

Company number: 5689975

COMPANIES ACTS 1985 TO 2006
COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

**ARTICLES OF ASSOCIATION
OF
EQUALITY CHALLENGE UNIT**

Incorporated: 27 January 2006

As adopted by a Special Resolution, dated 7 July 2011

GENERAL

1. In these Articles the following words shall have the following meanings:

<u>Word</u>	<u>Meaning</u>
“2006 Act”	the Companies Act 2006
“address”	a postal address or, for the purposes of electronic communication, a fax number, an e-mail or postal address or a text message number in each case registered with the Unit
“these Articles”	these Articles of Association, and the regulations of the Unit from time to time in force
“the Auditors”	the Auditors for the time being of the Unit
“the Board”	the Board of Directors for the time being of the Unit
“the Chair”	the Chair of the Board for the time being
“the Chief Executive”	the Chief Executive for the time being of the Unit
“the Commission”	the Charity Commission for England and Wales
"clear days"	in relation to the period of notice means that period excluding: (a) the day when the notice is given or deemed to be given; and (b) the day for which it is given or on which it is to take effect
"DELNI"	Department for Employment and Learning, Northern Ireland or its successor
“the Directors”	the directors of the Unit. The directors are charity trustees as defined by Section 97 of the Charities Act 1993
“HEA”	Higher Education Academy or its successor
"HEFCE"	Higher Education Funding Council for England or its successor
"HEFCW"	Higher Education Funding Council for Wales or its successor
"LFHE"	Leadership Foundation for Higher Education
“month”	calendar month
“the Office”	the registered office of the Unit
“officers”	includes the Directors and the secretary

“GuildHE”	GuildHE or its successor
“SFC”	Scottish Funding Council or its successor
“the Seal”	the common seal of the Unit
“Secretary”	the secretary of the Unit or any other person appointed to perform the duties of the Secretary of the Unit, including a joint, assistant or deputy secretary
“UCEA”	Universities and Colleges Employers’ Association or its successor
“the Unit”	the Equality Challenge Unit (registered with Company Number 5689975)
"the United Kingdom"	Great Britain and Northern Ireland
“UUK”	Universities UK or its successor
"writing"	written, printed or lithographed, or partly one and partly another, and other models of representing or producing words in a visible form

2. In these Articles:

- (i) references to an Article shall be to an article of these Articles;
- (ii) words importing the singular number only shall include the plural number, and vice versa;
- (iii) words importing one gender only shall include all genders;
- (iv) words importing persons shall include organisations;
- (v) unless the context otherwise requires words or expressions contained in these Articles have the same meaning as in the 2006 Act but excluding any statutory modification not in force when this constitution becomes binding on the Unit; and
- (vi) apart from the exception mentioned in the paragraph 2(v) above, a reference to an Act of Parliament, statutory provision or subordinate legislation includes any statutory modification or re-enactment of it for the time being in force.

NAME

3. The name of the company is "Equality Challenge Unit".

REGISTERED OFFICE

4. The registered office of the Unit will be situated in England and Wales.

OBJECT

5. The Unit's object is to promote education for the public benefit by improving equality of opportunity and encouraging diversity for all who work or seek to work and all who study or seek to study in the UK education sector.

POWERS

6. The powers of the Unit, which may be used to further the object but not further or otherwise, shall be:
 - (i) to acquire the whole or any part of the undertaking of the Equality Challenge Unit of the charity known as Universities UK and to discharge any of the functions of that unit insofar as the same may be charitable at law;
 - (ii) to advise individual UK higher education institutions in connection with the implementation of good practice in equality and diversity;
 - (iii) to cause to be written, and printed or otherwise reproduced and disseminated, gratuitously or otherwise, reports, periodicals, magazines, books, leaflets or other documents or materials stored electronically, optically, magnetically or on paper;
 - (iv) to hold exhibitions, meetings, lectures, classes, seminars, conferences and courses either alone or with others, gratuitously or otherwise;
 - (v) to foster and undertake research into any aspect of the object of the Unit and its work and to disseminate the results of any such research;
 - (vi) to accept subscriptions, donations, devises and bequests of and to purchase, take on lease or in exchange, hire or otherwise acquire and hold any real or personal estate, maintain and alter any of the same as are necessary for any of the object of the Unit and (subject to such consents as may be required by

law) to sell, lease or otherwise dispose of or mortgage any such real or personal estate;

