

*Brian Bourne*  
*Chairman*

THE COMPANIES ACT 1985

21.1.98.

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COMPANY LIMITED BY GUARANTEE

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ARTICLES OF ASSOCIATION  
OF  
LOCAL GOVERNMENT ASSOCIATION (PROPERTIES) LIMITED

(Incorporated on 22<sup>nd</sup> December 1997)<sup>1</sup>

PRELIMINARY

1. The Regulations in Table C in the Companies (Tables A to F) Regulations 1985 shall not apply to the Company and the following Articles shall be the Articles of Association of the Company.

INTERPRETATION

2. In these Articles:

**“the Act”**

means the Companies Act 1985

**“the Acts”**

means the Act and every other Act for the time being in force concerning companies and affecting the Company.

**“the Appointors”**

means the members for the time being of the Policy Committee presently known as the Policy and Strategy Committee of the Local Government Association.

**“the Company”**

means the above named Company.

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<sup>1</sup> As amended by special resolution dated January 1998

**“the Seal”**

means the Common Seal of the Company

**“the Secretary”**

means any person appointed to perform the duties of the secretary of the Company.

**“the Directors”**

means the Board of Directors of the Company.

**“Director”**

means a member of the Board of Directors of the Company or a director as referred to in the Act.

**“the Office”**

means the registered office at the Company.

**“the Auditors”**

means the Auditors for the time being of the Company.

**“these presents”**

means these Articles of Association and the regulations of the Company from time to time in force.

Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in a visible form.

Words importing the singular number only shall include the plural and vice versa.

Words importing the masculine gender shall include the feminine gender.

References to any statute shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force.

Subject as aforesaid, any words or expressions defined in the Acts shall, if not inconsistent with the subject or context, bear the same meanings in these presents.

3. The Company was established for the purposes expressed in the Memorandum of Association.

## **MEMBERS AND MEMBERSHIP**

4. The maximum number of members shall be six.

5. The Subscribers to the Memorandum of Association and such other persons as the Directors shall admit in accordance with these presents shall be members of the Company.
  6. The rights of a member shall not be transferable.
  - 7.1 Every individual other than the subscribers to the Memorandum of Association of the Company shall either sign a consent to become a member or sign the Register of Members on becoming a member.
  - 7.2 It shall be lawful for any person being a member of the Company to guarantee any larger sum than £1 by executing a bond or subscription contract with the Company to that effect.
  8. Any member shall retire and be deemed to retire from membership of the Company forthwith if:
    - 8.1 he shall give notice of resignation in writing to the Company; or
    - 8.2 he shall die; or
    - 8.3 he is or may be suffering from mental disorder and either:-
      - 8.3.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983; or
      - 8.3.2 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
    - 8.4 he becomes bankrupt or makes any arrangement or composition with his creditors generally.
  9. The Secretary shall keep an accurate Register of Members at the Company.
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### **GENERAL MEETINGS**

10. All general meetings other than annual general meetings shall be called extraordinary general meetings.
11. 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 eight 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.

### **NOTICE OF GENERAL MEETINGS**

12. An annual general meeting and an extraordinary annual 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 twenty-one clear day's notice. All other extraordinary general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed:
  - 12.1 in the case of an annual general meeting, by all the Members entitled to attend and vote thereat; and
  - 12.2 in the case of any other meeting by a majority in number of the members having a right to attend and to vote being a majority together holding not less than ninety five per cent of the total voting rights at that 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. Subject to the provisions of the Articles, the notice shall be given to all the members and to the Directors and Auditors.

13. 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.

### **PROCEEDINGS AT GENERAL MEETINGS**

14. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; save as herein otherwise provided two members shall be a quorum.
15. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during the meeting 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 time and place as the Directors may determine.
16. The chairman, if any, of the Board or in his 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 fifteen 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 shall be chairman.

