

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY GUARANTEE**

**ARTICLES OF ASSOCIATION**

**OF**

**INSTITUTE OF STUDENT EMPLOYERS**

**COMPANY NO: 01042932**

## CONTENTS

INTERPRETATION	1
OBJECTS	5
MEMBERS AND DIRECTORS INTERESTS	5
LIMITED LIABILITY	6
GUARANTEE	6
MEMBERS	6
SUBSCRIPTIONS	8
GENERAL MEETINGS	8
NOTICE OF MEETINGS	10
PROCEEDINGS AT GENERAL MEETINGS	10
VOTES OF MEMBERS	12
APPOINTMENT AND RETIREMENT OF THE DIRECTORS	13
CHAIRMAN, VICE-CHAIRMAN AND HONORARY TREASURER	14
REMOVAL OF OFFICE OF DIRECTOR	15
POWERS OF DIRECTORS	16
DELEGATION OF DIRECTORS' POWERS	22
DIRECTORS' EXPENSES	22
DIRECTORS' APPOINTMENTS AND INTERESTS	22
MEETINGS AND PROCEEDINGS OF THE DIRECTORS	24
CHIEF EXECUTIVE AND SECRETARY	26
HONORARY VICE-PRESIDENT	27
REGISTER OF DIRECTORS AND SECRETARY	27
MINUTES	27
ACCOUNTS, REPORTS AND CONFIRMATION STATEMENTS	28
NOTICES	28
BYE-LAWS	29
INDEMNITY	30
SURPLUS ASSETS UPON WINDING UP	31

THE COMPANIES ACT 2006  
PRIVATE COMPANY LIMITED BY GUARANTEE  
ARTICLES OF ASSOCIATION  
OF  
INSTITUTE OF STUDENT EMPLOYERS (the "Company")

(Adopted by special resolution passed on

2018)

INTERPRETATION

1. Table C and Model articles not to apply

None of the regulations in Table C in the Schedule to the Companies (Tables A to F) Regulations 1985, as amended shall apply to the Institute. For the avoidance of doubt the model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles shall also not apply to the Institute. References to the "articles" shall be to the following articles of association as amended from time to time.

2. Defined terms

- (a) In these articles, unless the context requires otherwise:

**authorised representative** means any individuals who are authorised by a Member organisation to act as its representative at any meeting of the Institute and whose name and address has been notified, and in relation to whose authority a copy of the relevant resolution has been sent, to the Institute and whose name shall be entered into the Register of Members in respect of the relevant Member organisation;

**CA 2006** means the Companies Act 2006 as in force from time to time;

**Chairman** means the chairman as appointed under article 54;

**Charitable and Professional Body Members** has the meaning given to it in article 9(d);

**Chief Executive** means the Chief Executive of the Institute appointed under article 86;

**clear days** means, in relation to the period of a notice, 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;

**Custodian** means a body corporate or more than one who may be appointed by the Directors under article 61(v);

**Directors** means the persons who are the directors of the Institute for the purposes of the Statutes;

**Directors' functions** means:

- (i) any function consisting of carrying out a decision that the Directors have taken;
- (ii) any function relating to the investment of assets (including, in the case of land held as an investment, managing the land and creating or disposing of an interest in the land);
- (iii) any function relating to the raising of funds for the Institute otherwise than by means of profits of a trade which is an integral part of carrying out the Institute's charitable purposes; and
- (iv) any other function prescribed by an order made by the Secretary of State under section 11(3) of the Trustee Act 2000;

**Education Institution Member Director** has the meaning given to it in article 50(a);

**Education Institution Members** has the meaning given to it in article 9(c);

**electronic** has the same meaning as in the CA 2006;

**electronic form** has the same meaning as in the CA 2006;

**electronic signature** has the same meaning given in section 7 of the Electronic Communications Act 2000;

**Employer Member Director** has the meaning given to it in article 45;

**Employer Members** has the meaning given to it in article 9(a);

**Fellow Members** has the meaning given to it in article 9(g);

**FSMA** means the Financial Services and Markets Act 2000;

**functions** includes powers and duties;

**hard copy form** has the same meaning as in the CA 2006;

**in person** in relation to attendance or presence at general meetings includes, in the case of a Member organisation, attendance or presence by an authorised representative;

**Micro Business Members** has the meaning given to it in article 9(e);

**Honorary Members** has the meaning given to it in article 9(f);

**Institute** means the company called Institute of Student Employers registered number 01042932;

**investment management functions** means the Directors' functions under article 61(s) relating to:

- (i) the investment of assets of the Institute;
- (ii) the acquisition of property by the Institute; and
- (iii) managing property of the Institute and disposing of, or creating or disposing of an interest in, such property;

**Investment Manager** means an individual, company or firm or more than one who may be appointed by the Directors under article 61(t);

**Member** means an individual or an organisation who is a member of the Institute and whose name is entered in the Register of Members;

**Memorandum** means the Institute's memorandum of association as originally adopted or as from time to time altered;

**Nominee** means a body corporate or more than one who may be appointed by the Directors under article 61(u);

**non-charitable trading** means carrying on a trade for the purpose of raising funds for the Institute other than a trade the profits of which are applied solely to the purposes of the Institute and either:

- (i) the trade is exercised in the course of the actual carrying out of a primary purpose of the Institute; or
- (ii) the work in connection with the trade is mainly carried out by the beneficiaries of the Institute; or
- (iii) the profits accrue to the Institute from a lawful society lottery; or
- (iv) the profits of the trade are entitled to exemption from tax under section 46 of the Finance Act 2000 or would have been so entitled by Extra Statutory Concession prior to 1 April 2000;

**Objects** means the Objects of the Institute as defined in article 3;

**organisation** means a company or an unincorporated association;

**policy statement** means a statement giving guidance as to how the investment management functions should be exercised by the Investment Manager under article 61(t) and includes any revised or replacement policy statement;

**registered office** means the registered office of the Institute;

**Register of Directors** means the register of Directors required to be maintained under article 92;

**Register of Members** means the register of members required to be maintained under the CA 2006 and article 12;

**Secretary** means the secretary of the Institute or any other person appointed to perform the duties of the secretary of the Institute including an assistant or deputy secretary;

**Statutes** means the CA 1985, the CA 2006 and any other statute, statutory instrument regulation or order for the time being in force concerning the Institute;

**Supplier Member Director** has the meaning given to it in article 50(a);

**Supplier Members** has the meaning given to it in article 9(b);

the **United Kingdom** means the United Kingdom of Great Britain and Northern Ireland;

**Vice-Chairman** means the vice-chairman as appointed under article 55;

- (b) whenever, and for so long as, the Institute has a single Member these articles apply (in the absence of any express provision to the contrary) with such modification as is necessary in relation to a single member company.
- (c) any reference in these articles to an enactment includes a reference to that enactment as re-enacted or amended from time to time and to any subordinate legislation so made under that enactment.
- (d) any reference to writing includes a reference to any method of reproducing words in a legible form.
- (e) any reference to a signature or to something being signed or executed includes a signature printed or reproduced by mechanical or other means or any stamp or distinctive marking made by or with the authority of the person required to sign the document to indicate it is approved by such person, or in respect of communications in electronic form only, any other means of verifying the authenticity of a communication in electronic form which the Directors may from time to time specify, or where no means has otherwise been specified by the Directors, an electronic signature (which for the purposes of section 1146(3)(b) of the CA 2006 shall be a manner of authentication specified by the Institute), provided that the Institute has no reason to doubt the authenticity of that electronic signature.
- (f) any reference to a show of hands includes such other method of casting votes as the Directors may from time to time approve.
- (g) any other words or expressions defined in the CA 2006 or, if not defined in the CA 2006, in any other of the Statutes (in each case as in force on the date these articles take effect) have the same meanings as in the Memorandum or these articles.
- (h) unless the contrary intention appears, words importing the singular number include the plural number and vice versa, words importing one gender include the other gender and words importing persons include bodies corporate and unincorporated associations.

- (i) headings to the Memorandum and these articles are inserted for convenience and shall not affect construction.

### **OBJECTS**

3. The Objects for which the Institute is established are:

- (a) to act as a centre for the discussion of policy with regard to the recruitment and development of students and such others as aforesaid;
- (b) to support educators and careers professionals to improve the qualification and employability of students and such others intending careers as aforesaid;
- (c) to obtain and exchange information about methods of recruitment, development and qualifications of students and such others as aforesaid;
- (d) to purchase, take on lease, or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Institute may think necessary or convenient for the promotion of its objects, and to construct, maintain and alter any buildings or erections necessary or convenient for the furtherance of the objects of the Institute;
- (e) to sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Institute as may be thought expedient with a view to the promotion of its objects;
- (f) to undertake and execute any trusts which may lawfully be undertaken by the Institute and may be conducive to its objects;
- (g) to borrow or raise money for the purpose of the Institute on such terms and on such security as may be thought fit, and to accept donations and legacies;
- (h) to invest the moneys of the Institute not immediately required for its purposes in or upon such investments, securities or property as may be thought fit;
- (i) with a view to the advancement of the Objects to establish and support or aid in the establishment and support of any charitable associations or institutions whether corporate or un-incorporate with objects altogether or in part similar to the objects of the Institute and to subscribe or guarantee money for charitable purposes in any way connected with the purpose of the Institute or calculated to further its Objects; and
- (j) to do all such other lawful things as are incidental or conducive to the attainment of the Objects or any of them.

### **MEMBERS AND DIRECTORS INTERESTS**

4. The income and property of the Institute shall be applied solely towards the promotion of the Objects 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 the Members, provided that nothing in these articles shall:

- (a) prevent the payment, in good faith, of reasonable and proper remuneration to any officer or servant of the Institute, or to any Member, in return for any services actually rendered to the Institute; or
- (b) prevent the payment of interest at a rate not exceeding six (6) per cent. per annum of money lent or reasonable and proper rent for premises demised or let by any Member,

but so that:

- (c) no member of the Board of Directors of the Institute shall be appointed to any salaried office of the Institute or any office of the Institute paid by fees; and
- (d) no remuneration or other benefit in money or money's worth shall be given by the Institute to any member of such Board of Directors except repayment of out-of-pocket expenses and interest at the rate of six (6) per cent. per annum as mentioned above on money lent or reasonable and proper rent for premises demised or let to the Institute, notwithstanding that this article 4(d) shall not apply to any payment to any company:
  - (i) of which a member of the Board of Directors may be a member; and
  - (ii) in which such member shall not hold more than one hundredth part of the capital,

and such member shall not be bound to account for any share of profits he may receive in respect of such payment.

#### **LIMITED LIABILITY**

- 5. The liability of the Members is limited.

#### **GUARANTEE**

- 6. Every Member undertakes to contribute such amount as may be required not exceeding £5 to the Institute's assets, 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 Institute's debts and liabilities 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.

#### **MEMBERS**

- 7. Members are the subscribers to the Memorandum and such other individuals or organisations as the Directors admit to membership in accordance with these articles and such rules as may be made by the Institute in accordance with article 108, who consent in writing to become a Member either personally or (in the case of an organisation) through an authorised representative. Every person who wishes to become a Member shall deliver to the Secretary an application for membership in such form as the Directors require executed by him. The Secretary shall refer an application to the Board of Directors (who shall have absolute discretion) when there is any doubt about eligibility.



8. Membership of the Institute is not transferable.
9. The membership of the Institute shall be of seven classes:
  - (a) employer membership shall be open to bodies corporate, partnerships or unincorporated bodies which recruit, develop and employ students (**Employer Members**);
  - (b) supplier membership shall be open to bodies corporate, partnerships or unincorporated bodies whose business activity is concerned with the offer and provision of goods or services to the student recruitment and development industry (**Supplier Members**);
  - (c) educational institution membership shall be open to Higher Education Institutions and other education institutions (**Education Institution Members**);
  - (d) charitable and professional body membership (**Charitable and Professional Body Members**) shall be open to:
    - (i) employers and suppliers with recognised charitable status; and
    - (ii) professional bodies who have an interest in student recruitment and development; and
  - (e) micro business membership (**Micro Business Members**) shall be open to:
    - (i) individuals who have an interest in student recruitment and development who are not employed in, or work for, an organisation with a commercial involvement in student recruitment or development;
    - (ii) sole traders who have an interest in student recruitment and development; and
    - (iii) micro businesses (being a business which employs between one to three employees and has a turnover of less than £150,000 per annum) which have an interest in student recruitment and development;
  - (f) honorary membership shall be offered by invitation to individuals, bodies corporate, partnerships or unincorporated bodies who have given or give valuable service to the Institute but for whom other classes of membership would not be appropriate (**Honorary Members**); and
  - (g) fellow membership shall be offered by invitation to those individuals who have given outstanding service to the Institute and the graduate recruitment sector (**Fellow Members**).
10. In the event of doubt, the Board of Directors will decide which class of membership is appropriate for any member.
11. Save in the case of Honorary Members, all membership classes shall confer on the holder the right to attend and vote at all general meetings of the Institute. Honorary Members shall have the right to attend (but not vote at) all general

meetings of the Institute, and the right to vote at annual general meetings of the Institute only.

12. The Institute shall maintain and keep at the registered office a Register of Members consisting of the following parts (which together constitute the Register of Members for the purposes of CA 2006): the Employer Members Register, the Supplier Members Register, the Education Institution Members Register, the Charitable and Professional Body Members Register, the Micro Business Members Register, the Honorary Members Register and the Fellow Members Register which contain the following particulars with respect to each Member:
  - (a) his name and address, or (being a body corporate) the name(s) and address(es) of its authorised representative(s);
  - (b) the date at which he was entered in the Register as a Member and the date at which he ceased to be a Member; and
  - (c) the class to which he belongs.
13. Membership terminates automatically if a Member:
  - (a) not being a sole Member, retires from membership by giving not less than seven clear days' written notice to the Institute;
  - (b) dies or (in the case of any body corporates including unincorporated associations) ceases to exist;
  - (c) becomes bankrupt or makes any arrangement or composition with his creditors generally, or (being a company) goes into liquidation other than for the purposes of solvent reconstruction;
  - (d) fails to pay any subscription within one month of the request stated by the Institute to be the final request for such payment; or
  - (e) is removed from membership by special resolution of the Members provided that the Directors shall give the Member not less than 14 clear days' notice of their intention to consider the resolution and invite the Member to submit written representations before a decision is made.

#### **SUBSCRIPTIONS**

14. Each Member shall pay an annual subscription as may be decided by the Board of Directors.

#### **GENERAL MEETINGS**

15. The Institute shall hold at least one general meeting in each year as its annual general meeting at such time and place as the Board of Directors appoints and shall specify the meeting as such in the notices calling it. No more than fifteen (15) months shall elapse between the date of one annual general meeting of the Institute and the next.
16. The annual general meeting is held, inter alia, for the following purposes:

- (a) to receive from the Board of Directors a full statement of account;
  - (b) to receive from the Board of Directors a report of the activities of the Institute since the previous annual general meeting;
  - (c) to appoint the Institute's auditors; and
  - (d) to transact such other business as may be brought before it.
17. The Board of Directors may call general meetings and, on the requisition of Members under the provisions of CA 2006, shall convene a general meeting for a date not later than seven weeks after receipt of the requisition. Subject to the provisions of CA 2006, if there are not, within the United Kingdom, sufficient Directors to call a general meeting, any Director or any two Members may call a general meeting.
18. General meetings shall be attended in person or by proxy or (being an organisation) present by a duly authorised representative or by proxy unless the Directors for sufficient reason agree to participation under article 19.
- 19.
- (a) Subject to article 18, a general meeting may consist of a conference between Members some or all of whom are in different places provided that each Member may participate in the business of the meeting whether directly, by telephone or by any other means (whether electronically or otherwise) which enables him:
    - (i) to hear (or otherwise receive real time communications made by) each of the other participating Members addressing the meeting; and
    - (ii) if he so wishes, to address all of the other participating Members simultaneously (or otherwise communicate in real time with them),whether directly, by conference telephone or by any other form of communications equipment (whether in use when these articles are adopted or not) or by a combination of those methods.
  - (b) A quorum is deemed to be present if those conditions are satisfied in respect of at least the number of Members required to form a quorum.
  - (c) A meeting held in this way is deemed to take place at the place where the largest group of participating Members is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.
  - (d) A resolution put to the vote of a meeting shall be decided by each Member indicating to the chairman (in such manner as the chairman may direct) whether the member votes in favour of or against the resolution or abstains.
  - (e) References in this article to Members shall include their duly appointed proxies and, in the case of corporate members, their duly authorised representatives.

## NOTICE OF MEETINGS

20. All general meetings shall be called by at least five weeks' notice but a general meeting may be called by fourteen (14) clear days' notice if it is so agreed by the Board of Directors, or by shorter notice if it is so agreed by a majority in number of the Members having a right to attend and vote, being a majority together representing not less than 95% of the total voting rights at the meeting of all the Members.
21. The notice shall specify:
  - (a) the time and date of the meeting;
  - (b) the place of the meeting or, in the case of a meeting under article 19, the contact details for the meeting;
  - (c) the general nature of the business to be transacted;
  - (d) that the Members have the right to appoint a proxy under section 324 of the CA 2006; and
  - (e) in the case of an annual general meeting, the meeting as such.
22. Subject to the provisions of these articles, the notice shall be given to all the Members and to the Directors and the auditors of the Institute.
23. The accidental omission to give notice of a general meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice does not invalidate the proceedings at that meeting.

## PROCEEDINGS AT GENERAL MEETINGS

24. No business may be transacted at any general meeting unless a quorum is present. The quorum at any general meeting shall be six Members, present in person or by proxy or (being an organisation) present by a duly authorised representative or by proxy and entitled to vote.
25. 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, if convened upon a requisition of members be dissolved or, in any other case stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board of Directors may determine; and, if at the time of the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be deemed quorate on the basis of those Members that are present.
26. A Director may, notwithstanding that he is not a Member, attend and speak at any general meeting.
27.
  - (a) The Chairman or, in his absence, the Vice-Chairman shall preside as chairman of the meeting.

- (b) If neither the Chairman nor the Vice-Chairman is present within 15 minutes after the time appointed for holding the meeting and willing to act, the members of the Board of Directors present in person or by proxy shall choose one of themselves to preside as chairman of the meeting.
- 28. 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 may 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 seven clear days' notice shall be given in the same manner as in the case of the original meeting specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it is not necessary to give any notice.
- 29. Subject to article 24, 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 ballot is duly demanded. Subject to the provisions of the Statutes and to article 19, a ballot may be demanded:
  - (a) by the chairman; or
  - (b) by at least three Members present in person or by proxy or (being an organisation) present by a duly authorised representative or by proxy.
- 30. Unless a ballot 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 is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 31. The demand for a ballot may be withdrawn, before the ballot is taken, but only with the consent of the chairman. The withdrawal of a demand for a ballot does not invalidate the result of a show of hands declared before the demand for the ballot was made.
- 32. A ballot shall be taken at such place and in such manner (including by electronic means) as the chairman directs and he may appoint scrutineers (who need not be Members) and fix a time and place for declaring the results of the ballot. The result of the ballot is deemed to be the resolution of the meeting at which the ballot is demanded.
- 33. A ballot demanded on the election of a chairman or on a question of adjournment shall be taken immediately. A ballot demanded on any other question shall be taken either immediately or at such time and place as the chairman directs not being more than 30 days after the ballot is demanded. The demand for a ballot shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the ballot is demanded. If a ballot 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.
- 34. No notice need be given of a ballot 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 ballot is to be taken.

35. In the case of an equality of votes, whether on a show of hands or on a ballot, the chairman of the meeting at which the show of hands takes place or at which the ballot is demanded, shall have a second or casting vote.
36. The Members may pass resolutions in writing in accordance with the provisions of Chapter 2 of Part 13 of CA 2006.
37. Where, during any period when the Institute has only one Member, the Member takes a decision which may be taken by the Institute in general meeting and which has effect as if agreed by the Institute in general meeting, the Member shall (unless that decision is taken by way of written resolution) provide the Institute with a written record of that decision.

### **VOTES OF MEMBERS**

38. Each Member (save in the case of Honorary Members) shall be entitled to one vote each. For the avoidance of doubt the vote of a Member organisation shall be exercised by an authorised representative of such Member. In the event there is more than one authorised representative of any Member in attendance at a general meeting (including the annual general meeting) and in the absence of an agreement between the authorised representatives as to the vote of the Member organisation, the vote of the authorised representative whose name is listed first in the Register of Members for the relevant Member shall count in respect of such Member. The provisions of CA 2006 shall apply in relation to voting rights on a resolution taken on a show of hands at a meeting and on a ballot taken at a meeting.
39. No objection may 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 is valid. Any objection made in due time shall be referred to the chairman of the meeting and his ruling in relation to any Member other than himself is final and conclusive. In relation to the chairman of the meeting, the question shall be decided by ordinary resolution of the other Members.
40. The appointment of a proxy may be in such form as is usual or common or in such other form as the Directors may from time to time approve and shall be signed by or on behalf of the appointor or if the appointor is a corporation, shall either be executed under its common seal or be signed by an agent or an officer authorised for that purpose.
41. The appointment of a proxy and any authority under which it is executed (or such copy of the authority certified notarially or in some other way approved by the Directors) shall:
  - (a) in the case of an instrument in writing be deposited at the registered office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any other information issued by the Institute in relation to the meeting not less than 48 hours before the time fixed for holding the meeting or adjourned meeting at which the appointee proposes to vote;

- (b) be delivered to any Director or to the Secretary at the place where the meeting or adjourned meeting is to be held at any time on the day of (but before the time for holding) the meeting or adjourned meeting at which the appointee proposes to vote;
- (c) in the case of a ballot taken more than 48 hours after it is demanded, be deposited as specified in article 41(a) above after the ballot has been demanded and not less than 24 hours before the time appointed for the taking of the ballot;
- (d) where the ballot is not taken immediately but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the ballot was demanded to the chairman or to the Secretary or to any Director; or
- (e) in the case of an appointment contained in electronic form, where an address has been specified for the purpose of receiving such communications, in the notice of meeting or in any instrument of proxy set out by the Institute in relation to the meeting or in any invitations contained in communication sent in electronic form to appoint a proxy issued by the Institute 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,

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

- 42. The Directors may, but shall not be bound to, require such further evidence as they think fit of authenticity of any signature on a proxy appointment and where the appointor is a corporation, an officer, of his authority.
- 43. A vote given or ballot demanded by proxy or by a duly authorised representative of a corporation shall be valid notwithstanding the previous termination of the authority of the person voting or demanding a ballot unless notice of the termination was received by the Institute at the registered office or at such other place at which the proxy appointment was deposited or delivered or where the appointment of the proxy was contained in a communication sent in electronic form, 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 ballot demanded or (in the case of a ballot taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for the ballot.
- 44. Every member of the Board of Directors shall be entitled to be present at general meetings of the Institute, but shall not be entitled to vote at such meetings except as a Member, as a proxy for a Member or as an authorised representative.

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

- 45. The Board of Directors shall be the governing body of the Institute and shall comprise such other Directors appointed in accordance with the Articles which otherwise represent, as far as possible, a cross-section of Employer Members (**Employer Member Director**).

46. There shall be a minimum of eight Directors and a maximum of fourteen Directors.
47. Subject to article 56, members of the Board of Directors shall hold office for four years, subject to these articles.
48. Elections for the appointment of directors shall be held annually at annual general meetings of the Institute.
49. Without prejudice to the powers of directors under article 59 and subject to articles 50 and 51, the Members may by ordinary resolution appoint a person who is willing to act as a Director either to fill a casual vacancy or as an additional Director.
50. Subject to article 59, no person may be appointed a Director unless he or she:
  - (a) has been nominated by two or more Members, in accordance with such conditions and procedure as may from time to time be prescribed by the Board of Directors; and
  - (b) has signed a statement (which should accompany the nomination detailed in article 50(a) above (as appropriate)) consenting to stand as a candidate for the Board of Directors.
51. No person may be appointed a Director:
  - (a) unless he is a natural person who has attained the age of 18 years; or
  - (b) in circumstances such that, had he already been a Director, he would have been disqualified from office under article 58.
52. In the event that more candidates for election to the Board of Directors are nominated than the number fixed by or in accordance with these articles as the maximum number of Directors, a ballot shall be conducted by the Institute by means of the issue of voting papers to all Members and in accordance with such conditions and procedure as may from time to time be prescribed by the Board of Directors.
53. Subject to the provisions of these articles, a Director who retires at an annual general meeting may, if willing to act, be reappointed but only for one further year. If he is not reappointed, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the conclusion of the meeting.

#### **CHAIRMAN, VICE-CHAIRMAN AND HONORARY TREASURER**

54. The Directors must appoint one of themselves (provided that person is also an Employer Director) to be Chairman of the Board of Directors and the Institute. The Chairman shall hold office of both the Board of Directors and the Institute for such period as the Directors may determine prior to the appointment which shall be for a minimum period of two years (**Chairman's Term**). For the avoidance of doubt if the Vice-Chairman is appointed as the Chairman, his term of appointment as a Vice-Chairman immediately preceding shall not be counted towards the Chairman's Term.



55. The Directors must appoint one of themselves (provided that person is also an Employer Director) to be Vice-Chairman of the Board of Directors and the Institute. The Vice-Chairman shall hold office of the Vice-Chairman and that of Honorary Treasurer (unless the Directors resolve to appoint another one of themselves as Honorary Treasurer and the Vice-Chairman shall resign his role as Honorary Treasurer in such case) of both the Board of Directors and the Institute for such period as the Directors may determine prior to the appointment which shall be for a minimum period of two years (**Vice-Chairman and Honorary Treasurer's Term**). Where the Honorary Treasurer is not the Vice-Chairman, any decisions, actions or matters referred to in these articles to be taken by or which relate to the Vice-Chairman shall refer to decisions, actions or matters to be taken or relate to the Honorary Treasurer separately. For the avoidance of doubt, if the Vice-Chairman is not the Honorary Treasurer, the period and the minimum term of appointment (being the minimum period of two years) of the Vice-Chairman and the Honorary Treasurer pursuant to this article 55 shall apply to each of them separately.
56. If the Chairman's, Vice-Chairman's or Honorary Treasurer's (if the Honorary Treasurer is not the Vice-Chairman) appointment as a Director pursuant to article 47 will end before the end of the Chairman's Term or Vice-Chairman and Honorary Treasurer's Term (as relevant), his appointment as a Director shall be extended until the end of the Chairman's Term or Vice-Chairman and Honorary Treasurer's Term (as relevant). At the end of the Chairman's Term and Vice-Chairman and Honorary Treasurer's Term (as relevant) the Chairman, Vice-Chairman and Honorary Treasurer (as relevant) shall resign the role as a Chairman, Vice-Chairman and Honorary Treasurer (as relevant) and as a Director.
57. The Directors who wish to be considered for the roles of the Chairman, Vice-Chairman or Honorary Treasurer under articles 54 and 55 above must provide a written statement (with a maximum word count of 500) to the Board of Directors setting out their skills and experience in advance of the Board meeting to consider the appointment of the Chairman, Vice-Chairman and Honorary Treasurer (as relevant).

#### **REMOVAL OF OFFICE OF DIRECTOR**

58. The office of a Director shall be vacated:
- (a) if he ceases to be eligible under these articles to be a member of the Board of Directors;
  - (b) if he ceases to be a director by virtue of any provision of the Statutes or he is otherwise prohibited by law from being a director or a trustee;
  - (c) if he becomes bankrupt or he makes any arrangement or composition with his creditors generally;
  - (d) if a registered medical practitioner who has examined him gives a written opinion to the Institute stating that he has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
  - (e) if he retires from office by notice to the Institute;
  - (f) if all the other Directors resolve that his office be vacated;

- (g) subject to article 56, on the expiration of his term of office;
  - (h) if he has been absent without permission of the Directors from three consecutive meetings of the Directors and the Directors resolve that his office be terminated;
  - (i) if he is required to declare an interest under article 72 and fails to do so; or
  - (j) if he is removed from office by ordinary resolution in accordance with section 168 of the CA 2006.
59. In the event of vacancies occurring on the Board of Directors because of the death of a Director or vacation of such office under article 58, the Board of Directors may at its option:
- (a) co-opt authorised representatives to fill such vacancies; or
  - (b) call a general meeting of the Institute to elect such number of representatives of the members of the Institute as are required to fill such vacancies.
60. Any person co-opted to serve as a member of the Board of Directors under article 59(a) above shall retire at the end of the first annual general meeting after his appointment, but shall be eligible for re-election.

#### **POWERS OF DIRECTORS**

61. In furtherance of the Objects (but not otherwise) the Institute has and may exercise all or any of the following powers:
- (a) to make grants and to provide other forms of financial assistance or assistance in kind, including loans (with or without interest);
  - (b) to establish or support any charitable body formed for all or any of the Objects;
  - (c) to reserve funds for special purposes or against future expenditure;
  - (d) to raise funds and to invite and accept (or disclaim) gifts or loans of money and any other property whatsoever, real or personal and subject or not to any special charitable trust or any condition: provided that in raising funds the Institute may not undertake any non-charitable trading;
  - (e) to draw, make, accept, endorse, discount, execute, issue and deal with promissory notes, bills of exchange and other instruments of any kind, whether or not negotiable or transferable, and to operate bank accounts in the name of the Institute;
  - (f) to conduct or promote the conduct of research and to publish knowledge acquired as a result of such research;
  - (g) to promote and carry out or assist in promoting and carrying out surveys and investigations;

- (h) to advertise in such manner as may be thought expedient;
- (i) to acquire (whether by grant, assignment, licence, purchase, gift or otherwise) any copyright, patent, design right, trade mark, right of publication, translation or reproduction or other intellectual property right which may appear useful to the Institute and to register, renew, revoke, license or assign or otherwise turn to account or use the same;
- (j) to provide or assist in providing exhibitions, lectures, meetings, conferences, seminars, classes and workshops;
- (k) to write, make, commission, print, and publish or distribute (gratuitously or otherwise) written materials, films, audio or visual tapes or other materials or assist in such activities;
- (l) to co-operate or enter into arrangements or agreements with any government department, local authority, charity, university, college or professional, commercial or other voluntary body or person;
- (m) to purchase, take on lease or in exchange, hire or otherwise acquire property of any kind;
- (n) to construct, alter and maintain any buildings;
- (o) to sell, lease or otherwise dispose of property of any kind;
- (p) to borrow money and obtain any form of credit or finance on such terms and on such security as may be thought fit;
- (q) to lend money or give credit on such terms and conditions and on such security as may be thought fit;
- (r) to guarantee or give security for the performance of contracts or obligations by the Institute or by any person or body being legally associated with the Institute;
- (s) to invest moneys of the Institute not immediately required for its purposes in or upon such investments, securities or property as the Directors may determine;
- (t) to appoint as the Institute's Investment Manager on such reasonable terms as to remuneration and other matters as the Directors determine a person who they are satisfied after inquiry is a proper and competent person to act in that capacity and who is either:
  - (i) an individual of repute with at least 15 years' experience of investment management who is an authorised person within the meaning of the FSMA; or
  - (ii) a company or firm of repute which is either an authorised person under FSMA or an exempted person under the Financial Services and Markets Act 2000 (Exemption) Order 2001, except persons within paragraph 44 of the Schedule thereto,

and to delegate to the Investment Manager the exercise of any or all of the Directors' investment management functions under article 61(s) including (where it is reasonably necessary to do so) terms.

- (iii) authorising the Investment Manager to appoint a substitute Investment Manager to exercise any or all of the Investment Manager's delegated functions on terms consistent with this subclause;
- (iv) restricting the liability of the Investment Manager to the Institute, and
- (v) permitting the Investment Manager to act in circumstances giving rise to a conflict of interests;

PROVIDED that:

- (A) the Directors may not authorise the Investment Manager to exercise any of their investment management functions except by an agreement which is in or evidenced in writing and which includes a term to the effect that the Directors may, with reasonable notice, revoke the authority or vary any of its terms consistently with this subclause;
- (B) the Directors may not authorise the Investment Manager to exercise any of their investment management functions:
  - I. except in accordance with a policy statement which is in or evidenced in writing, and
  - II. unless the agreement under which the Investment Manager is to act includes a term to the effect that he will secure compliance with the policy statement;
- (C) the Directors must formulate the policy statement with a view to ensuring that the functions will be exercised in the best interests of the Institute and must revise or replace the policy statement from time to time if they consider there is a need to do so;
- (D) the Directors must keep under regular review the arrangements under which the Investment Manager acts and how those arrangements are put into effect and must:
  - I. ensure that they are kept informed on the performance of the Institute's investment portfolio managed by the Investment Manager and assess whether the policy statement is being complied with; and
  - II. review the appointment of the Investment Manager and its terms at such intervals not exceeding 24 months as they determine;

(u) to appoint on such reasonable terms as to remuneration and other matters as the Directors determine a body corporate which carries on a business which consists of or includes acting as a nominee to act as the Institute's Nominee in relation to such of the assets of the Institute as the Directors determine and to take such steps as are necessary to secure that those assets are vested in a Nominee so appointed; and any such appointment must be in or evidenced in writing provided that this sub-paragraph does not authorise the appointment of a Nominee on terms that:

- (i) permit the Nominee to appoint a substitute Nominee;
- (ii) restrict the liability of the Nominee to the Institute; or
- (iii) permit the Nominee to act in circumstances capable of giving rise to a conflict of interests;

unless it is reasonably necessary to do so;

(v) to appoint on such reasonable terms as to remuneration and other matters as the Directors determine a body corporate which carries on a business which consists of or includes acting as a custodian to act as the Institute's Custodian in relation to such of the assets of the Institute as the Directors determine and to take such steps as are necessary to secure that those assets are vested in a Custodian so appointed; and any such appointment must be in or evidenced in writing: provided that this sub-paragraph does not authorise the appointment of a Custodian on terms that:

- (i) permit the Custodian to appoint a substitute Custodian;
- (ii) restrict the liability of the Custodian to the Institute; or
- (iii) permit the Custodian to act in circumstances capable of giving rise to a conflict of interests;

unless it is reasonably necessary to do so;

(w) subject to articles 4, 61(t), 61(u) and 61(v), to appoint on such reasonable terms as to remuneration and other matters as the Directors determine an agent or agents and to delegate to any such agent or to any such agents jointly the exercise of any or all of the Directors' functions provided that this sub-paragraph does not authorise the appointment of any agent on terms that:

- (i) permit the agent to appoint a substitute;
- (ii) restrict the liability of the agent to the Institute;
- (iii) permit the agent to act in circumstances capable of giving rise to a conflict of interests; or

unless, in relation to the exercise of Directors' functions, it is reasonably necessary to do so; or

- (iv) authorise the delegation of the Directors' other powers, authorities or discretions except in accordance with the articles;

- (x) subject to article 4, to appoint and remove or suspend on such reasonable terms as to remuneration and other matters as the Directors determine, lecturers, technical advisers, secretaries, treasurers, solicitors, officers, clerks, agents and other employees, independent contractors and voluntary workers for permanent, temporary or special services as the Board of Directors may from time to time think fit, and to invest them with such powers as the Board of Directors may think expedient;
- (y) subject to article 4, to pay reasonable annual sums or premiums for or towards the provision of pensions for employees for the time being of the Institute or their widows, widowers or dependants;
- (z) to insure the property of the Institute against any foreseeable risks and take out other insurance policies to protect the Institute as required;
- (aa) to provide indemnity insurance to cover the liability of any agent, employee, independent contractor or voluntary worker of the Institute;
- (bb) subject to articles 61(bb)(ii)(A) and 61(bb)(ii)(B) to buy indemnity insurance to cover the liability and expenses of the Directors:
  - (i) which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust, or breach of duty of which they may be guilty in relation to the Institute;
  - (ii) to make any contributions to the assets of the Institute in accordance with the provisions of section 214 of the Insolvency Act 1986;

PROVIDED that:

- (A) any such insurance in the case of article 61(bb)(ii) shall not extend to:
  - I. any liability of a Director resulting from conduct which that Director knew, or must be assumed to have known, was not in the best interests of the Institute, or which that Director did not care whether it was in the best interests of the Institute or not;
  - II. any liability of a Director to pay the costs of defending criminal proceedings in which the Director is finally convicted in terms of section 234(5) of the Companies Act 2006;
  - III. a fine imposed in criminal proceedings;
- (B) any insurance in the case of article 61(bb)(i) shall not extend to any liability of a Director to make such a contribution where the basis of the Director's liability is his actual knowledge prior to the insolvent liquidation of that Institute (or reckless failure to acquire that knowledge) that there was no reasonable

prospect that the Institute would avoid going into insolvent liquidation.

- (cc) to undertake and carry out any charitable trusts or agencies;
- (dd) to secure the discharge of any of the Institute's liabilities and obligations in any lawful manner;
- (ee) to amalgamate or affiliate with or to acquire or take over all or part of the undertaking or assets of any charitable body having objects altogether or mainly similar to those of the Institute;
- (ff) to pay all expenses arising in connection with the formation and registration or recognition of the Institute in any part of the world; and
- (gg) to do any other lawful thing in furtherance of the Objects.

62.

- (a) Subject to the provisions of the Statutes, and these articles and to any directions given by special resolution, the business and affairs of the Institute shall be managed and controlled by the Directors who may exercise all the powers of the Institute. No alteration of these articles and no such direction is to be treated as invalidating 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.
- (b) The powers given by this article are not limited by any special power given to the Directors by these articles and a meeting of the Directors at which a quorum is present may exercise all powers exercisable by the Directors.
- (c) The Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Institute for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

63. The Chairman, Vice-Chairman and the Chief Executive shall at such times as the Directors determine to be appropriate be authorised by the Board of Directors to represent the Institute in matters relating to the Institute's investments, assets and financial transactions and in such cases the Chairman, Vice-Chairman and the Chief Executive shall be authorised to:

- (a) enter into any agreement, contract or obligation, including those creating real security over the assets of the Institute; and
- (b) open or close bank accounts, sign cheques, bills of exchange, promissory notes and other documentary credits on behalf of the Institute,

provided always that the consent (in writing) of the Chief Executive shall be obtained prior to any actions taken by the Chairman and Vice-Chairman under this authority and the Chairman, Vice-Chairman and the Chief Executive shall cause records of all such actions taken under this authority to be kept with the Institute's Board minutes.

## **DELEGATION OF DIRECTORS' POWERS**

64. Subject to articles 61(t), 61(u) and 61(v), the Directors may delegate for a period of time not exceeding one year any of their powers, authorities and discretions to any committee consisting of two or more persons (whether Directors or not) as they think fit, provided that all appointed to the committee are Members.
65. The Directors may make any such delegation on such terms and conditions as they think fit, so as to designate such committee as a working party or project team, and may revoke or vary any such delegation and discharge any committee wholly or in part, but no person dealing in good faith shall be affected by any revocation or variation.
66. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations that may be imposed on it by the Directors.
67. The proceedings of any committee shall be governed by any regulations imposed on it by the Directors and (subject to such regulations) by these articles regulating the proceedings of the Directors so far as they are capable of applying.
68. All acts and proceedings of any committee shall be reported promptly to the Directors. No committee may incur expenditure except in accordance with a budget which has been approved by the Directors.
69. Members of any committee may be paid all reasonable travelling, hotel and other expenses properly incurred by them in connection with the discharge of their functions.

## **DIRECTORS' EXPENSES**

70. The Directors may be paid all reasonable travelling, hotel, and other expenses properly incurred by them in connection with the discharge of their functions.

## **DIRECTORS' APPOINTMENTS AND INTERESTS**

71. No Director is accountable for any remuneration or other benefit received by him (whether by reason of his position with the Institute or otherwise) from any body corporate, securities of which comprise the assets of the Institute or any part thereof provided that where the Director's appointment to a position with such body corporate resulted wholly or partly from the exercise of voting rights vested in the Institute then such Director is accountable for any remuneration or other benefit received by him except to the extent that such remuneration or other benefit represents reasonable compensation for the services provided by the Director to the body corporate concerned.
72. Any Director who is in any way, whether directly or indirectly, interested other than as a Director in any contract, transaction or arrangement or any proposed contract, transaction or arrangement with the Institute shall declare the nature of his interest at the meeting of the Directors at which the question of entering into the contract, transaction or arrangement is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the Directors after he knows that he is or has become so interested. Such Director may not:



- (a) be counted in the quorum for that part of the meeting; or
- (b) vote on any resolution concerning the matter.

73.

- (a) If a situation (a **Relevant Situation**) arises in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Institute (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Institute could take advantage of it but excluding any situation which cannot reasonably be regarded as likely to give rise to a conflict of interest) the following provisions shall apply if the conflict of interest does not arise in relation to a transaction or arrangement with the Institute:
  - (i) if the Relevant Situation arises from the appointment or proposed appointment of a person as a Director of the Institute:
    - (A) the Directors (other than the Director, and any other Director with a similar interest, who shall not be counted in the quorum at the meeting and shall not vote on the resolution); or
    - (B) the Members (by ordinary resolution),  
  
may resolve to authorise the appointment of the Director and the Relevant Situation on such terms as they may determine;
  - (ii) if the Relevant Situation arises in circumstances other than in article 73(a)(i) above:
    - (A) the Directors (other than the Director and any other Director with a similar interest who shall not be counted in the quorum at the meeting and shall not vote on the resolution); or
    - (B) the Members (by ordinary resolution),  
  
may resolve to authorise the Relevant Situation and the continuing performance by the Director of his duties on such terms as they may determine.
- (b) Any reference in article 73(a) to a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- (c) Any terms determined by the Directors or the Members under articles 73(a)(i) or 73(a)(ii) above may be imposed at the time of the authorisation or may be imposed or varied subsequently by either the Directors or the Members but shall include (without limitation) the following terms:
  - (i) that the interested Directors may not vote (or be counted in the quorum at a meeting) in relation to any resolution relating to the Relevant Situation; and
  - (ii) that the interested Directors be excluded from all information and discussion by the Institute of the Relevant Situation.

- (d) Any authorisation given under articles 73(a)(i) or 73(a)(ii) above may be withdrawn by either the Directors or the Members by giving notice to the Director concerned.
- (e) An interested Director must act in accordance with any terms determined by the Directors or the Members under articles 73(a)(i) or 73(a)(ii) above.
- (f) Except as specified in article 73(a) above, any proposal made to the Directors and any authorisation by the Directors in relation to a Relevant Situation shall be dealt with in the same way as any other matter may be proposed to and resolved upon by the Directors in accordance with the provisions of these articles.
- (g)
  - (i) If the Directors make an authorisation under article 73(a) above, impose or vary the terms of an authorisation under article 73(c) above, or withdraw an authorisation under article 73(d) above, they shall, as soon as reasonably practicable, notify the Members of this fact and provide, where applicable, any relevant particulars regarding the authorisation or its terms.
  - (ii) If the Members make an authorisation under article 73(a) above, impose or vary the terms of an authorisation under article 73(c) above, or withdraw an authorisation under article 73(d) above, they shall, as soon as reasonably practicable, notify the Directors and all other Members of this fact and provide, where applicable, any relevant particulars regarding the authorisation or its terms.

74.

- (a) A Director shall, as soon as reasonably practicable, declare the nature and extent of his interest in a Relevant Situation within articles 73(a)(i) or 73(a)(ii) to the other Directors and the Members. Failure to comply with this requirement does not affect the underlying duty to make the declaration of interest.
- (b) If a declaration of interest in relation to a Relevant Situation proves to be, or becomes, inaccurate or incomplete, a further declaration must be made.

75. A Director must declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the Institute or in any transaction or arrangement with the Institute or in any transaction or arrangement entered into by the Institute which has not previously been declared. A Director must absent himself or herself from any discussions of the Directors in which it is possible that a conflict will arise between his or her duty to act solely in the interests of the Institute and any personal interest (including but not limited to any personal financial interest).

#### **MEETINGS AND PROCEEDINGS OF THE DIRECTORS**

76. Subject to the provisions of these articles, the Directors may regulate their meetings in such manner as they think fit but shall hold at least two meetings in each year. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors. Notice of a meeting of the Directors may be given to a Director personally or by word of mouth or given in hard copy form or in

electronic form to him at such address as he may from time to time specify for this purpose or if he does not specify an address at his last known address. A Director may waive notice of any meeting either prospectively or retrospectively. Not less than 48 hours' notice of Directors' meetings shall be given to all Directors, although it shall not be necessary to give notice of a meeting of the Board of Directors to any member of the Board of Directors for the time being absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

77. The quorum at a meeting for the transaction of the business of the Directors may be fixed by the Directors and, unless so fixed, shall be four.
78. Meetings of the Directors shall be attended in person unless the Directors for sufficient reason agree to participation under article 79.
79.
  - (a) Subject to article 78, a meeting of the Directors may consist of a conference between Directors some or all of whom are in different places provided that each Director who participates is able:
    - (i) to hear (or otherwise receive real time communications made by) each of the other participating Directors addressing the meeting; and
    - (ii) if he so wishes, to address all of the other participating Directors simultaneously (or otherwise communicate in real time with them),  
  
whether directly, by conference telephone or by any other form of communications equipment (whether in use when these articles are adopted or not) or by a combination of those methods.
  - (b) A quorum is deemed to be present if at least the number of Directors required to form a quorum, subject to the provisions of article 81, may participate in the manner specified above in the business of the meeting.
  - (c) A meeting of the Directors held in this way is deemed to take place at the place where the largest group of participating Directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.
  - (d) A resolution put to the vote of a Directors' meeting shall be decided by each Director indicating to the chairman (in such manner as the chairman may direct) whether the member votes in favour of or against the resolution or abstains.
80. The Chairman, shall, if present and willing, preside at all meetings of the Directors but, if no chairman has been appointed, or if he is not present within five minutes after the time fixed for holding the meeting or is unwilling to act as chairman of the meeting, the Vice-Chairman shall act but if no vice-chairman has been appointed, or if he is not present within five minutes after the time fixed for holding the meeting or is unwilling to act as chairman of the meeting, the Directors present shall choose one of their number to act as chairman of the meeting.

81. The Directors may act notwithstanding any vacancies in their number but if their number is reduced below the number fixed as the quorum for meetings of the Directors, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number or calling a general meeting, but for no other purpose.
82. All acts done by a meeting of the Directors or of a committee 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 committee member or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or a committee member and had been entitled to vote.
83. A resolution which is signed or approved and dated 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 the Directors or (as the case may be) a committee of Directors duly convened and held. The resolution may be contained in one document or communication in electronic form or in several documents or communications in electronic form (in like form) each signed or approved and dated by one or more Directors. The resolution is to be treated as passed at the date of the last signature. For the purpose of this article the approval of a Director shall be given in hard copy form or in electronic form.
84. Where proposals are under consideration concerning the appointment of two or more Directors to offices with the Institute or any body corporate in which the Institute is interested the proposals may be divided and considered in relation to each Director separately and (provided he is not for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
85. If a question arises at a meeting of the Directors or of a committee of Directors as to the right of a Director to vote, the question shall be referred to the chairman of the meeting and his ruling in relation to any Director other than himself is final and conclusive. In relation to the chairman of the meeting, the question shall be decided by resolution of the other Directors.

#### **CHIEF EXECUTIVE AND SECRETARY**

86. Subject to the provisions of the Statutes, the Directors may appoint an individual and (subject to article 4) pay upon such reasonable terms as may be determined as both Chief Executive who shall hold the office of Secretary of the Institute (unless the Directors resolve to appoint another individual as the Secretary and the Chief Executive shall resign his role as Secretary in such case) to assist in the management of the business of the Institute and to perform such duties and exercise such non-discretionary powers subject to such conditions as the Directors from time to time determine; and any Chief Executive and Secretary so appointed may be removed by the Directors by reasonable notice without prejudice to any claim for damages for breach of any contract of service between the Chief Executive and Secretary and the Institute.
87. A provision of the Statutes or these articles requiring or authorising a thing to be done by or to a member of the Board of Directors and the Secretary shall not be

satisfied by its being done by or to the same person acting both as a member of the Board of Directors and as, or in place of the Secretary.

#### **HONORARY VICE-PRESIDENT**

88. The Directors may appoint in their sole discretion as an Honorary Vice-President any person who has given distinguished service to the Institute and whose advice might be sought on matters affecting the Institute. The term of such appointment will be three years unless withdrawn earlier by the Directors, which they may in their sole discretion do.
89. An Honorary Vice-President may not also be an elected member of the Board of Directors. If he or she is an elected member when appointed, he or she must resign as a Director.
90. Honorary Vice-Presidents may be invited to attend meetings of the Board of Directors or any project team, sub-committee or working party set up by the Board of Directors, but shall have no power to vote at such meetings.
91. An Honorary Vice-President may not be elected as Chairman or Vice-Chairman of the Institute.

#### **REGISTER OF DIRECTORS AND SECRETARY**

92. The Directors shall maintain a Register of Directors containing the following particulars:
  - (a) with respect to each Director:
    - (i) his present name, any former name, his usual residential address, his nationality, his business occupation (if any), particulars of any other directorships held or which have been held by him and his date of birth; and
    - (ii) the date at which he was appointed or re-appointed as a Director and the date at which he ceased to be a Director; and
  - (b) with respect to the Secretary, his present name, any former name and his usual residential address.

#### **MINUTES**

93. The Directors shall cause minutes to be kept for the purpose of:
  - (a) all appointments of officers made by the Directors;
  - (b) all proceedings at meetings of the Institute, of the Directors and of any committees, including the names of the persons present at each meeting; and
  - (c) all professional advice obtained.

## ACCOUNTS, REPORTS AND CONFIRMATION STATEMENTS

94. The Directors shall comply with the requirements of the Statutes with respect to the keeping of accounting records, the audit or independent examination of accounts and the preparation and transmission to the Registrar of Companies and the Charity Commission for England and Wales of:
- (a) annual accounts;
  - (b) annual reports; and
  - (c) confirmation statements.
95. The accounting records of the Institute shall be open to the inspection of the Members, subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with these articles or otherwise as conferred by the Statutes or authorised by the Board of Directors.
96. A copy of every accounting record which is to be produced at a general meeting, together with a copy of the related auditor's report, shall, not less than twenty-one (21) clear days before the date of such meeting, be sent to every Member (other than Honorary Members) of the Institute and to every holder of debentures (if any) of the Institute. Notwithstanding which, no copies shall be sent to any person of whose address the Institute is not aware or to more than one of the joint holders of any debentures.

## NOTICES

97. Subject to article 107, any notice or other communication (in this article referred to generally as notice) required to be given to or by any person under these articles shall be in hard copy form or to the extent permitted by the Statutes and subject to article 98 sent or supplied in electronic form or by means of a website.
98. The Directors may from time to time specify the form and manner in which a notice may be given to the Institute in electronic form and/or by electronic means, including one or more addresses for the receipt of such document or information, and may prescribe such procedures as it thinks fit for verifying the authenticity or integrity of any such document or information. A notice may be given to the Institute in electronic form and/or by electronic means only if it is given in accordance with the requirements specified by the Directors.
- 99.
- (a) A notice in hard copy form may be given or served by the Institute to any Member either personally or by sending or supplying it by post addressed to the Member at his address or by leaving it at that address.
  - (b) Subject to the Statutes, a notice may be given by the Institute to any Member in electronic form to such address as may from time to time be authorised by the Member concerned or by making it available on a website and notifying the Member concerned in accordance with the Statutes that it has been made available. A Member shall be deemed to have agreed that the Institute may send or supply a document as information by means of a website if the conditions set out in the Statutes have been satisfied.

100. A Member present in person or by proxy at any meeting of the Institute shall be deemed to have received notice of the meeting and, where required, of the purposes for which it was called.
101. The address for service of the Institute is the registered office.
102. Subject to article 103, the address for service of Members and Directors is the address recorded in the Register of Members and the Register of Directors respectively.
103. Any Member or Director, whose address recorded in the Register of Members or the Register of Directors (as the case may be) is outside the United Kingdom, shall not be entitled to receive any notice from the Institute unless:
  - (a) the Institute is able, in accordance with the Statutes, to send notice to him by electronic means; or
  - (b) he gives to the Institute a postal address within the United Kingdom at which notice may be given to him.
104. Any document or information shall be deemed to have been received:
  - (a) in the case of personal service at an address, on the day it was so left;
  - (b) if sent by first class post, on the day following that on which the envelope containing it is put into the post;
  - (c) if sent by second class post, on the second day following that on which the envelope containing it is put into the post;
  - (d) if sent or supplied by electronic means, on the day which the document or information was sent or supplied by or on behalf of the Institute. If the Institute receives a delivery failure notification following a communication by electronic means, the Institute shall send or supply the document or information communicated in electronic form (including a notice that material was made available on the website) in hard copy form to the Member either personally or by post addressed to the Member at his address or by leaving it at that address. Such communication shall be deemed to have been received in accordance with the provisions of articles 104(a), 104(b) or 104(c) above, as applicable.
105. Any document or information sent or supplied by means of a website shall be deemed to have been received when the material was first made available on the website or, if later, when the recipient was deemed to have received notice of the fact that the material was available on the website.
106. Proof that the letter, wrapper or envelope containing the document or information was properly addressed, prepaid and put in the post is conclusive evidence that it has been received.
107. A notice calling a meeting of the Directors need not be in writing.

#### **BYE-LAWS**

108. The Directors may from time to time make bye-laws consistent with these articles and the Act for the proper conduct and management of the Institute and in particular (but without prejudice to the generality of the foregoing), they may by such bye-laws regulate the following matters in so far as not regulated by these articles:
- (a) the admission and classification of Members, the rights and privileges of Members, the conditions of membership, the terms on which Members may retire or have their membership terminated and any entrance fees, subscriptions and other fees or payments to be made by Members;
  - (b) the conduct of Members in relation to one another and to the Institute's employees;
  - (c) the setting aside of the whole or any part or parts of the Institute's premises at any particular time or times for any particular purpose or purposes;
  - (d) the procedure at general meetings and meetings of the Directors and committees;
  - (e) the operation of bank accounts;
  - (f) the custody of documents; and
  - (g) generally, all such matters as are commonly the subject of company rules.
109. The Institute in general meeting may alter, add to or repeal the bye-laws, and notice of any suggested alteration, addition to or revocation of the bye-laws shall be given to each member of the Board of Directors in the notice convening the meeting at which the question is to be considered. No such alteration, addition or revocation shall have any force or effect until it has been confirmed by a separate resolution at the meeting of the Board of Directors next after such alteration, addition or revocation shall have been made.
110. The Directors shall adopt such means as they think sufficient to bring to the notice of the Members all such bye-laws which, so long as they are in force, are binding on all the Members.

#### INDEMNITY

111. Subject to the provisions of the Statutes but without prejudice to any indemnity to which a Director or other officer or auditor may otherwise be entitled, every Director or other officer or auditor of the Institute is entitled to be indemnified out of the assets of the Institute against any liability incurred by him in defending any proceedings (whether civil or criminal) in which judgment is given in his favour or he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Institute PROVIDED that:
- (a) the indemnity does not apply to any liability to the extent that it is recovered from any other body or person; and
  - (b) the indemnity is subject to that Director or other officer or auditor taking all reasonable steps to effect such recovery, so that the indemnity does not



apply to the extent that an alternative right of recovery is capable of being enforced.

112. The Institute may purchase and maintain indemnity insurance to cover any Director for:
- (a) any liability which by any rule of law may attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in his capacity of Director;
  - (b) all costs, charges and expenses which may be incurred by him in contesting any such liability or alleged liability; and
  - (c) all costs of a successful defence to a criminal prosecution against him in his capacity of Director;

but always excluding liability arising from any act or omission which the Director knew to be a breach of duty or breach of trust or which was committed by the Director in reckless disregard of whether it was or was not a breach of duty or breach of trust or for the costs of an unsuccessful defence to a criminal prosecution.

113. The Institute may also provide indemnity insurance to cover the liability of its agents, employees, independent contractors and voluntary workers against all such risks incurred in the performance of their duties as may be thought fit.

#### **SURPLUS ASSETS UPON WINDING UP**

114. Upon the winding up of the Institute, any surplus assets of the Institute remaining after the satisfaction of all its debts and liabilities must be paid to the current members and those having ceased membership in the previous 5 years, in a reasonable relationship to their contributions paid. A donation out of the surplus can be made to any charitable institution or institutions having objects similar to the objects or to another body the objects of which are the promotion of charity and anything incidental or conducive to the same, providing the donation is approved by all of the members to whom the surplus assets would be payable.