



**Executive
23 April 2012**

**Report from the Director of
Regeneration and Major Projects**

Wards Affected:
ALL

**Locata Housing Services Ltd – Amendments to Company
Memorandum and Articles of Association**

1.0 Summary

- 1.1 This report seeks Members' approval that Brent, as a member of Locata Housing Services Ltd, votes to agree proposed amendments to the company's Memorandum of Association and Articles of Association. The reasons for the proposed changes are set out in paragraph 3.2.1 of this report.
- 1.2 This report also seeks Members' approval to give the Director of Regeneration and Major Projects delegated authority to approve any further minor amendments to the Memorandum and Articles of Association of Locata Housing Services Ltd.

2.0 Recommendations

- 2.1 That Members agree that the Council, as a member of Locata Housing Services Ltd, approves the amendments to the existing Memorandum and Articles of Association of Locata Housing Services Ltd as set out in Appendix A to this report.
- 2.2 That Members agree to give the Director of Regeneration and Major Projects delegated authority to approve any further minor amendments to the Memorandum and Articles of Association of Locata Housing Services Ltd, where these changes would support the achievement of the objectives as set out in paragraph 3.2.1 of this report.

3.0 Detail

3.1 Background

- 3.1.1 Locata Housing Services Ltd (LHS) was created in 2002 as a partnership between five Local Authorities and three Housing Associations to provide IT solutions and support services in relation to the then new West London Choice Based Lettings (CBL) scheme.
- 3.1.2 The partnership was created in the form of a company limited by guarantee, with the members being the London Boroughs of Brent, Ealing, Harrow, Hillingdon and Hounslow, along with Ealing Family Housing Association (now Catalyst), Paddington Churches Housing Association (now Genesis) and the Paradigm Group.
- 3.1.3 In Brent, Members approved the setting up of LHS as a company limited by guarantee at the meeting of the Public Services Deciding Committee held on 31/07/01.
- 3.1.4 The company has significantly expanded since its original formation. It began by serving the founder members, who are all based in West London, but now provides housing needs related software and support to 285 organisations (70 local authorities and 215 housing associations) across the country.
- 3.1.5 All the founder members of LHS are represented on the company's Board, with Brent being represented by the Assistant Director of Housing.

3.2 Reasons for Proposed Changes

- 3.2.1 The Locata Board now proposes that the company's Memorandum of Association and Articles of Association be amended to allow the following objectives to be achieved:
- To enable the company to distribute to its members surpluses which are currently "locked up" in the business.
 - To enable the Board to appoint additional independent directors in order to ensure that collectively the board has the necessary expertise and experience to manage an organisation that has grown considerably since its formation in 2002.
 - To enable independent directors to be paid for their services. (Directors appointed by the founder members will continue to be unpaid.)
 - To simplify director voting rights as set out in section 6 of the current Articles of Association.
- 3.2.2 The option of changing the company from one limited by guarantee to a company limited by shares was considered by the Board, but would have required a separate company to be set up and all staff and assets to be transferred to the new company. The main benefit of a shareholder company,

compared to a company limited by guarantee, is the ability to raise money by selling shares. This is not something that the existing Board considered to be necessary to take the company forward at this stage. The present proposal is therefore a less radical alternative option which would achieve current goals, but does not preclude further changes in the future. If it is proposed and recommended in future by the Locata Board that a separate company needs to be set up that is limited by shares and for the staff and assets of LHS to be transferred to such a separate company, officers will revert to the Executive to seek Members' approval in this regard.

3.3 Details of Proposed Amendments to the existing LHS Company Memorandum and Articles of Association

3.3.1 Memorandum, Paragraph 5, Application of Income and Property

It is proposed that this section is deleted, so that there are no restrictions on the use or application of property and income.

Without these restrictions the company can decide how to apply its income and property, including the distribution of surpluses to members.

3.3.2 Memorandum, Paragraph 8, Winding Up

It is proposed that the current wording is deleted, and replaced by the following: "If upon winding up or dissolution of the Company there remains, after satisfaction of all debts and liabilities, any property whatsoever, the same shall be distributed among the Members of the Company."

This proposal follows the principle that any surpluses should be distributed to members.

3.3.3 Articles, Paragraphs 11.3 and 11.4, Appointment and Retirement of Directors

It is proposed that a new article needs to be inserted between paragraphs 11.3 and 11.4 as follows: "The directors shall be entitled to appoint directors of the Company subject to there being no more than 3 such persons appointed pursuant to this Article 11.4 at any one time."

In addition, the current wording of 11.3 is proposed to be amended by including after the words "Each director" and before "shall upon appointment" the words "other than those appointed pursuant to Article 11.4". The current paragraph 11.4 would be renumbered as 11.5.

The current Articles allow for independent directors to be appointed by independent members. However since there are no independent members, there is no provision for appointment of independent directors. There is a need to have the ability to bring in additional skills at the Board level, but not necessarily new members, and the amendments are proposed to allow for this.

3.3.4 Articles, Paragraph 12, Disqualification and Removal of Directors

It is proposed that a new article at 12(b) is included as follows: “A Director appointed by the Board under clause 11.4 shall and can be removed by a vote of a simple majority of the Board.”

This would allow for the removal of independent directors.

3.3.5 Articles, Paragraph 13, Remuneration of Directors

It is proposed that the existing article is re-numbered as 13.1 and that a new article is added at 13.2 as follows: “Any Director appointed under paragraph 11.4 shall be entitled to a remuneration which will be fixed by the Board from time to time.”