17. If no Director is willing to act as chairman, or if no Director is present within fifteen 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.
18. A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting.
19. 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 fourteen days or more, at least seven 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.
20. 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:
  - 20.1 by the chairman; or
  - 20.2 by at least two members having the right to vote at the meeting; or
  - 20.3 by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting.
21. 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.
22. 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.
23. 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 results of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

24. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a second or casting vote in addition to any other vote he may have.
25. A poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
26. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
27. 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 he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist several instruments in the like form each executed by or on behalf of one or more members.

#### **VOTES OF MEMBERS**

28. On a show of hands, every member present in person shall have one vote. On a poll, every member present in person shall have one vote.

#### **DIRECTORS**

29. The number of Directors shall be not less than 2 and not more than 10.

#### **POWERS OF DIRECTORS**

30. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not, by the Act or by these Articles, required to be exercised by the Company in general meeting, subject, nevertheless, to the provisions of the Act or these

Articles and to such regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by the Company in general meeting, but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

### **DISQUALIFICATION OF DIRECTORS**

31. The office of Director shall be vacated if the Director:
- 31.1 resigns his office by notice in writing to the Company; or
  - 31.2 becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - 31.3 becomes prohibited by law from being a Director; or
  - 31.4 is or may be suffering from mental disorder and either:
    - 31.4.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983; or
    - 31.4.2 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 power with respect to his property or affairs; or
  - 31.5 ceases to be an office holder or member of standing committee of the Association; or
  - 31.6 ceases to be a Director by virtue of any provision of the Acts; or
  - 31.7 shall for more than six 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.

### **APPOINTMENT AND RETIREMENT OF DIRECTORS**

- 32.1 The Directors shall be appointed by the Appointors. The Appointors shall be entitled at any time to remove any director appointed by them and to appoint any other individual to be a director in his place.
- 32.2 A person may be appointed or re-appointed a Director whatever may be his age, and no Director shall be required to vacate his office by reason of his attaining or having attained the age of 70 years or any other age.
33. The Appointors shall meet together for the despatch of their business, adjourn and regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a

majority of votes and the chairman of the meeting shall not have a second or casting vote. The Secretary may summon a meeting of the Appointors at any time. A resolution in writing signed by all the Appointors shall be as valid and effectual as if it had been passed at a meeting of the Appointors duly convened and held and may consist of several documents in the like form each signed by one or more Appointors.

### **DIRECTORS INTERESTS**

34. Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested.
35. For the purposes of Article 34:
  - 35.1 a general notice given to the Directors that a Director is to be regarded as having an interest in 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
  - 35.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

### **PROCEEDINGS OF DIRECTORS**

36. The Directors shall meet together for the despatch of business, adjourn and regulate their meeting as they think fit. Questions arising at any 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 may, and the Secretary on the requisition of at least two Directors, shall at any time summon a meeting of the Directors.
37. Save as herein otherwise provided the quorum necessary for the transaction of the business of the Directors shall be two Directors:
38. The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purposes of filling vacancies in accordance with the Articles or of calling a general meeting.



39. The Directors may appoint one of their number to be the chairman of the Board of Directors and may at any time remove him from office. Unless he is unwilling to do so, the Director so appointed shall preside at every meeting of Directors at which he 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 five minutes after the time appointed for the meeting the Directors present may appoint one of their number to be chairman of the meeting.
40. The Directors shall cause minutes to be made in books provided for the purpose:
- 40.1 of all appointments of officers made by the Directors;
- 40.2 of the names of the Directors present at each meeting of the Directors;
- 40.3 of all resolutions and proceedings at all meetings of the Company and of the Directors.
41. All acts bona fide done by any meeting of the Directors or by any person acting as a director, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors or person acting as aforesaid, or that they or any of them were disqualified to be a Director be as valid as if every such person had been duly appointed and was qualified to act as a Director.
42. A resolution in writing, signed by all the Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors.
43. Save as otherwise provided by these presents, a Director shall not vote, and if he does so vote his vote shall not be counted, at a meeting of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company unless his interest or duty arises only because the resolution relates to a contract, proposed contract or arrangement with the Association or a local authority and his interest or duty arises merely by reason that he is an officeholder of the Association or a member of a committee or sub-committee of the Association or he is a member or employee of a local authority who is a member of the Association.
- For the purpose 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 regulation becomes binding on the Company), connected with a Director shall be treated as an interest of the Director.
44. A Director shall not be counted in the quorum present in relation to a resolution on which he is not entitled to vote.