- (vii) to issue appeals, hold public meetings and take such other steps as may be required for the purpose of procuring contributions to the funds of the Unit in the shape of donations, subscriptions or otherwise;
- (viii) to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments, and to operate bank accounts;
- (ix) subject to such consents as may be required by law to lend, borrow or raise money for the object of the Unit on such terms and on such security as may be thought fit PROVIDED THAT the Unit shall not undertake any permanent trading activities in raising funds for the object of the Unit;
- (x) to take and accept gifts of money, property or other assets, whether subject to any special trust or not, for any one or more of the object of the Unit;
- (xi) to invest the moneys of the Unit not immediately required for its object in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided;
- (xii) to place any moneys of the Unit not immediately required for its purposes on deposit with a bank approved by the board of directors of the Unit;
- (xiii) to make any charitable donations either in cash or assets for the furtherance of the object of the Unit;
- (xiv) to establish and support any charitable association or body and to subscribe or guarantee money for charitable purposes calculated to further the object of the Unit;
- (xv) to employ, engage, pay or provide such persons whose services may be deemed expedient in order to carry out or promote all or any of the object, in particular to supervise, organise, carry on the work of and advise the Unit;
- (xvi) to provide indemnity insurance for the Board or any other officer of the Unit in relation to any such liability as is mentioned in clause 7(i) of these Articles,

but subject to the restrictions specified in clause 7(ii);

- (xvii) to amalgamate with any companies, institutions, societies or associations which are charitable at law and have objects altogether or mainly similar to that of the Unit and prohibit the payment of any dividend or profit to and the distribution of any of their assets amongst their members at least to the same extent as such payments or distributions are prohibited in the case of members of the Unit by these Articles;
- (xviii) to establish subsidiary companies to assist or act as agents of the Unit;
- (xix) to pay out of the funds of the Unit the costs, charges and expenses of and incidental to the formation and registration of the Unit;
- (xx) to establish regional offices (whether autonomous or not); and
- (xxi) to do all such other lawful things as shall further the object;

PROVIDED THAT:

- (a) In case the Unit shall take or hold any property which may be subject to any trusts, the Unit shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts;
- (b) The Unit's object shall not extend to the regulation of relations between workers and employers or organisations of workers and organisations of employers;
- (c) In case the Unit shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales or equivalent bodies in Scotland and Northern Ireland, the Unit shall not sell, mortgage, charge or lease the same without such authority, approval or consent as may be required by law, and as regards any such property the board of directors or governing body of the Unit shall be chargeable for any such property that may come in to their hands and shall be answerable and accountable for their own acts, receipts, neglects and defaults, and for the due administration of such property in the same manner and to the same extent as they would as such board or governing body have been if no incorporation had been effected, and the incorporation of the Unit shall not diminish or impair any control or

authority exercisable by the Chancery Division of the High Court of Justice or the Charity Commissioners over such board of directors or governing body, but they shall as regards any property be subject jointly and separately to such control or authority as if the Unit was not incorporated.

7.

- (i) The liabilities referred to in clause 6(xvi) above are:
 - (a) any liability that by virtue of any rule of law would otherwise attach to a director of a company in respect of any negligence, default, breach of duty or breach of trust of which he or she may be guilty in relation to the Unit;
 - (b) the liability to take a contribution to the Unit's assets as specified in section 214 of the Insolvency Act 1986 (wrongful trading).
- (ii) The following liabilities are excluded from clause 7(i)(a):
 - (a) fines;
 - (b) costs of unsuccessfully defending criminal prosecutions for offences arising out of the fraud, dishonesty or wilful or reckless misconduct of the Board member or other officer;
 - (c) liabilities to the Unit that result from conduct that the Board member or other officer knew or must be assumed to have known was not in the best interests of the Unit or about which the person concerned did not care whether it was in the best interests of the Unit or not.
- (iii) There is excluded from clause 7(i)(b) any liability to make such a contribution where the basis of the Board member's liability is his or her knowledge prior to the insolvent liquidation of the Unit (or reckless failure to acquire that knowledge) that there was no reasonable prospect that the Unit would avoid going into insolvent liquidation.

LIMITATIONS

8.

- (i) The income and property of the Unit shall be applied solely towards the promotion of the Objects.
- (ii) A Director is entitled to be reimbursed from the property of the Unit or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the Unit.
- (iii) Subject to the restrictions in clause 8(vi), a Director may benefit from trustee indemnity insurance cover purchased at the Unit's expense.
- (iv) A Director may receive an indemnity from the Unit in the circumstances specified in Article 84.
- (v) None of the income or property of the Unit may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member of the Unit. This does not prevent a member who is not also a Director receiving:
 - (a) a benefit from the Unit in the capacity of a beneficiary of the Unit;
 - (b) reasonable and proper remuneration for any goods or services supplied to the Unit.
- (vi) No Director may:
 - (a) buy any goods or services from the Unit;
 - (b) sell goods, services or any interest in land to the Unit;
 - (c) be employed by, or receive any remuneration from the Unit;
 - (d) receive any other financial benefit from the Unit;

unless:

- (a) the payment is permitted by sub-clause 8(vii) to (xii) (inclusive) of this clause, does not exceed an amount that is reasonable in all the

circumstances, and does not result in a majority of the Directors having received a financial benefit from the Unit; or

- (b) the Directors obtain the prior written approval of the Commission and fully comply with any procedures it prescribes.
- (vii) A Director may receive a benefit from the Unit in the capacity of a beneficiary of the Unit.
- (viii) A Director may enter into a contract for the supply of goods or services to the Unit where that is permitted in accordance with, and subject to the conditions in, section 73A of the Charities Act 1993.
- (ix) A Director may receive interest on money lent to the Unit at a reasonable and proper rate which must be 2% (or more) per annum below the base rate of a clearing bank to be selected by the Directors.
- (x) A company of which a Director is a member may receive fees remuneration or other benefit in money or money's worth provided that the shares of the company are listed on a recognised stock exchange and the Director holds no more than 1% of the issued capital of that company.
- (xi) A Director may receive rent for premises let by the Director to the Unit if the amount of the rent and the other terms of the lease are reasonable and proper and provided that such a Director shall withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.
- (xii) The Directors may arrange for the purchase, out of the funds of the Unit, of insurance designed to indemnify the Directors in accordance with the terms of, and subject to the conditions in, section 73F of the Charities Act 1993.
- (xiii) The employment or remuneration of a Director includes the engagement or remuneration of any firm or company in which the Director is:
 - (a) a partner;
 - (b) an employee;
 - (c) a consultant;

- (d) a director; or
 - (e) a shareholder, unless the shares of the company are listed on a recognised stock exchange and the Director holds less than 1% of the issued capital.
- (xiv) In sub-clauses (ii) - (xiv) of this clause 8:
- (a) "Unit" shall include any company in which the Unit:
 - (1) holds more than 50% of the shares; or
 - (2) controls more than 50% of the voting rights attached to the shares; or
 - (3) has the right to appoint one or more directors to the Board of the company;
 - (b) "Director" shall include any child, parent, grandchild, grandparent, brother, sister, spouse or civil partner of the Director or any person living with the Director as his or her partner.
- (xv) If a conflict of interests arises for a Director because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in these Articles, the unconflicted Directors may authorise such a conflict of interests where the following conditions apply:
- (a) the conflicted Director is absent from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person;
 - (b) the conflicted Director does not vote on any such matter and is not to be counted when considering whether a quorum of Directors is present at the meeting;
 - (c) the unconflicted Directors consider it is in the interests of the Unit to authorise the conflict of interest in the circumstances applying.