If the Board wishes to capture additional skills by appointing independent directors, then it will be necessary for those directors to be remunerated in some way, and this is the reason for the proposed amendment. It is now common practice for public sector owned companies to appoint and remunerate independent directors and it is proposed that LHS does so too. For the purposes of clarification, the existing article (numbered 13.1) ensures that directors appointed by the RSL and LA members will continue to be unpaid and only receive expenses.

3.5.6 Articles, Paragraph 15.1, Directors Appointments and Interests

It is proposed to delete the words “and Schedule 1 of the Housing Act 1996”, since this provision no longer applies in England.

3.5.7 Articles, Paragraphs 16.2 to 16.4, Proceedings of Directors

It is proposed to delete articles 16.3 and 16.4, and renumber subsequent paragraphs. It is also proposed to delete the words “in the first place” in article 16.2.

These proposals are made in order to remove the current complicated provisions for poll voting. Voting on the Board would then be by show of hands. The rules on quorum, requiring a percentage of local authority directors and RSL directors would continue.

3.4 **Arrangements for Further Minor Amendments to the LHS Company Memorandum and Articles of Association**

- 3.4.1 It is proposed that the Director of Regeneration and Major Projects be given delegated authority to approve any further minor amendments to the Memorandum and Articles of Association, where these amendments are designed to support or achieve the objectives as laid out in paragraph 3.2.1 of this report. Officers have been advised that the key proposed changes to the Articles and Memorandum of Association are those that are set out in section 3.3 of the report above.

3.4.2 If, in the future, major changes or other amendments which are not in line with these objectives are proposed, officers will revert to the Executive to seek approval of these.

4.0 Financial Implications

4.1 There are no immediate financial implications arising from the proposals contained in this report. However, if the amendments are agreed, and if the company's Board did resolve to distribute the accumulated surplus between the Members, the amount payable to Brent would be approximately £10,000.

4.2 As Brent Council has less than 20% control of Locata Housing Services Limited, Locata's accounts have not been consolidated into Brent Council's group accounts. However, the existence of Locata Housing Services is noted in the Council's accounts where the following entry was made in the Council's accounts for 2010/11:

"Brent, in partnership with other London boroughs and Housing Associations, is operating a joint lettings scheme for housing tenants. A company called Locata (Housing Services) Limited has been set up for this purpose. Locata's turnover was £2,379k in 2010/11 (£2,683k 2009/10). Locata's net assets were £462k in 2010/11 (£451k 2009/10).

Brent is liable to contribute to the debts and liabilities of Locata up to £10, if it was wound up.

Locata's accounts have not been consolidated into Brent's group accounts because the sums involved are not material to the Council's accounts and because Brent has limited influence on the company (less than 20% voting rights).

A copy of Locata's accounts can be obtained from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ or from www.companieshouse.gov.uk."

These accounts are independently audited. The Council is also able to audit the accounts if the need should arise.

5.0 Legal Implications

5.1 LHS is a controlled company (as defined by the Local Government Act 1989, subsequently described as "regulated" by the Local Authorities (Companies) Order, 1995). The implications of being a controlled or regulated company are primarily implications for the company itself. The proposals contained within this report would not change the status of LHS as a controlled company. The objects of LHS as set out in the Memorandum of Association will remain the same and the proposed changes are in accordance with these objects.

- 5.2 The Council's Public Services Deciding Committee decided on 13 February 2002 to implement a choice based lettings scheme for Brent Council in conjunction with a number of partners, including other local authorities in West London, though the Locata scheme which went live on 26 April 2002.
- 5.3 Part VI of the Housing Act 1996 requires all allocations of social housing by local housing authorities to be made from their housing register and in accordance with their published allocations scheme. There are a number of provisions in the Housing Act 1996 requiring certain categories of applicants to be given "reasonable" preference.
- 5.4 Locata Housing Services Limited is a company limited by guarantee. The liability of members is limited by a £10 guarantee where members have acted within their powers as set out in clause 7 of the Memorandum of Association.
- 5.5 Under clause 4.14 of the Memorandum of Association, Locata Housing Services has the power to engage and pay persons, whether as consultant or employee, to supervise, organise and carry on the work of and advise the company.
- 5.6 Under clause 4.15 of the Memorandum of Association, Locata Housing Services Limited has the power to insure and arrange insurance cover to indemnify its members and officers from and against all such risks in the proper performance of their duties and to pay any premium in relation to indemnity insurance in respect of its liabilities Board Members so far as is permitted under section 310 of the Companies Act 1985. Such insurance does not extend to any liability in respect of an act or omission by Board Members which they knew or ought reasonably to have known was a breach of duty or trust or which was committed by Board Members recklessly without due regard as to whether such act or omission might be a breach of duty or trust.
- 5.7 The details of the proposed changes to the Articles and Memorandum of Association are set out in paragraph 3.3 of this report. What was initially considered by Locata Housing Services was to change the company from one limited by guarantee to a company limited by shares and this would have required a separate company to be set up and all staff and assets to be transferred to the new company. This has numerous legal and financial implications. This option is not being proposed in this report. If such an option is proposed in future, this will need the approval of the Members of Locata Housing Services Limited and Brent Council would need the necessary approval from its Executive after careful consideration and analysis of the legal and financial implications.

6.0 Diversity Implications

- 6.1 There are no specific diversity implications arising from this report.

7.0 Staffing/Accommodation Implications (if appropriate)

None specific.

Background Papers

Public Services Deciding Committee

Choice Based Lettings Pilot Scheme 31/07/01

Contact Officers

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Appendix A – List of Proposed Changes to Memorandum and Articles of Association

Appendix B – Existing Memorandum of Association

Appendix C – Existing Articles of Association

APPENDIX A
AMENDMENTS RECOMMENDED TO EXISTING MEMORANDUM AND ARTICLES OF ASSOCIATION

The key clauses in the Memorandum and Articles of Association of Locata Housing Services Limited which need amendment are set out below:

Memorandum of Association

Para 5

Delete the current wording in its entirety

The whole of section 5 is being deleted so that there are no restrictions on use or application of property and income. Without such restriction the company can decide how to apply its income and property. If you want to have any specific provisions in this respect then they can be included in the member's agreement.

Para 8

Delete the current wording and replace with the following:

"If upon the winding up or dissolution of the Company there remains, after the satisfaction of all debts and liabilities, any property whatsoever, the same shall be distributed among the Members of the Company".

This amendment is not strictly speaking necessary but might be helpful if for example there are any assets left on winding up. As it follows the principle of any surpluses being distributed to the members we suggest to make this change too.

Articles of Association

Para 11.3

Amend the current wording by including the words "other than appointed pursuant to Article 11.4" after the words "Each director" and before the words "shall upon appointment".

This amendment is required if there will be additional directors to be appointed by the board. As the voting rights of the Directors are now to be equal, there is no need for any designation for such directors.

Para 11.4

Renumber the existing article 11.4 as 11.5.

It will read better if this particular article is the last one in section 11.

Para 11.4

Include the new article numbered as 11.4 as follows:

"The directors shall be entitled to appoint directors of the Company subject to there being no more than 3 such persons appointed pursuant to this Article 11.4 at any one time."

There is to allow additional skills to be brought on at the Board level, but not necessarily new members

Para 12

Include a new article as 12b as follows

"A Director appointed by the Board under clause 11.4 shall and can be removed by a vote of a simple majority of the Board

This is the opposite side of the appointment of Independent Directors.

Para 13

Re-number the existing clause as "13.1"

Add a clause at 13.2

Any Director appointed under para 11.4 shall be entitled to a remuneration which will be fixed by the Board from time to time.

It should be recognised that, if the Board wishes to capture those additional skills by appointing independent directors, then it will be necessary for those directors to be remunerated in some way.

For the purposes of clarification, the existing para (numbered 13.1) ensures that directors appointed by the members will continue to be unpaid and only receive expenses.

Para 15.1

Delete the words "and Schedule 1 of the Housing Act 1996"

This provision ceased to apply to England so it is appropriate to delete it.

Para 16.2

Delete the words "in the first place".

If poll voting is to be deleted then all decisions by the board are to be by show of hands and decided by a majority vote. The above wording therefore needs to be deleted.

Para 16.3

Delete the current wording in its entirety.

Para 16.4

Delete the current wording in its entirety.

This article relates to a poll voting and thus also needs to be deleted.

Appendix B

Company No:

The Companies Act 1985

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION

-of-

LOCATA (HOUSING SERVICES) LIMITED

1. **NAME**

The name of the Company is Locata (Housing Services) Limited (the “Company”).

2. **REGISTERED OFFICE**

The Company’s registered office is to be located in England.

3. **OBJECTS**

The objects of the Company shall be:-

- 3.1 carry on the businesses of letting agents, hirers and letters on hire, managers, maintainers, lessors and lessees of any property of any description whatsoever, whether real or personal, corporeal or incorporeal, and whether consisting of choses in rem or choses in action whether under hire purchase agreements or otherwise;

- 3.2 providing services of any nature to registered social landlords, local authorities and other third parties in connection with the provision of housing, property and accommodation including inter alia the maintenance, updating, management and organisation of databases and other electronic or computer systems whether for the processing and arrangement of details relating to properties or tenants or otherwise and the development or procurement of computer software and hardware in connection therewith;
- 3.3 providing, improving or managing housing to be kept available for letting or hostels;
- 3.4 providing land, amenities or services, repairing or improving buildings, for the benefit of those persons occupying houses or hostels provided or managed by the Company; either exclusively or together with other persons;
- 3.5 acquiring, or repairing and improving houses to be disposed of on sale, on lease or on shared ownership terms;
- 3.6 managing houses which are held on leases or other lettings (not being houses to be kept available for letting, but including dwellings on which a licence to occupy has been granted) or blocks of flats;
- 3.7 providing services of any description for owners or occupiers of houses in arranging or carrying out works of maintenance, repair or improvement, or encouraging or facilitating the carrying out of such works;
- 3.8 enabling or assisting any residents of Members of the Company or any other parties to acquire, or to acquire and enter into occupation of, houses;
- 3.9 to prepare, create, publish and distribute books, journals, pamphlets, magazines, films, tapes and other publications relating to the work of the Company and whether alone or together with any other person or persons.

4. **POWERS**

The Company shall have the following powers exercisable in furtherance of its said objects but not otherwise, namely:

- 4.1 to advertise, promote and distribute information regarding the letting of accommodation in whatever way the Company sees fit including by way of the development or the setting up of internet sites, technology, information and software packages, systems and products;
- 4.2 to collect and provide or procure the collection and provision of information counselling advice and guidance in furtherance of the said objects or any of them;

- 4.3 to promote encourage or undertake any form of research relevant to the objects of the Company and to publish and disseminate the results of such research;
- 4.4 to hold or arrange exhibitions meetings lectures classes seminars and training courses either alone or with other organisations and whether public or private;
- 4.5 to purchase, take on lease, or in exchange, hire or otherwise acquire real or personal property and rights or privileges, and to construct, maintain and alter buildings or erections;
- 4.6 to sell, let, license, mortgage, charge or dispose of or turn to account all or any of the property or assets of the Company;
- 4.7 to purchase or otherwise acquire plant and machinery including computer hardware and software, furniture, fixtures, fittings and all other effects of every description and to apply for registration of any patents, rights, copyrights, licences and the like;
- 4.8 subject to such consents as may be required by law to borrow and raise money in such manner as the Company shall think fit and to secure the repayment of any money borrowed raised or owing by mortgage charge lien or other security upon the whole or any part of the Company's property or assets (whether present or future) and also by a similar mortgage charge lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it;
- 4.9 to receive any money on deposit or loan upon such terms as the Company may approve and to guarantee the obligations and contracts of any person or corporation;
- 4.10 to take and accept any gift of money, property or other assets whether subject to any special trust or not;
- 4.11 to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments and to operate bank accounts;
- 4.12 to make any donations in cash or assets or establish or support or aid in the establishment or support of and to lend money (with or without security) to or for any charitable associations or institutions;
- 4.13 to undertake and execute or manage any trusts which may lawfully be undertaken, executed or managed by the Company;
- 4.14 to engage and pay any person or persons whether on a full-time or part-time basis or whether as consultant or employee to supervise, organise, carry on the work of and advise the Company and, subject to the provisions of clause 5 hereof, to make any reasonable and necessary provision for the payment of pensions and superannuation

to or on behalf of employees or former employees and their wives, husbands and other dependants;

- 4.15 to insure and arrange insurance cover for and (so far as permitted by Companies Act 1985 section 310) to indemnify its members, officers, servants and voluntary workers 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 Company **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;
- 4.16 to purchase or otherwise acquire or to encourage or promote any in any way support or aid the establishment and development of any subsidiary company established for the purposes of carrying on any trade or business which is a proper trade and business either for the purpose of raising funds for the Company or for the furtherance of the objects of the Company, and to subscribe to, purchase, or acquire in any other way, any chose in action (including but without prejudice to the generality of the foregoing any stock, share, security, unit, debenture or debenture stock in each case whether preferred, deferred or secured or unsecured) and to guarantee, indemnify and secure by mortgaging or charging all or any part of its assets the obligations and liabilities and to make available financial assistance or accommodation in any other way to any such subsidiary company;
- 4.17 to subscribe to become a member of or amalgamate or co-operate with any other organisation institution society or body not formed or established for purposes of profit (whether incorporated or not and whether in Great Britain or Northern Ireland or elsewhere) whose objects are wholly or in part similar to those of the Company and which by its constitution prohibits the distribution of its income and property amongst its members to an extent at least as great as is imposed on the Company under or by virtue of Clause 5 hereof and to purchase or otherwise acquire and undertake all such parts of the property assets liabilities and engagements as may lawfully be acquired or undertaken by the Company of any such organisation institution society or body;
- 4.18 to establish where necessary local committees (whether autonomous or not);
- 4.19 to pay out of funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company;

- 4.20 to enter into any arrangements with any governments or authorities, supreme, municipal, local or otherwise, or any person or company that may seem conducive to the objects of the Company, or any of them, and to obtain from any such government, authority, person or company any rights, privileges, charters, contracts, licences and concessions which the Company may think it desirable to obtain and to carry out, exercise and comply therewith;
- 4.21 to act as agents or brokers and as trustees for any person or company and to undertake and perform sub-contracts and to do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or jointly with others, and either by or through agents, sub-contractors, trustees or otherwise.
- 4.22 to do all such other lawful things as shall further the attainment of the objects of the Company or any of them;

PROVIDED THAT:

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

5. APPLICATION OF INCOME AND PROPERTY

The income and property of the Company shall be applied solely towards the promotion of its objects as set forth in this Memorandum of Association and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit, to members of the Company and no director of the Company shall be appointed to any office of the Company paid by salary or fees, or receive any remuneration or other benefit in money or money's worth from the Company.

PROVIDED THAT nothing herein shall prevent any payment in good faith by the Company:

- 5.1 of reasonable and proper remuneration to any Member, officer or servant of the Company (not being a director) for any services rendered to the Company and of travelling expenses necessarily incurred in carrying out the duties of any member, officer or servant of the Company;
- 5.2 of interest on money lent by a Member or director of the Company at a rate per annum not exceeding two percentage points less than the base lending rate for the time being of the Company's clearing bankers or 3% whichever is the greater;
- 5.3 to any director of reasonable out-of-pocket expenses;

5.4 of fees, remuneration or other benefit in money or money's worth to a company of which a Member of the Company or a director may be a member holding not more than one hundredth part of the capital of such company;

5.5 of reasonable and proper rent for premises demised or let by any Member of the Company or any director for use by the Company.

6. **LIMITED LIABILITY**

The liability of the Members is limited.

7. **MEMBER'S GUARANTEE**

Every Member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while he is a Member, or within one year after he ceases to be a Member, for payment of the debts and liabilities of the Company contracted before he ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding £10.

8. **WINDING UP**

If upon the winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members of the Company for their own benefit, but shall firstly be applied towards the repayment of any monies paid to the Company by way of grant from the Department for Transport, Local Government and the Regions (or any similar or succeeding public or governmental authority) and any sums or property remaining thereafter shall be applied towards the costs of the Members in re-establishing the services provided and undertaken by the Company, whether by way of such services being performed by the Members personally, by another entity which succeeds to some or all of the functions of the Company, or otherwise.

We, the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Company:-

<p align="center">NAMES, AND ADDRESSES OF SUBSCRIBERS</p>	<p align="center">Authorised Signatory</p>
<p>The Mayor and Burgesses of the London Borough of Brent Town Hall Forty Lane Wembley Middlesex HA9 9HD</p>	<p>.....</p> <p>WITNESS to the above Signature:-</p> <p>SIGNATURE:</p> <p>NAME:</p> <p>ADDRESS:</p>
<p>The Council of the London Borough of Ealing Town Hall New Broadway Ealing London W5 2BY</p>	<p>.....</p> <p>WITNESS to the above Signature:-</p> <p>SIGNATURE:</p> <p>NAME:</p> <p>ADDRESS:</p>
<p>The Mayor and Burgesses of the London Borough of Harrow Civic Centre Harrow Middlesex HA1 2XG</p>	<p>.....</p> <p>WITNESS to the above Signature:-</p> <p>SIGNATURE:</p> <p>NAME:</p> <p>ADDRESS:</p>

<p>The Mayor and Burgesses of the London Borough of Hillingdon Civic Centre Uxbridge Middlesex UB8 1UW</p>	<p>.....</p> <p>WITNESS to the above Signature:-</p> <p>SIGNATURE:</p> <p>NAME:</p> <p>ADDRESS:</p>
<p>The Mayor and Burgesses of the London Borough of Hounslow The Civic Centre Lampton Road Hounslow TW3 4DN</p>	<p>.....</p> <p>WITNESS to the above Signature:-</p> <p>SIGNATURE:</p> <p>NAME:</p> <p>ADDRESS:</p>
<p>Paradigm Housing Group Limited Hundreds House 24 London Road West Amersham Bucks HP7 0EZ</p>	<p>.....</p> <p>WITNESS to the above Signature:-</p> <p>SIGNATURE:</p> <p>NAME:</p> <p>ADDRESS:</p>

The Companies Act 1985
Company Limited By Guarantee And Not Having A Share Capital

ARTICLES OF ASSOCIATION
of
LOCATA (HOUSING SERVICES) LIMITED

9. INTERPRETATION

9.1 In these Articles:

‘THE ACT’ means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force

‘THE ARTICLES’ means the Articles of the Company

‘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

‘COMMUNICATION’ means the same as in the Electronic Communications Act 2000

‘ELECTRONIC COMMUNICATION’ means the same as in the Electronic Communications Act 2000

‘EXECUTED’ includes any mode of execution

‘INDEPENDENT DIRECTORS’ means the directors appointed by the Independent Members pursuant to the Articles

‘INDEPENDENT MEMBER’ means a Member which is not an RSL Member or a Local Authority Member

‘LOCAL AUTHORITY DIRECTORS’ means the directors appointed by the Local Authority Members pursuant to the Articles

‘LOCAL AUTHORITY MEMBER’ means a Member which is a Local Authority as defined in Section 67(3) of the Local Government and Housing Act 1989

‘OFFICE’ means the registered office of the Company

‘RSL DIRECTORS’ means the directors appointed by the RSL Members pursuant to the Articles

‘RSL MEMBER’ means a Member which is registered as a social landlord pursuant to Section 1 of the Housing Act 1996

‘THE 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 joint, assistant or deputy secretary

‘THE UNITED KINGDOM’ means Great Britain and Northern Ireland

Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company.

10. MEMBERS

10.1 The subscribers to the Memorandum of Association of the Company and such other persons as are admitted to membership in accordance with the Articles shall be Members of the Company. No person shall be admitted a Member of the Company unless he or she is approved by the directors. Every person who wishes to become a Member shall deliver to the Company an application for membership in such form as the directors require executed by him or her.

10.2 A Member may at any time withdraw from the Company by giving at least 12 months’ notice to the Company in writing duly signed to the Secretary and thereupon such Member shall be deemed to have ceased to be a Member from the date of expiration of such notice. Membership shall not be transferable and shall automatically cease if the Member, being a corporation, passes a resolution for winding-up (otherwise than for the purpose of a solvent amalgamation or reconstruction where the resulting entity assumes all of the obligations of the Member) or a court makes an order to that effect, or being a partnership is dissolved, or being an individual commits any act of bankruptcy, becomes incapable by reason of mental disorder or dies, or if the Member (whether a corporation or

not) ceases to carry on its business or substantially the whole of its business, or becomes or is declared insolvent or commits any act of bankruptcy or convenes a meeting of or makes or proposes to make any arrangement or composition with its creditors or if a liquidator, receiver, administrator, trustee, manager or similar officer is appointed in relation to any of the assets of the Member or any analogous step is taken in connection with the Member's insolvency, bankruptcy or dissolution.

10.3 Every Member shall on admittance be designated by the directors as an Independent Member, Local Authority Member or RSL Member as defined by Article 1 and such status shall be entered in the Register of Members. If at any time a Local Authority Member or an RSL Member ceases to satisfy the relevant definition set out in Article 1 then it shall be reclassified as an Independent Member.