45. If a question arises at a meeting 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 ruling in relation to any Director other than himself shall be final and conclusive.
46. Provided that due notice of such telephone conference call has been given as would be required for notice of a meeting of the Directors, a telephone conference call during which a quorum of the Directors, for the purposes of the business intended to be conducted at that meeting, participates in the call shall be deemed to be a meeting of the Directors so long as all those participating can hear and speak to each other throughout the call. A resolution passed by the Directors at such a meeting shall be valid as it would have been if passed at an actual meeting duly convened and held.

#### **DIRECTORS' EXPENSES**

47. The Directors may be paid all reasonable travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors or general meetings or otherwise in connection with the discharge of their duties but shall otherwise be paid no remuneration.

#### **DIRECTORS' AND OFFICERS' INSURANCE**

48. The Directors shall have power to purchase and/or maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, employees or auditors of the Company or any other company in which the Company or any of the predecessors of the Company has any interest whether direct or indirect or which is in any way allied to or associated with the Company and/or with any subsidiary undertaking of the Company and/or with any such other company, or who are or were at any time trustees of any retirement benefits scheme or employee benefit trust or employees' share scheme in which any employees of the Company or of any such other subsidiary undertaking or other company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other subsidiary undertaking or other company, retirement benefits scheme or employee benefit trust.

#### **SECRETARY**

49. Subject to the provisions of the Acts, the Secretary shall be appointed by the Directors for such time, at such reasonable and proper remuneration and upon such conditions consistent

with Clause 4 of the Memorandum of Association of the Company as they may think fit, and any Secretary so appointed may be removed by them. The Secretary shall be an individual and not a body corporate. The Directors may from time to time by resolution appoint an assistant or deputy Secretary, who shall be an individual and not a body corporate, and any person so appointed may act in place of the Secretary if there be no Secretary or no Secretary capable of acting. A Director may not occupy the salaried position of Secretary.

50. A provision of the Acts or these presents requiring or authorising a thing done by or to a Director and the Secretary shall not be satisfied by it being done by or to the same person acting both as Director and as, or in place of, the Secretary.

### **THE SEAL**

51. The Directors shall provide for the safe custody of the Seal, which shall be used by the authority of the Directors, and any instrument to which the Seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose.

### **ACCOUNTS**

52. The Directors shall cause proper accounting records to be kept in accordance with the Acts.
53. The accounting records shall be kept at the Office or, subject to the provisions of the Acts, at such other place or places as the Directors shall think fit, and shall always be open to the inspection of the Directors.
54. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to inspection of members not being Directors and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in General Meeting or ordered by a Court of competent jurisdiction.
55. A proper income and expenditure account shall be made up in respect of each financial year of the Company in accordance with the Acts together with a proper balance sheet made up as at the date to which the said account is made up. The said account and the said balance sheet shall be required by law to be annexed or attached thereto ("the Accounts"). The Accounts shall from time to time be laid before the Company in General Meeting in

accordance with the Acts and shall not less than twenty-one clear days before the date of the meeting be sent to the Auditors and to all other persons entitled to receive notices of General Meetings in the manner in which notices are hereinafter directed to be served.

## NOTICES

56. A notice may be given by the Company to any member either personally or by sending it by post to his registered address. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and to have been effected at the expiration of 48 hours after the letter containing the same is posted.
57. Notice of every General Meeting shall be given in any manner hereinbefore authorised to every member and to the Auditors for the time being of the Company.
58. If a member has no registered address for the giving of notice to him, he shall not be entitled to receive any notice from the Company.

## INDEMNITY

59. Subject to the provisions of and so far as may be permitted by law, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.

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Names and Addresses of Subscribers

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Brian Briscoe  
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Ron Stanley Gee  
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Surrey KT19 9LB

DATED this            day of            19

WITNESS to the above signatures: