

**Company Number 0880014**

**THE COMPANIES ACT 2006**

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**COMPANY LIMITED BY GUARANTEE**

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**ARTICLES OF ASSOCIATION**

**of**

**New Model Institute for Technology and Engineering**

**Adopted 20 September 2021**

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**1. COMPANY NAME**

The company's name is New Model Institute for Technology and Engineering. In these Articles of Association, it is called "the Institute".

**2. INTERPRETATION**

In these Articles of Association, unless the context otherwise requires, the following words and expressions shall have the meaning assigned to them below:-

<b>"Address"</b>	a postal address or, for the purposes of electronic communication, an e-mail address in each case registered with the Institute
<b>"the Articles"</b>	the Institute's Articles of Association
<b>"Board"</b>	the board of directors and charity trustees (as defined in section 177 of the Charities Act) of the Institute
<b>"Board Member"</b>	any individual member of the Board appointed in accordance with Article 7.1 acting as both a director and charity trustee of the Institute
<b>"the Institute"</b>	New Model Institute for Technology and Engineering, company number 08800142
<b>"CEO"</b>	the Chief Executive Officer of the Institute appointed in accordance with Article 14
<b>"Chair"</b>	the Chair of the Board appointed in accordance with Article 10.1
<b>"Charities Act"</b>	the Charities Act 2011
<b>"Company Member"</b>	a company law member of the Institute who has agreed to contribute to the Institute in the event of its winding up in accordance with Article 6.1
<b>"clear days"</b>	In relation to a period of notice means a period excluding:- <ul style="list-style-type: none"> <li>(a) the day when notice is given or deemed to be given and</li> <li>(b) the day for which it is given or on which it is to take effect</li> </ul>
<b>"the Commission"</b>	the Charity Commission for England and Wales
<b>"Companies Act"</b>	the Companies Act 2006 insofar as it applies to the Institute
<b>"document"</b>	includes, unless otherwise specified, any document sent or supplied in electronic form
<b>"electronic form"</b>	and <b>"electronic means"</b> shall have the meanings given in section 1168 of the Companies Act
<b>"Ex Officio Board Member"</b>	a Board Member appointed to the Board in accordance with Article 7.1.2 provided that such employee is not disqualified from acting as a charity trustee
<b>"Independent Board Member"</b>	a Board Member who is neither an Ex Officio Board Member, a Staff Board Member nor a Student Board Member
<b>"ordinary resolution"</b>	a resolution agreed by a simple majority of the Company Members present and voting at a general meeting or, in the case of a written resolution, by Company Members who together hold a majority of the voting power
<b>"Regulator"</b>	the Office for Students in its capacity as the independent regulator of higher education in England (or any successor independent regulator of higher education in England)

<b>"Secretary"</b>	any person appointed to perform the duties of the company secretary of the Institute; and includes a reference to that person as the clerk to the Board
<b>"Staff Board Member"</b>	a member of staff appointed to the Board in accordance with Article 7.1.4
<b>"Standing Orders"</b>	the rules determined by the Board from time to time to regulate its proceedings in respect of its meetings, those of its committees and those of the Company Members in general meeting
<b>"Student"</b>	a person registered on a programme of study at the Institute leading to a graduate or post-graduate award
<b>"Student Board Member"</b>	a Student appointed to the Board in accordance with Article 7.1.3

### 3. **OBJECTS**

3.1 The Institute's objects ("**Objects**") are specifically restricted to the following:

- 3.1.1 to advance education, with a particular focus on engineering and related business skills, and to widen participation in higher education by underrepresented groups and those who are socially excluded; and
- 3.1.2 to promote research for the public benefit and to publish the useful results.