10.4 A corporation being a Member shall nominate a person to act as its representative in the manner provided in Section 375 of the Act. Such representative shall have the right on behalf of the corporation (and to the extent only to which the corporation would if a person be entitled to do so) to attend meetings of the Company and vote thereat and generally exercise all rights of membership on behalf of the corporation. A corporation may from time to time revoke the nomination of such representative and nominate another representative in his or her place. All such nominations and revocations shall be in writing.

11. **GENERAL MEETINGS**

11.1 The Company shall in each calendar year hold a general meeting as its annual general meeting in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it, and not more than 15 months shall elapse between the date of one annual general meeting of the Company and that of the next, provided that so long as the Company holds its first annual general meeting within 18 months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The annual general meeting in each year shall be held at such time and place as the directors shall appoint. All general meetings other than annual general meetings shall be called extraordinary general meetings.

11.2 The directors may call general meetings and, on the requisition of Members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than 8 weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any Member of the Company may call a general meeting.

12. **NOTICE OF GENERAL MEETINGS**

12.1 An annual general meeting and an extraordinary general 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. All other extraordinary general meetings shall be called by at least 14 Clear Days' notice but a general meeting may be called by shorter notice if it is so agreed:

- (a) in the case of an annual general meeting, by all the Members entitled to attend and vote thereat; and
- (b) in the case of any other meeting by a majority in number of the Members having a right to attend and vote being a majority together holding not less than 95 per cent of the total voting rights at the meeting of all the Members.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

The notice shall be given to all the Members and to the directors and auditors.

12.2 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

13. **PROCEEDINGS AT GENERAL MEETINGS**

13.1 No business shall be transacted at any meeting unless a quorum is present. A Member may be present in person or through a proxy for the purposes of determining the quorum. A quorum shall comprise not less than 60% in number of the Local Authority Members together with not less than 25% of the RSL Members.

13.2 A director shall, notwithstanding that he or she is not a Member, be entitled to attend and speak at any general meeting.

13.3 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other time as the directors may determine (the "Adjourned Meeting").

13.4 The chairman, if any, of the board of directors or in his or her absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within 15 minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he or she shall be chairman.

- 13.5 If no director is willing to act as chairman, or if no director is present within 15 minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
- 13.6 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least 7 Clear Days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
- 13.7 A resolution put to the vote of a 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:
- (a) by the chairman; or
 - (b) by at least two Members having the right to vote at the meeting;
- and a demand by a person as proxy for a Member shall be the same as a demand by the Member.
- 13.8 Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting 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.
- 13.9 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 13.10 A poll shall be taken as the chairman directs and he or she may appoint scrutineers (who need not be Members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 13.11 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 other time and place as the chairman directs not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the

declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

13.12 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least 7 Clear Days' notice shall be given specifying the time and place at which the poll is to be taken.

13.13 A resolution in writing executed by or on behalf of each Member who would have been entitled to vote upon it if it had been proposed at a general meeting at which such Member was present shall be as effectual as if it had been passed at a general meeting 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.

14. **VOTES OF MEMBERS**

14.1 On a show of hands Members present in person shall have one vote. Where a poll is demanded each class of Members shall together be entitled to cast the following number of votes (the "Voting Portion"):

- (a) Independent Members = 10
- (b) Local Authority Members = 65
- (c) RSL Members = 25

14.2 On a poll each Member shall be entitled to cast a vote which shall be calculated as follows:-

$$\frac{A}{B}$$

where

A = the Voting Portion of the class to which that Member belongs

B = the number of Members of same class voting on such poll

In calculating the above, fractions shall be taken into account in order to establish the overall percentage of those voting for and against any resolution.

14.3 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

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

I/We _____ of _____

being a [Local Authority/RSL/Independent] Member of the above-named Company, hereby appoint

of _____ or failing him or her

_____ of _____

as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the Company to be held on [_____] 20[] and at any adjournment thereof.

Signed on _____ 20[].

14.5 Where it is desired to afford Members an opportunity of instructing the proxy how he or she shall act the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

I/We _____ of _____

being a [Local Authority/RSL/Independent] Member of the above-named Company, hereby appoint

of _____ or failing him or her

_____ of _____

as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the Company, to be held on _____ 20[], and at an adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No 1 +for +against

Resolution No 2 +for +against

+ strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he or she thinks fit or abstain from voting.

Signed this day of 20[].

14.6 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:

- (a) in the case of an instrument in writing be deposited at the office or such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- (b) in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications
 - (i) in the notice convening the meeting, or
 - (ii) in any instrument of proxy sent out by the company in relation to the meeting, or
 - (iii) in any invitation contained in an electronic communication to appoint a proxy issued by the company in relation to the meeting, be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote
- (c) in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- (d) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the Secretary or to any director;

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

In this regulation and the next, “address”, in relation to electronic communications, includes any number or address used for the purposes of such communications.

14.7 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the

authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the Office or at such other place at which the instrument of proxy was duly deposited or, where the appointment of the proxy was contained in an electronic communication, at the address at which such appointment was duly received, before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

15. **NUMBER OF DIRECTORS**

15.1 Unless otherwise determined by ordinary resolution, there shall be no maximum number of directors and the minimum number of directors shall be two. The first directors shall be those persons delivered in the statement delivered pursuant to Section 10(2) of the Act who shall be deemed to have been appointed under the Articles. Future directors shall be appointed in accordance with the Articles.

16. **ALTERNATE DIRECTORS**

16.1 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 or her.

16.2 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 or her appointor is a member, to attend and vote at any such meeting at which the director appointing him or her is not personally present and generally to perform all the functions of his or her appointor as a director in his or her absence but shall not be entitled to receive any remuneration from the Company for his or her services as an alternate director. But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.

16.3 An alternate director shall cease to be an alternate director if his or her appointor ceases to be a director; but, if a director retires by rotation or otherwise but is re-appointed or deemed to have been re-appointed at the meeting at which he or she retires, any appointment of an alternate director made by him or her which was in force immediately prior to his or her retirement shall continue after his or her re-appointment.

16.4 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.

16.5 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 or her own acts

and defaults and he or she shall not be deemed to be the agent of the director appointing him or her.

17. POWERS OF DIRECTORS

17.1 Subject to the provisions of the Act, the Memorandum and the Articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the 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 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.

17.2 The board of directors may following the passing of an appropriate resolution at a duly convened meeting of the board of directors, by power of attorney or otherwise, appoint any person to be the agent of the Company for the purpose of empowering such agent to negotiate, approve and/or enter into contracts or other transactions on behalf of the Company and on such conditions as they determine, including authority for the agent to delegate all or any of his or her powers.

18. DELEGATION OF DIRECTORS' POWERS

18.1 The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him or her. Any such delegation may be made subject to any conditions the directors 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 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.

19. APPOINTMENT AND RETIREMENT OF DIRECTORS

19.1 Each Member shall be entitled to appoint one director at any time and to remove from office and replace any director which it has previously appointed.

19.2 Any appointment or removal of a director pursuant to Article 11.1 shall be in writing signed by or on behalf of the relevant Member and served on the Company at its registered office. Any such removal or appointment shall take effect as at the time of such lodgement at the registered office of the Company or such later time as may be specified in the notice. The Company shall arrange for a copy of any such notice to be sent to all other Members

19.3 Each director shall upon appointment be designated as an Independent Director, a Local Authority Director or an RSL Director in accordance with Article 1.

19.4 No directors shall be appointed or removed otherwise than pursuant to the Articles save as may be provided by law. No director shall be obliged to retire or resign upon the attaining of any specified age or by way of retirement by rotation.

20. **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

20.1 The office of a director shall be vacated if:

- (a) he or she ceases to be a director by virtue of any provision of the Act or he or she becomes prohibited by law from being a director; or
- (b) he or she becomes bankrupt or makes any arrangement or composition with his or her creditors generally; or
- (c) he or she is, or may be, suffering from mental disorder and either:
 - (i) he or she 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 1984; or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his or her detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his or her property or affairs; or
- (d) he or she resigns his or her office by notice to the Company; or
- (e) he or she shall for more than 6 consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his or her office be vacated; or
- (f) he or she shall be removed by the Member which appointed him or her pursuant to Article 11.

21. **REMUNERATION OF DIRECTORS**

21.1 The provisions of the Memorandum of Association as to the remuneration of directors shall apply.

22. **DIRECTORS' EXPENSES**

22.1 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 committee of directors or general meetings or separate meetings of the holders of debentures of the Company or otherwise in connection with the discharge of their duties.

23. **DIRECTORS' APPOINTMENTS AND INTERESTS**

23.1 Subject to the provisions of the Act and of the Memorandum of Association and Schedule 1 of the Housing Act 1996, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his or her employment by the Company or for the provision by him or her of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and, subject as aforesaid, they may remunerate any such director for his or her services as they think fit. Any appointment of a director to an executive office shall terminate if he or she ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the Company.

23.2 Subject to the provisions of the Act and the Memorandum of Association and provided that he or she has disclosed to the directors the nature and extent of any material interest of his or her, a director notwithstanding his or her office:

- (a) may be a party to, or otherwise be interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
- (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
- (c) shall not, by reason of his or her office, be accountable to the Company for any benefit which he or she derives from any such office or employment from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

23.3 For the purposes of Article 15.2

- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director

has an interest in any such transaction of the nature and extent so specified; and

- (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him or her to have knowledge shall not be treated as an interest of his or her.

23.4 An Independent Director shall not be entitled (irrespective of the disclosure of the nature and extent of his or her interest) to vote at a meeting of the directors or a committee of the directors on any resolution concerning a matter in which he or she has, directly or indirectly, an interest or duty which is material. A Local Authority Director or an RSL Director shall be entitled to vote at a meeting of the directors or a committee of the directors on any resolution notwithstanding that he or she has, directly or indirectly, an interest or duty which is material provided that the nature and extent of such interest has been disclosed to the directors.

24. **PROCEEDINGS OF DIRECTORS**

24.1 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 to a director who is absent from the United Kingdom. A director who is also an alternate director shall be entitled in the absence of his or her appointor to a separate vote on behalf of his or her appointor in addition to his or her own vote.

24.2 Questions arising at a meeting shall be decided in the first place by a majority of votes on a show of hands and each director present and entitled to vote shall have one vote.