AMENDMENT TO THESE ARTICLES

9. No addition, alteration, or amendment shall be made to or in the provisions of these

Articles of Association for the time being in force, which will cause the Unit to cease to be a charity in law or which would have the effect that the Unit shall cease to be a company to which the Conditions of Regulation 3 of The Company and Business Names (Miscellaneous Provisions) Regulations 2009 SI 2009/1085 apply.

LIMITATION OF LIABILITY & GUARANTEE

10. The liability of the members is limited.
11. Every member of the Unit undertakes to contribute such amount as may be required (not exceeding £1) to the Unit's assets if it should be wound up while he, she or it is a member or within one year after he, she or it ceases to be a member, for payment of the Unit's debts and liabilities contracted before he, she or it ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves.

DISSOLUTION

12. If upon the winding up or dissolution of the Unit there remains, after the satisfaction of all debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Unit, but shall be transferred to some other charitable institution (whether or not a member of the Unit) having objects similar to the objects of the Unit, such institution or institutions to be determined by the members of the Unit at or before the time of dissolution.

MEMBERSHIP

13. The provisions of Section 113 of the 2006 Act shall be observed by the Unit and every member of the Unit shall either sign a written consent to become a member or sign the Register of Members on becoming a member. The first members of the Unit shall be:
 - (i) UUK; and
 - (ii) GuildHE.
14. No other person shall be admitted as a member of the Unit unless he/she/it is approved by the members of the Unit in general meeting. Nominations for membership of the Unit either may be made by any member of the Unit after consultation with the Board or may be made by a majority of the Board.

15. Every person who wishes to become a member shall deliver to the Unit an application for membership in such form as the Board require to be executed by him/her.
16. Membership is not transferable to anyone else.

DETERMINATION OF MEMBERSHIP

17. Membership is terminated if:
 - (i) the member organisation ceases to exist; or
 - (ii) the member resigns by three months' written notice to the Unit addressed to the Secretary unless, after the resignation, there would be less than two members.

GENERAL MEETINGS

18. UUK and/or GuildHE may call a general meeting at any time.
19. The Board may call a general meeting at any time.

NOTICE OF GENERAL MEETINGS

20.
 - (i) The minimum periods of notice required to hold a general meeting of the Unit are:
 - (a) twenty-one clear days for an annual general meeting or a general meeting called for the passing of a special resolution;
 - (b) fourteen clear days for all other general meetings.
 - (ii) A general meeting may be called by shorter notice if it is so agreed by a majority in number of members having a right to attend and vote at the meeting who together hold not less than 90 percent of the total voting rights.
 - (iii) The notice must specify the date time and place of the meeting and the general nature of the business to be transacted. If the meeting is to be an annual general meeting, the notice must say so. The notice must also contain a statement setting out the right of members to appoint a proxy under

section 324 of the 2006 Act and in accordance with the provisions of these Articles.

(iv) The notice must be given to all the members and to the Directors and Auditors.

21. The accidental omission to give notice of a general meeting to, or the non-receipt of such notice by, any person entitled to receive notice thereof shall not invalidate any resolution passed, or proceeding had, at any general meeting.

PROCEEDINGS AT GENERAL MEETINGS

22. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Save as herein otherwise provided, two members or one third of the total number of members, whichever is the higher figure, present personally or, in the case of corporate member, by its duly authorised representative shall be a quorum. The authorised representative of a member organisation shall be counted in the quorum.

23. If within an hour from the time appointed for the holding of a general meeting a quorum is not present, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or at such other place as the Board may determine and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the member or members present shall be a quorum.

24. A resolution in writing agreed by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of the members who would have been entitled to vote upon it had it been proposed at a general meeting shall be effective provided that a copy of the proposed resolution has been sent to every eligible member and a simple majority (or in the case of a special resolution a majority of not less than 75%) of members has signified its agreement to the resolution in an authenticated document which has been received at the registered office within the period of 28 days beginning with the circulation date. A resolution in writing may comprise several copies to which one or more members have signified their agreement. In the case of a member that is an organisation, its authorised representative may signify its agreement.

25. The Chair or in his/her absence some other director nominated by the Board shall

preside as chair of the meeting, but if neither the Chair 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 chair and, if there is only one director present and willing to act, he/she shall be chair. If no director is willing to act as chair, 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 chair of the meeting.