### 4. **POWERS**

4.1 The Institute has power to do anything which is calculated to further its Objects or is conducive or incidental to doing so. In particular, the Institute has power:-

- 4.1.1 to provide instruction, training and education and to admit students to programmes of study;
- 4.1.2 to promote or carry out research;
- 4.1.3 to assess the performance of persons by examinations and by other means and to award diplomas, certifications or other academic and honorary awards, fellowships and other marks of distinction to persons who complete appropriate courses of study and satisfy appropriate assessments and to withdraw or withhold any such award if there are grounds for doing so;
- 4.1.4 to participate in arrangements with any university or provider of higher education or any other body having the appropriate powers whereby students of the Institute or such other body may become qualified to receive any degrees or other academic qualifications of such body;
- 4.1.5 to buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use; and insure the Institute and its property against any foreseeable risk;
- 4.1.6 to sell, lease or otherwise dispose of all or any part of its property, subject to complying as appropriate with sections 117 and 122 of the Charities Act;
- 4.1.7 to borrow money or raise funds (and enter into any financial instrument ancillary or incidental to the exercise of that power) and to charge the whole or any part of its property as security for repayment of the money borrowed or raised or as security for a grant or the discharge of an obligation, subject to complying as appropriate with sections 124 - 126 of the Charities Act;
- 4.1.8 to make grants or loans of money, to give prizes and charitable donations; to establish a fund for scholarships and bursaries; to give guarantees;
- 4.1.9 to enter into contracts to provide services to or on behalf of other bodies;
- 4.1.10 to co-operate, collaborate or enter into any arrangement with other charities, voluntary bodies, statutory authorities, companies and individuals and to exchange information and advice with them;
- 4.1.11 to appoint individuals to honorary positions such as patron, president or ambassador of the Institute;

- 4.1.12 to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects;
- 4.1.13 to establish trading subsidiaries either solely or in partnership with other persons;
- 4.1.14 to acquire, merge with or to enter into any partnership or joint venture arrangement with any other charity formed for any of the charitable purposes included in the Objects;
- 4.1.15 to set aside funds for special purposes or as a reserve against future expenditure, but only in accordance with a written policy about reserves;
- 4.1.16 to employ and remunerate any staff necessary for carrying out the work of the Institute and to engage and pay consultants and advisers which the Institute considers necessary or desirable to support its work, provided that the Institute may employ or remunerate a Board Member only where permitted by and in strict compliance with Article 23;
- 4.1.17 to solicit, receive, accept and administer fees, charges, grants, financial assistance, subscriptions, donations, endowments, legacies, gifts, loans, and the loan of any property of any kind whether land or other forms of property and any other sources of income (subject to the requirements of the Charities Act);
- 4.1.18 to deposit or invest funds in any lawful manner;
- 4.1.19 to employ a professional fund-manager, and to act as trustee or manager for or in relation to endowments, legacies and gifts, and arrange for the investments or other property of the Institute to be held in the name of a nominee in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000;
- 4.1.20 to insure the charity's property against any foreseeable risk;
- 4.1.21 to provide indemnity insurance for the Board Members in accordance with, and subject to the conditions in section 189 of the Charities Act 2011;
- 4.1.22 to publish or distribute information; and
- 4.1.23 to do anything else within the law which promotes or helps to promote the Objects.

## 5. **COMPANY MEMBERS**

- 5.1 Each Board Member shall be a Company Member of the Institute for the duration of their term of office. No other individuals or bodies shall be Company Members. In their capacity as such, the Company Members shall meet from time to time to discharge their responsibilities under the provisions of the Companies Act.
- 5.2 A Company Member's membership shall be terminated if they cease to be a Board Member. Membership of the Company is not transferable.

## 6. **LIABILITY OF MEMBERS**

- 6.1 The liability of Company Members is limited to a sum not exceeding £1, being the amount that each Company Member undertakes to contribute to the assets of the Institute in the event of its being

wound up while he, she or it is a Company Member or within one year after he, she or it ceases to be a member for:-

- 6.1.1 payment of the Institute's debts and liabilities incurred before he, she or it ceases to be a member;
- 6.1.2 payment of the costs, charges, and expenses of winding up; and
- 6.1.3 adjustment of the rights of the contributors among themselves.

