATTERS TO BE RESERVED TO GUARANTEE MEMBERS**

- 19.1 To the extent that any of the following matters (or matters substantially similar to the following matters) are to be approved at a meeting of the Board, the meeting of the Board shall adjourn pending the prior unanimous resolution or approval of the matter by the Guarantee Members:

- 19.1.1 the entering into or giving of any guarantee, surety or indemnity by the Company;
- 19.1.2 the opening or closing of any bank account of the Company;
- 19.1.3 the granting of a loan to any person or body by the Company;
- 19.1.4 the borrowing of money by the Company;
- 19.1.5 the entering into by the Company of any contract with a value in excess of £35,000;
- 19.1.6 the employment by the Company of any person earning in excess of £50,000 per annum;
- 19.1.7 any capital expenditure to be made by the Company;
- 19.1.8 the entering into by the Company of any lease and/ or licence for the occupation of land or Premises;

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- 19.1.9 the creation by the Company of any charge, lien, encumbrance or other third party right over any of the assets of the Company; or
- 19.1.10 the entering into by the Company of any agreement which is not in the ordinary course of its business and/or which is not on an arms length basis
- 19.2 The Guarantee Members may from time to time by unanimous resolution resolve to amend the matters requiring their consent set out in this Article 19.

## 20. CHAIRMAN AND VICE CHAIRMAN

- 20.1 The Chairman at the date of the adoption of these Articles is Councillor Roger Charles Lawrence. He shall hold office until 21st June 2015 unless his appointment terminates prior thereto pursuant to the provisions of these Articles. A Vice-Chairman will be appointed no later than the Annual Stakeholders meeting in 2013.
- 20.2 Save in respect of Councillor Lawrence's term of office as Chairman as provided in Article 20.1 the Chairman and the Vice Chairman shall hold office for periods of two years ("**Period**") and the Chairman shall retire from office upon the expiry of the Period and shall be replaced by the then serving Vice Chairman. For the avoidance of doubt, if the Chairman vacates his office prior to the expiry of the Period, the Vice Chairman shall take office as Chairman at such earlier date, the provisions of Article 20.10 or 20.11 (as appropriate) shall come into effect in respect of the appointment of a Vice Chairman but the Chairman and Vice Chairman shall (unless the Guarantee Members unanimously resolve otherwise) continue in office for the full Period as if the Period commenced only when they would have taken up office had the previous Chairman not retired prior to the expiry of the relevant Period.
- 20.3 A Vice Chairman shall be elected in the second year of each Period to take office at the expiry of that Period. The Guarantee Members shall in the notice convening the Annual Stakeholders' Symposium in that year, nominate one person for the position of Vice Chairman ("**Preferred Nominee**") and two further people ("**Reserve Nominees**") and the appointment of the Vice Chairman shall be required to be approved by the Members and the Observers in accordance with this Article 20.

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- 20.4 At the Annual Stakeholders' Symposium, the Members and the Observers shall vote to elect the Vice-Chairman. They shall vote in the first instance as to whether or not to elect the Preferred Nominee as Vice Chairman.
- 20.5 In the event that Preferred Nomination is not approved the Members and the Observers shall then vote to elect the Vice-Chairman from any of the Preferred Nominee and the Reserve Nominees.
- 20.6 The election of the Vice Chairman at Articles 20.4 and 20.5 shall be deemed to have been approved if a majority of those present and voting at the Annual Stakeholders' Symposium and being either Members or Observers shall approve the nomination.
- 20.7 The position of Chairman and the Vice-Chairman shall be non-executive positions and for the avoidance of doubt they shall be capable of being directors of the Company during their term as Chairman and/or Vice Chairman.
- 20.8 The Guarantee Members shall procure that in making their nominations for the position of Vice Chairman the nominations are rotated between a member of a local authority and a person not directly related to a local authority.
- 20.9 If for whatever reason it is not possible for a Vice Chairman to succeed a Chairman at the expiry of a Period, a Chairman (and if necessary a Vice chairman) shall be nominated by the Guarantee Members in accordance with the procedure set out in Article 20.3.
- 20.10 In the event of any vacancy occurring in the office of Vice Chairman more than six months prior to the expiration of his Period then a meeting of the Members and the Observers shall be called to elect a new Vice Chairman from those nominated by the Guarantee Members. Such election shall as far as possible accord with the provisions of this Article 20 but shall otherwise be at the discretion of the Guarantee Members.
- 20.11 In the event of any vacancy occurring in the office of Vice Chairman with six months or less of his Period remaining the office may be filled for the remainder of the Period by the appointment of a person nominated by the Guarantee Members.

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**21. SECRETARY**

Subject to the provisions of the Act, the Secretary shall be appointed by the Guarantee Members for such term at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them.

**22. MINUTES**

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

- 22.1 of all appointments of officers made by the directors; and
- 22.2 of all proceedings at meetings of the Company and of the directors and of committees of directors including the names of the directors present at each such meeting.

**23. THESEAL**

The Seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director.

**24. 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 the Act or authorised by the directors or by ordinary resolution of the Company.

**25. NOTICES**

- 25.1 Any notice to be given to or by any person pursuant to the Articles (other than a notice calling a meeting of directors) shall be in writing or shall be given using Electronic Communications to an address for the time being notified for that purpose to the person giving the notice. In this regulation "address" in relation to Electronic Communications, includes any number or address used for the purposes of such communication.
- 25.2 The Company may give any notice to a Member, a Guarantee Member and/ or an Observer (as the case may be) either personally or by sending it by post in a

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prepaid envelope addressed to the Member, the Guarantee Member and/or the Observer (as the case may be) at his registered address or by leaving it at that address or by giving it using Electronic Communications to an address for the time being notified to the Company by the Member, the Guarantee Member and/or the Observer (as the case may be). A Member, a Guarantee Member and an Observer (as the case may be) whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him, or an address to which notices may be sent using Electronic Communications shall be entitled to have notices given to him at that address, but otherwise no such Member, Guarantee Member and/or Observer shall be entitled to receive any notice from the Company.

In this regulation and the next, "address" in relation to Electronic Communications includes any number or address used for the purposes of such communication.

- 25.3 A Member, a Guarantee Member and/or an Observer (as the case may be) present in person, at any meeting of the Company shall be deemed to have received notice of the meeting and, where appropriate, of the purposes for which it was called.
- 25.4 Proof that an envelope containing a notice was properly addressed prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an Electronic Communication 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 shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted or in the case of a notice contained in an Electronic Communication, at the expiration of 48 hours after the time it was sent.

## 26. INDEMNITY

Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

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