26. The chair of the meeting may, with the consent of any 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 any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place.
27. Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, the members shall not be entitled to any notice of an adjournment, or of the business to be transacted at an adjournment meeting.
28. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is, before or upon the declaration of the result of the show of hands, demanded by the chair or by at least one member present in person or by proxy, and unless a poll be so demanded a declaration by the chair of the meeting that a resolution has been carried, or carried unanimously or by particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minute book of the Unit shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution. The demand for a poll may be withdrawn.
29. Subject to the provisions of Article 28 of these Articles, if a poll is demanded in manner aforesaid, it shall be taken at such time and place, and in such manner, as the chair of the meeting shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
30. No poll shall be demanded on the election of a chair of a meeting, or on any question of adjournment.
31. In the case of an equality of votes, whether on a show of hands or on a poll, the

resolution shall be deemed not to have been passed. The chair shall not have a second or casting vote.

32. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

VOTES OF MEMBERS

33. Subject as hereinafter provided, each member shall have one vote.
34. Save as herein expressly provided, no member other than a member duly registered shall be entitled to vote on any question either personally or by proxy, or as a proxy for another member, at any general meeting.
35. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chair whose decision shall be final and conclusive.
- 36.
- (i) Any organisation that is a member of the Unit may nominate any person to act as its representative at any meeting of the Unit.
 - (ii) The organisation must give written notice to the Unit of the name of its representative. The nominee shall not be entitled to represent the organisation at any meeting unless the notice has been received by the Unit. The nominee may continue to represent the organisation until written notice to the contrary is received by the Unit.
 - (iii) Any notice given to the Unit will be conclusive evidence that the nominee is entitled to represent the organisation or that his or her authority has been revoked. The Unit shall not be required to consider whether the nominee has been properly appointed by the organisation.
37. Votes may be given either personally or by proxy. A proxy need not be a member of the Unit.
38. The instrument appointing a proxy shall be in writing and must be deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting

or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

39. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of the death, insanity or revocation as aforesaid shall have been received at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

40. An instrument appointing a proxy shall be in the following form or as near thereto as circumstances will admit:

"Equality Challenge Unit"
"I/we..... of..... a member of the Unit hereby appoint..... of and failing him/her, of as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting/General Meeting of the Unit to be held on..... 20..... and at any adjournment thereof.

Signed.....
Dated.....20....

This form is to be used * in favour of/against the resolution. Unless otherwise instructed the proxy will vote as he/she thinks fit".
The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

THE BOARD

41. Until otherwise determined by a general meeting, the number of directors shall be not less than nine nor more than thirteen.

42. Unless otherwise determined in General Meeting, the Board shall be constituted as follows:

- (i) five persons appointed jointly by UUK and GuildHE;
- (ii) not less than four nor more than eight persons appointed by the Board acting through its Nominations Committee.

43. Regard shall be had to the desirability that the Board should include members reflecting:
- (i) the four jurisdictions of the United Kingdom;
 - (ii) the diversity of the higher education sector in the United Kingdom;
44. Regard shall also be had to the desirability of promoting diversity among the Board from time to time in terms of age, gender, ethnicity and disability and in terms of achieving an appropriate balance between those having higher education experience and those having appropriate experience outside the higher education sector, including industry and commerce, the professions and the not-for-profit sector.
45. Notwithstanding the requirements of Articles 43 and 44, no appointment to the Board may be challenged on grounds of imbalance.
46. Appointments of the Chair of the Board and Deputy Chair of the Board (and Chair of the Audit and Risk Committee) from time to time by the Board acting through its Nominations Committee, and for a period to expire at the conclusion of a July Board meeting. The Chair and Deputy Chair normally to be drawn from the five members of the Board jointly nominated by UUK and GuildHE.
47. (i) A Director must be a natural person aged 16 years or older.
- (ii) No one may be appointed a Director if he or she would be disqualified from acting under the provisions of Article 68.
48. At the second Annual General Meeting of the Unit and at each subsequent Annual General Meeting one-third of the directors shall retire, or if their number is not a multiple of three, the whole number nearest to one-third.
49. The members of the Board to retire pursuant to Article 48 shall be those who have been longer or longest in office since their last appointment. As between members of equal seniority, the members to retire shall, in the absence of agreement, be selected from among them by lot. Subject to the provision of Articles 50 and 51, a retiring member of the Board shall be eligible for re-appointment once only, except that a retiring member at the conclusion of their second period of office and whom the Board wishes to appoint/re-appoint as Chair may be re-appointed for an additional and final further period of office as a member of the Board.

50. Any member of the Board referred to in Articles 42(ii) may be removed from office by the Board, or may resign, before the expiration of his/her period of office, notwithstanding anything in these Articles or in any agreement between the Unit and such member of the Board and the Board acting through its Nominations Committee shall be entitled to appoint any person in his/her stead; but any person so appointed shall remain in his/her office so long only as the director in whose place he/she had not been removed or resigned. Such successor's term of office shall be regarded as a full term for the purposes of re-appointment if the unexpired term is one year or more but not so regarded if the unexpired term is less than one year. In such latter case, the appointee shall be eligible to be re-appointed for a further two terms of three years.
51. Any member of the Board referred to in Articles 42(i) may be removed from office by his/her appointer by notice in writing to the Unit, or may resign, before the expiration of his/her period of office, notwithstanding anything in these Articles or in any agreement between the Unit and such member of the Board and the appointer shall be entitled to appoint any person in his/her stead; but any person so appointed shall remain in his/her office so long only as the director in whose place he/she is appointed would have held office if he/she had not been removed or resigned. Such successor's term of office shall be regarded as a full term for the purposes of re-appointment if the unexpired term is one year or more but not so regarded if the unexpired term is less than one year. In such latter case, the appointee shall be eligible to be re-appointed for a further two terms of three years.
52. A Director may not appoint an alternate director or anyone to act on his or her behalf at meetings of the Directors.

POWERS OF THE BOARD

53. (i) The Board shall manage the business of the Unit and may exercise all the powers of the Unit unless they are subject to any restrictions imposed by the 2006 Act, these Articles or any special resolution.
- (ii) No alteration of these Articles or any special resolution shall have retrospective effect to invalidate any prior act of the Board.
- (iii) Any meeting of Directors at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the Board.

PROCEEDINGS OF THE BOARD

54. The Board shall meet together at least three times a year (and more frequently as they may from time to time think fit) for the dispatch of business, and may adjourn and otherwise regulate their meetings as they think fit. A quorum shall be five directors for meetings of the Board, of whom at least two shall be drawn from Article 42(i) and at least one from Article 42(ii).
55. Questions arising at any meeting of the Board shall be decided by a majority of votes, each director present having one vote. In case of an equality of votes the chair of the meeting shall have a second or casting vote.
56. Any three members of the Board may, and on the request of any three members of the Board, the Secretary shall, at any time, summon a meeting of the Board by notice served upon the several members of the Board. A member of the Board who is absent from the United Kingdom shall not be entitled to notice of a meeting.
57. The Chair shall be entitled to preside at all meetings of the Board at which he/she shall be present. If at any meeting the Chair is not present within five minutes after the time appointed for holding the meeting and willing to preside, the members of the Board present shall choose one of their number to be chair of the meeting.
58. A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers and discretions by or under these Articles vested in the Board generally.
59. All acts bona fide done by any meeting of the Board or by any person acting as a member of the Board, shall, notwithstanding it is afterwards discovered that there was some defect in the appointment or continuance in office of any such member or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a member of the Board.
60. The Board shall cause proper minutes to be made of all appointments of officers made by the Board and of the proceedings of all meetings of the Unit and of the Board and of any committee established pursuant to Article 64 of these Articles, and all business transacted at such meetings, and any such minutes of any meeting, if purporting to be signed by the chair of such meeting, or by the chair of the next succeeding meeting,

shall be sufficient evidence without any further proof of the facts therein stated.

61. A resolution in writing signed by all the members for the time being of the Board who are entitled to receive notice of a meeting of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and constituted. Any such resolution may consist of several documents in the like form (including facsimile transmission) and signed by one or more of the Board for the time being entitled to receive notice of a meeting of the Board.
62. A member of the Board shall be treated as present at a meeting of the Board notwithstanding that he/she is not physically present if he/she is in communication with the meeting by telephone or other telecommunication link and, for the purpose of these Articles, meetings of the Board shall include meetings held by telephone or any other form of telecommunication link provided that:
 - (i) all members of the Board have received notice of the meeting and the means of communication to be employed therefore; and
 - (ii) the telephone or telecommunication link is so arranged that it is possible for each member of the Board to hear and be heard by each other person participating in the meeting and the terms "meeting" and "meet" shall be construed accordingly.
63. A Director must declare the nature and extent of any interest, direct or indirect, which s/he has in a proposed transaction or arrangement with the Unit or in any transaction or arrangement entered into by the Unit 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 Unit and any personal interest (including but not limited to any personal financial interest).

COMMITTEES

64. The Board may delegate any of their functions to committees, other than those functions referred to in Article 67. Such committees shall consist of such persons as the Board think fit, so long as one or more of such persons is a Board member. Any committee so formed shall, in exercise of the powers so delegated, conform to all regulations imposed upon it by the Board. The meetings and proceedings of any such committee shall be governed by the provisions of these Articles for regulating the meetings and proceedings of the Board so far as applicable and so far as the same

shall not be superseded by any regulations made by the Board. The acts and proceedings of such committees shall be reported fully to the Board.

65. One such committee which shall be established by the Board shall be known as the Audit and Risk Committee which will hold at least one meeting annually, subject always to Article 67.
66. Another such committee which shall be established by the Board shall be known as the Nominations Committee which will meet as often as is necessary and, subject always to Article 67, shall be responsible for the appointment (but not the removal) of Board members.
67. The Board shall not delegate any of the following matters to a committee:
 - (i) the approval of the annual estimates of income and expenditure;
 - (ii) the approval of the annual business plan and the key objectives of the Unit;
 - (iii) ensuring the solvency of the Unit and the safeguarding of its assets;
 - (iv) ensuring the continued charitable status of the Unit; and
 - (v) the appointment or dismissal of the Chief Executive.

DISQUALIFICATION OF DIRECTORS

68. The office of a director shall be vacated if:
 - (i) by notice in writing to the Unit he/she resigns his/her office;
 - (ii) he/she becomes bankrupt or makes any arrangement or composition with his/her creditors generally;
 - (iii) he/she becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs;
 - (iv) he/she ceases to hold office by virtue of any provision of the 2006 Act or he/she becomes prohibited by law from being a director of the Unit; or
 - (v) is disqualified from acting as a trustee by virtue of section 80 of the Charities Act 1993 (or any statutory re-enactment or modification of that provision).

REMUNERATION AND EXPENSES OF DIRECTORS

CHIEF EXECUTIVE

69. A Chief Executive shall be appointed by the Board for such term, at such remuneration and (subject to Articles 71 to 73) upon such conditions as they shall think fit and any Chief Executive so appointed may be removed by the Board.
70. The Board may entrust to and confer upon the Chief Executive such of the executive powers exercisable under these Articles by the Board as they may think fit, and may confer those powers for such time, and to be exercised for such object and purposes, and upon such terms and conditions, and with such restrictions, as they may consider expedient, and they may revoke, withdraw, alter or vary all or any of those powers: **PROVIDED THAT** all acts of the Chief Executive shall be reported in due course to the Board.
71. The Chief Executive shall engage all persons to be employed under him/her and shall be responsible for them.
72. The Chief Executive shall be entitled to receive notice of and to attend and speak, but not vote, at all general meetings of the Unit, all meetings of the Board and all meetings of any committee. The Chief Executive shall, however, absent himself/herself from all discussions concerning his/her performance or remuneration. The Chief Executive may be accompanied by such senior staff of the Unit as the chair of the meeting shall consider appropriate.