## 7. **THE BOARD**

The Board is the governing body of the Institute. Each Board Member is also a Company Member of the Institute. The minimum number of Board Members shall be seven and a maximum number of fourteen, ensuring always that there shall be a majority of Independent Board Members.

7.1 The Board shall comprise:-

### 7.1.1 **Independent Board Members**

Up to 11 Independent Members appointed by the Board in accordance with procedures determined by it from time to time;

### 7.1.2 **Ex Officio Board Members**

The CEO;

### 7.1.3 **Student Board Member**

A Student who shall be appointed by the Board as a Student Board Member in accordance with procedures which are approved by Board from time to time.

### 7.1.4 **Staff Board Member**

A member of staff of the Institute who shall be appointed by the Board as a Staff Board Member in accordance with procedures which are approved by Board from time to time.

7.2 In appointing Board Members, the Board shall seek to ensure that it has a balanced skills set with appropriate diversity.

## 8. **TERMS OF OFFICE**

8.1 The terms of office of Board Members shall be fixed as follows:-

- 8.1.1 in the case of an Ex Officio Board Member, for so long as that person shall remain in post;
- 8.1.2 in the case of an Independent Board Member appointed under Article 7.1.1, for a period of up to three years or in the case of an Independent Board Member appointed as Chair, for a period of up to four years, as determined by the Board. The term of an Independent Board Member including the Chair may be eligible for renewal for a further term not exceeding the first so that two fixed terms may run consecutively. The Board may, in circumstances which it considers exceptional, permit an Independent Board Member including the Chair



to serve for a third term of office provided that no person shall be a Board Member for more than nine years in total;

- 8.1.3 in the case of a Student Board Member appointed under Article 7.1.3, for a period of one year or the period until that person ceases to be a Student, whichever is the shorter; and
- 8.1.4 in the case of a Staff Board Member nominated under Article 7.1.4, for a period of one year or the period until that person ceases to be qualified for such appointment, whichever is the shorter. The term of a Staff Board Member may be eligible for renewal by the Board for a further term not exceeding the first so that two fixed terms may run consecutively.

9. **DISQUALIFICATION AND REMOVAL OF BOARD MEMBERS**

9.1 A Board Member shall cease to hold office if he or she:-

- 9.1.1 ceases to be a Board Member by virtue of any provision in the Companies Act or is prohibited by law from being a Board Member;
- 9.1.2 is disqualified from acting as a trustee by virtue of sections 178 and 179 of the Charities Act 2011 (or any statutory re-enactment or modification of that provision);
- 9.1.3 in the case of an Ex Officio Board Member or Staff Board Member, ceases to be employed by the Institute;
- 9.1.4 ceases to be a Company Member of the Institute;
- 9.1.5 if the Board is satisfied that the Board Member is not fit and proper to hold office in accordance with the requirements of the Regulator or that their conduct is prejudicial to the smooth running of the Institute or the work of the Board;
- 9.1.6 is removed by the Company Members at a general meeting under the Companies Act;
- 9.1.7 resigns as a Board Member by notice to the Secretary (but only if at least seven Board Members will remain in office when the notice of resignation is to take effect); or
- 9.1.8 is absent without the permission of the Chair from 2 meetings of the Board held within any year and the Board Members resolve that his or her office be vacated.

10. **CHAIR**

10.1 The Board shall appoint (and may remove) an Independent Board Member to be Chair of the Board (who shall also preside as Chair of the Institute in general meeting) for a term of up to four years.

The Board may also appoint (and may remove) a Vice Chair of the Board in accordance with procedures set out in the Standing Orders.

- 10.2 In the absence of the Chair (or the Vice Chair, if appointed), the Board shall select one of its Independent Board Members to chair its meetings.