24.3 A poll may be demanded on or before the declaration of the result of a vote on a show of hands by any Local Authority Director present and entitled to vote at the meeting. The poll shall be conducted, including with respect to timing, at the direction of the chairman. Where a poll is demanded each class of directors shall together be entitled to cast the following number of votes (the "Voting Portion"):

- (a) Independent Directors = 10
- (b) Local Authority Directors = 70
- (c) RSL Directors = 20

24.4 On a poll each Director shall be entitled to cast a vote which shall be calculated as follows:-

$$\frac{A}{B}$$

where

A = the Voting Portion of the class of directors to which that Director belongs

B = the number of Directors of same class voting on such poll

In calculating the above, fractions shall be taken into account in order to establish the overall percentage of those voting for and against any resolution.

- 24.5 The quorum for the transaction of the business of the directors shall be not less than 50% of the Local Authority Directors (if any) and 25% of the RSL Directors (if any).
- 24.6 The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him or her from that office. Unless he or she is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he or she is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within 5 minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting. The chairman shall not be entitled to a casting vote on a vote on any proposed resolution.
- 24.7 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 every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
- 24.8 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 as (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 or her 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.
- 24.9 A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he or she is not entitled to vote.
- 24.10 The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a director from voting at a meeting of directors or of a committee of directors.

24.11 If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his or her ruling in relation to any director other than himself or herself shall be final and conclusive.

25. **SECRETARY**

25.1 Subject to the provisions of the Act, the Secretary shall be appointed by the directors 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.

26. **MINUTES**

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

- (a) of all appointments of officers made by the directors; and
- (b) 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.

27. **THE SEAL**

27.1 If the Company has a Seal, it 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 two directors.

28. **NOTICES**

28.1 Any notice to be given to or by any person pursuant to the Articles 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 except that a notice calling a meeting of the directors need not be in writing.

In this regulation “address”, in relation to electronic communications, includes any number or address used for the purposes of such communications.

28.2 The Company may give any notice to a Member either personally, by fax or by sending it by first class post in a prepaid envelope addressed to the Member at its 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. A Member 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 it or an address to which notices may be sent using electronic communications shall be entitled to have notices given to it at that address, but

otherwise no such Member 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 purpose of such communications.

28.3 A Member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

28.4 Any notice if given personally shall be deemed served when delivered; if sent in an electronic communication shall be deemed served at the expiration of 48 hours after the time it was sent; if sent by fax shall be deemed served when despatched, and if served by first class post shall be deemed served two days after posting. In proving the service of any notice it will be sufficient to prove, in the case of a letter, that such letter was delivered to the address given for notice or properly stamped, addressed and placed in the post; or, in the case of a fax, that such fax was duly despatched to a current fax number of the addressee; or, in the case of a notice contained in an electronic communication, that such notice was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators.

29. **WINDING UP**

29.1 On the winding-up and dissolution of the Company the provisions of the Memorandum of Association shall have effect as if repeated in these Articles.

30. **BY-LAWS**

30.1 The directors may from time to time make such Rules and By-laws as they deem necessary or expedient or convenient for the proper conduct and management of the Company and for the purposes of prescribing the conditions of membership.

30.2 The Company in general meeting shall have power to alter or repeal the Rules and By-laws and to make additions thereto and the directors shall adopt such means as they deem sufficient to bring to the notice of Members of the Company all such Rules and By-laws, which so long as they shall be in force, shall be binding on all directors and Members of the Company provided nevertheless, that no Rule or By-law shall be inconsistent with, or shall effect or repeal anything contained in the Memorandum or Articles of the Company.

31. **INDEMNITY**

31.1 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 or her in defending any proceedings, whether civil or criminal, in

which judgement is given in his or her favour or in which he or she is acquitted or in connection with any application in which relief is granted to him or her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

We, the subscribers to these Articles of Association, wish to be formed into a Company pursuant to these Articles.

<p align="center">NAMES, AND ADDRESSES OF SUBSCRIBERS</p>	<p align="center">Authorised Signatory</p>
<p>The Mayor and Burgesses of the London Borough of Brent Town Hall Forty Lane Wembley Middlesex HA9 9HD</p>	<p>.....</p> <p>WITNESS to the above Signature:-</p> <p>SIGNATURE:</p> <p>NAME:</p> <p>ADDRESS:</p>
<p>The Council of the London Borough of Ealing Town Hall New Broadway Ealing London W5 2BY</p>	<p>.....</p> <p>WITNESS to the above Signature:-</p> <p>SIGNATURE:</p> <p>NAME:</p> <p>ADDRESS:</p>
<p>The Mayor and Burgesses of the London Borough of Harrow Civic Centre Harrow Middlesex HA1 2XG</p>	<p>.....</p> <p>WITNESS to the above Signature:-</p> <p>SIGNATURE:</p> <p>NAME:</p> <p>ADDRESS:</p>

<p>The Mayor and Burgesses of the London Borough of Hillingdon Civic Centre Uxbridge Middlesex UB8 1UW</p>	<p>.....</p> <p>WITNESS to the above Signature:-</p> <p>SIGNATURE:</p> <p>NAME:</p> <p>ADDRESS:</p>
<p>The Mayor and Burgesses of the London Borough of Hounslow The Civic Centre Lampton Road Hounslow TW3 4DN</p>	<p>.....</p> <p>WITNESS to the above Signature:-</p> <p>SIGNATURE:</p> <p>NAME:</p> <p>ADDRESS:</p>
<p>Paradigm Housing Group Limited Hundreds House 24 London Road West Amersham Bucks HP7 0EZ</p>	<p>.....</p> <p>WITNESS to the above Signature:-</p> <p>SIGNATURE:</p> <p>NAME:</p> <p>ADDRESS:</p>