SECRETARY

73. The Secretary may be appointed by the Board for such term, at such remuneration and upon such conditions as the Board shall think fit and any Secretary so appointed may be removed by the Board.

OBSERVERS

74. Each of the following bodies shall be entitled to receive notice of and to appoint an observer to receive notice of, attend and speak (but not vote) at all meetings of the Board and all meetings of any committee of the Board:
- (i) HEFCE;
 - (ii) SFC;

- (iii) HEFCW;
- (iv) DELNI;
- (v) HEA;
- (vi) LFHE; and
- (vii) UCEA.

75. In addition, the UUK and GuildHE secretariats shall be entitled to receive notice of and to appoint, jointly or separately, an observer to attend and speak (but not vote) at all meetings of the Board and all meetings of any committee of the Board.

The name of each such observer shall be notified to the Secretary in advance of the meeting

SEAL

76. The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board, and in the presence of at least two members of the Board or one member of the Board and either the Chief Executive or the Secretary and the said members or member and Chief Executive or Secretary (whichever is the case) shall sign every instrument to which the Seal be so affixed in their presence, and in favour of any purchaser or person bona fide dealing with the Unit, such signatures shall be conclusive evidence of the fact that the Seal has been properly affixed.

ACCOUNTS

77. The Board must prepare for each financial year accounts as required by the 2006 Act. The accounts must be prepared to show a true and fair view and follow accounting standards issued or adopted by the Accounting Standards Board or its successors and adhere to the recommendations of applicable Statements of Recommended Practice.

78. The Directors must keep accounting records as required by the 2006 Act.

79. (i) The Directors must comply with the requirements of the Charities Act 1993 with regard to:
(a) the transmission of the statements of account to the Unit;

- (b) the preparation of an Annual Report and its transmission to the Commission;
 - (c) the preparation of an Annual Return and its transmission to the Commission.
- (ii) The Directors must notify the Commission promptly of any changes to the Unit's entry on the Central Register of Charities.

NOTICES

80. Any notice to be given to or by any person pursuant to the Articles:
- (i) must be in writing; or
 - (ii) must be given using electronic communications.
81. (i) The Unit may give any notice to a member either:
- (a) personally; or
 - (b) by sending it by post in a prepaid envelope addressed to the member at his or her address; or
 - (c) by leaving it at the address of the member; or
 - (d) by giving it using electronic communications to the member's address.
- (ii) A member who does not register an address with the Unit or who registers only a postal address that is not within the United Kingdom shall not be entitled to receive any notice from the Unit.
82. A member present in person at any meeting of the Unit shall be deemed to have received notice of the meeting and of the purposes for which it was called.
83. (i) Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given.
- (ii) Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given.
- (iii) A notice shall be deemed to be given:
- (a) 48 hours after the envelope containing it was posted; or
 - (b) in the case of an electronic communication, 48 hours after it was sent.

INDEMNITY

84. Subject to the provisions of the 2006 Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer of the Unit shall be indemnified out of the assets of the Unit against any liability incurred by him/her in defending any proceedings, whether civil or criminal, in which judgment is given in his/her favour or in which he/she is acquitted or in connection with any application in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Unit.

RULES

85. The Board may from time to time make such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the Unit.
86. (i) The bye laws may regulate the following matters but are not restricted to them:
- (a) the admission of members of the Unit (including the admission of organisations to membership) and the rights and privileges of such members, and the entrance fees, subscriptions and other fees or payments to be made by members;
 - (b) the conduct of members of the Unit in relation to one another, and to the Unit's employees and volunteers;
 - (c) the setting aside of the whole or any part or parts of the Unit's premises at any particular time or times or for any particular purpose or purposes;
 - (d) the procedure at general meetings and meetings of the Board in so far as such procedure is not regulated by the 2006 Act or by these Articles;
 - (e) generally, all such matters as are commonly the subject matter of company rules.
- (ii) The Unit in general meeting has the power to alter, add to or repeal the rules or bye laws.
- (iii) The Board must adopt such means as they think sufficient to bring the rules and bye laws to the notice of members of the Unit.
- (iv) The rules or bye laws, shall be binding on all members of the Unit. No rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in these Articles.