## 11. **SECRETARY AND CLERK TO THE BOARD**

The Board shall appoint a Secretary who shall also act as clerk to the Board.

## 12. **PROCEEDINGS OF THE BOARD**

- 12.1 The Board may regulate its proceedings as it thinks fit, subject to the provisions of these Articles and the Companies Act.

- 12.2 The Board may from time to time make such reasonable and proper Standing Orders, rules or by-laws as they may deem necessary or expedient for the proper conduct and management of the Institute.

- 12.3 The Standing Orders, rules or by-laws shall be binding on all Board Members, members of committees of the Board and Company Members of the Institute. No Standing Order, rule or by-law shall be inconsistent with, or shall affect or repeal anything contained in, the Articles.

- 12.4 The Board shall hold at least six meetings each year, unless the Board determines another minimum number which shall not be fewer than four meetings in each year.

- 12.5 Questions arising at a meeting shall be decided by a majority of votes. Every Board Member has one vote on each issue but, if there is an equality of votes, the Chair of the meeting has a second or casting vote.

- 12.6 No decision may be made by a meeting of the Board unless a quorum is present at the time the decision is purported to be made. "Present" includes being present by suitable electronic means agreed by the Board Members in which a participant or participants may communicate with all the other participants.

- 12.7 The quorum shall be five or such larger number as may be decided from time to time by the Board, the majority of whom shall be Independent Board Members.

- 12.8 A Board Member shall not be counted in the quorum present when any decision is made about a matter upon which that Board Member is not entitled to vote.

- 12.9 If the number of Board Members is less than the number fixed as the quorum, the continuing Board Member or Board Members may act only for the purpose of filling vacancies or of calling a general meeting.

- 12.10 A resolution in writing or in electronic form agreed by all the Board Members entitled to receive notice of a meeting of the Board and to vote upon the resolution shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. The resolution in writing may comprise several documents containing the text of the resolution in like form to each of which one or more Board Members has signified their agreement.

## 13. **POWERS OF THE BOARD**

- 13.1 Subject to the provisions of these Articles, the Board shall exercise all the powers of the Institute which it may delegate to any person or to any body (which shall include the establishment of any

committee of the Board) upon such terms and conditions as it sees fit provided always that the Board shall not delegate responsibility for:

- 13.1.1 the approval of the Institute's strategy;
- 13.1.2 the approval of the Institute's annual estimates of income and expenditure;
- 13.1.3 the approval of the Institute's annual audited accounts;
- 13.1.4 the appointment (and removal) of the CEO;
- 13.1.5 the appointment (and removal) of the Secretary;
- 13.1.6 the making, amendment, repeal of or addition to the Standing Orders made under these Articles.

13.2 The Board may impose conditions when delegating its powers, including the conditions that:-

- 13.2.1 the relevant powers are to be exercised exclusively by the person or body to whom they are delegated; and
- 13.2.2 no expenditure may be incurred on behalf of the Institute except in accordance with a budget previously agreed with the Board Members,

13.3 The Board Members may revoke or alter a delegation.

#### 14. **THE CHIEF EXECUTIVE OFFICER OF THE INSTITUTE**

14.1 There shall be a CEO of the Institute, who shall be appointed by the Board and shall have such title and delegated authority as the Board shall determine from time to time. The CEO shall:-

- 14.1.1 be the chief academic and administrative officer of the Institute; and
- 14.1.2 act as the Institute's accountable officer to the Regulator.

#### 15. **ACADEMIC COUNCIL**

15.1 There shall be an Academic Council of the Institute, comprising the CEO and such other members as may be prescribed by the Board from time to time in Standing Orders.

15.2 Subject always to the authority and oversight of the Board, the Academic Council shall have delegated responsibility from the Board for the maintenance of academic quality and standards of the Institute and the direction and regulation of academic matters, having regard at all times to the educational character and Objects of the Institute. The powers and responsibilities of the Academic Council shall be set out in Standing Orders.

15.3 The Academic Council shall act in such manner as shall best promote the academic and professional work of the Institute and safeguard the standards of its awards. The Academic Council shall report to the Board on all matters within its delegated authority in such format and upon such frequency as

the Board may require in order for the Board to be assured of the effectiveness of the academic governance of the Institute.

15.4 The Academic Council may establish such committees as it may consider appropriate in order to effectively discharge its responsibilities.

15.5 The CEO shall be the chair of the Academic Council. The Academic Council may appoint a Deputy Chair from among its own membership in accordance with procedures described in its terms of reference.

## 16. **AUDIT AND RISK COMMITTEE**

16.1 The Board shall establish and thereafter maintain a committee, to be known as the "Audit and Risk Committee", to advise on matters relating to the Institute's audit arrangements and systems of internal control. The composition of the Audit and Risk Committee and its terms of reference shall be prescribed in Standing Orders.

## 17. **ACADEMIC FREEDOM AND FREEDOM OF SPEECH**

17.1 Staff of the Institute, while engaged in teaching and research in accordance with their terms and conditions of service, shall have freedom within the law to question and test received wisdom and to put forward new ideas and controversial or unpopular opinions, without placing themselves in jeopardy of losing their jobs or privileges.

17.2 The Institute shall take such steps as are reasonably practical to ensure that freedom of speech within the law is secured for its students and staff and for visiting speakers and that the use of the premises of the Institute is not denied to any individual or body of persons on any ground connected with their beliefs or views, or their policy or objectives.

17.3 The Institute shall approve and regularly review a code of practice setting out the procedures to be followed by students and staff of the Institute with respect to meetings and other activities held on the premises of the Institute, and shall take such steps as are reasonably practicable to secure that the requirements of the code of practice are complied with.

## 18. **GENERAL MEETINGS**

18.1 The Board Members may call a general meeting at any time. The minimum period of notice required to hold a general meeting of the Institute is 14 clear days.

18.2 A general meeting may be called by shorter notice if it is so agreed by a majority in number of Company Members having a right to attend and vote at the meeting, being a majority who together hold not less than 90 percent of the total voting rights.

18.3 The notice must specify the date, time and place of the meeting and the general nature of the business to be transacted and, if a special resolution is to be proposed, the notice shall set out the terms of the proposed special resolution. The notice must also contain a statement setting out the right of Company Members to appoint a proxy under section 324 of the Companies Act and Article 18.9. The notice must be given to all the Company Members, the Board Members and the Institute's auditors.

18.4 There is a quorum at a general meeting if the number of Company Members present in person or by proxy is at least five. If a quorum is not present within half an hour from the time appointed for the meeting, or during a meeting a quorum ceases to be present, the meeting shall be adjourned to such time and place as the Board may determine. The Board must reconvene the meeting and must give at least 7 clear days' notice of the reconvened meeting stating the date, time and place of the meeting. If no quorum is present at the reconvened meeting within fifteen minutes of the time

specified for the start of the meeting, the Company Members present or by proxy at that time shall constitute the quorum for that meeting.

- 18.5 The Chair or the Vice-Chair will preside at a general meeting. In the absence of the Chair or Vice-Chair, a Company Member elected by those present or by proxy will preside at a general meeting.
- 18.6 Except where otherwise provided by the Companies Act, every issue in general meeting will be decided by ordinary resolution, cast in person or by proxy. The declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded in accordance with procedures prescribed in Standing Orders.
- 18.7 Every Company Member present in person or by proxy has one vote on each issue. In the case of an equality of voted the person who is chairing the meeting shall be entitled to a second or casting vote.
- 18.8 A written resolution of the Company Members passed in accordance with Part 13 of the Companies Act is as valid and effectual as a resolution passed at a general meeting of the Institute.
- 18.9 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:-
- 18.9.1 states the name and address of the Company Member appointing the proxy;
  - 18.9.2 identifies the person appointed to be that Company Member's proxy and the general meeting in relation to which that person is appointed;
  - 18.9.3 is signed by or on behalf of the Company Member appointing the proxy, or is authenticated in such manner as the Board may determine; and
  - 18.9.4 is delivered to the Institute in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.
- 18.10 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 18.11 Unless a proxy notice indicates otherwise, it must be treated as:-
- 18.11.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
  - 18.11.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

19. **LACK OF QUORUM**

19.1 If a quorum is not present within half an hour from the time appointed for the meeting, or during a meeting a quorum ceases to be present, the meeting shall be adjourned to such time and place as the Board Members shall determine.

19.2 The Board Members must reconvene the meeting and must give at least 7 clear days' notice of the reconvened meeting stating the date, time and place of the meeting.

20. **ADJOURNING AND RECONVENING GENERAL MEETINGS**

20.1 The Company Members present in person or by proxy at a meeting may resolve by ordinary resolution that a meeting shall be adjourned.

20.2 The person who is chairing the meeting must decide the date, time and place at which the meeting is to be reconvened unless those details are specified in the resolution.

20.3 No business shall be conducted at a reconvened meeting unless it could properly have been conducted at the meeting had the adjournment not taken place.

20.4 If a meeting is adjourned by a resolution of the Company Members for more than 7 days, at least 7 clear days' notice shall be given of the reconvened meeting stating the date, time and place of the meeting.

21. **GIVING OF NOTICE**

21.1 The Institute may give any notice to a Company Member either:-

21.1.1 personally; or

21.1.2 by sending It by post in a prepaid envelope addressed to the member at his or her Address;  
or

21.1.3 by leaving It at the Address of the member; or

21.1.4 by giving It in electronic form to the Company Member's Address; and

21.1.5 by placing the notice on a website and providing the Company Member with a notification in writing or in electronic form of the presence of the notice on the website. The notification

must state that it concerns a notice of a company meeting and must specify the place, date and time of the meeting.

## 22. **APPLICATION OF INCOME AND PROPERTY**

22.1 The income and property of the Institute shall be applied solely towards the promotion of the Objects

22.2 A Board Member (or former Board Member):

22.2.1 is entitled to be reimbursed from the property of the Institute or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the Institute;

22.2.2 may benefit from trustee indemnity insurance cover purchased at the Institute's expense in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011;

22.2.3 may receive an indemnity from the Institute against any liability incurred in that capacity, to the extent permitted by sections 232 to 234 of the Companies Act;

22.2.4 may not receive any other benefit or payment unless it is authorised by Article 23.

22.3 Subject to Article 23, none of the income or property of the Institute may be paid or transferred directly or indirectly by way of dividends bonus or otherwise by way of profit to any Company Member of the Institute.

## 23. **BENEFITS AND PAYMENTS TO BOARD MEMBERS AND CONNECTED PERSONS**

### 23.1 **General provisions**

23.1.1 No Board Member or Connected Person may:

- (a) buy any goods or services from the Institute on terms preferential to those applicable to members of the public;
- (b) sell goods, services, or any interest in land to the Institute;
- (c) be employed by, or receive any remuneration from, the Institute;
- (d) receive any other financial benefit from the Institute;

unless the payment is permitted by this Article 23, or authorised by the court or the Commission.

In this Article a "financial benefit" means a benefit, direct or indirect, which is either money or has a monetary value.

23.1.2 Notwithstanding the provisions in Article 23.1.1:

- (a) a Student Board Member may receive scholarships or bursaries as a student of the Institute; and
- (b) the Ex-Officio Board Member and Staff Board Members may receive and retain remuneration from the Institute in their capacity as employees of the Institute

provided that the Board Member concerned must withdraw from any Board meeting at which such a scholarship, bursary or level of remuneration is under discussion.

### 23.2 **Scope and powers permitting Board Members' or Connected Persons' benefits**



- 23.2.1 A Board Member or Connected Person may receive a benefit from the Institute in the capacity of a beneficiary of the Institute provided that a majority of the Board Members do not benefit in this way.
- 23.2.2 A Board Member or Connected Person may enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the Institute where that is permitted in accordance with, and subject to the conditions in, section 185 and 186 of the Charities Act 2011.
- 23.2.3 Subject to Article 23.3, a Board Member or Connected Person may provide the Institute with goods that are not supplied in connection with services provided to the Institute by the Board Member or Connected Person.
- 23.2.4 A Board Member or Connected Person may receive interest on money lent to the Institute at a reasonable and proper rate which must be not more than the Bank of England bank rate (also known as the base rate).
- 23.2.5 A Board Member or Connected Person may receive rent for premises let by the Board Member or Connected Person to the Institute. The amount of the rent and the other terms of the lease must be reasonable and proper. The Board Member concerned must withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.
- 23.2.6 A Board Member or Connected Person may take part in the normal trading and fundraising activities of the Institute on the same terms as members of the public.

### 23.3 **Payment for the supply of goods only - controls**

- 23.3.1 The Institute and its Board Members may only rely upon the authority provided by Article 23.2.3 if each of the following conditions is satisfied:
- (a) The amount or maximum amount of the payment for the goods is set out in an agreement in writing between the Institute or its Board Members (as the case may be) and the Board Member or Connected Person supplying the goods (the "Supplier") under which the Supplier is to supply the goods in question to or on behalf of the Institute.
  - (b) The amount or maximum amount of the payment for the goods does not exceed what is reasonable in the circumstances for the supply of the goods in question.
  - (c) The other Board Members are satisfied that it is in the best interests of the Institute to contract with the Supplier rather than with someone who is not a Board Member or Connected Person. In reaching that decision the Board Members must

balance the advantage of contracting with a Board Member or Connected Person against the disadvantages of doing so.

- (d) The Supplier is absent from the part of any meeting at which there is discussion of the proposal to enter into a contract or arrangement with him or her or it with regard to the supply of goods to the Institute.
- (e) The Supplier does not vote on any such matter and is not to be counted when calculating whether a quorum of Board Members is present at the meeting.
- (f) The reason for their decision is recorded by the Board Members in the minute book.
- (g) A majority of the Board Members then in office are not in receipt of remuneration or payments authorised by Article 23.

#### 23.4 Interpretation

In Articles 23.1 to 23.3:

23.4.1 "Institute" includes any company in which the Institute

- (a) holds more than 50% of the shares; or
- (b) controls more than 50% of the voting rights attached to the shares; or
- (c) has the right to appoint one or more Board Members to the board of the company.

23.4.2 "Connected Person" means

- (a) a child, parent, grandchild, grandparent, brother or sister of the Board Member,
- (b) the spouse or civil partner of the Board Member or of any person falling within Article 23.4.2(a) above,
- (c) a person carrying on business in partnership with the Board Member or with any person falling within Articles 23.4.2(a) or 23.4.2(b) above,
- (d) an institution which is controlled:
  - (i) by the Board Member or any Connected Person falling within Articles 23.4.2(a) to 23.4.2(c) above, or
  - (ii) by two or more persons falling within Article 23.4.2(d)(i) when taken together
- (e) a body corporate in which:
  - (i) the Board Member or any Connected Person falling within Articles 23.4.2(a) to 23.4.2(c) above has a substantial interest, or
  - (ii) two or more persons falling within Article 23.4.2(e)(d)(i) who, when taken together, have a substantial interest

23.4.3 Sections 350 - 352 of the Charities Act 2011 apply for the purposes of interpreting the terms used in this Article 23.

#### 24. DECLARATION OF BOARD MEMBERS' INTERESTS

24.1 A Board Member 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 entered into by the Institute which has not previously been declared. A Board Member must absent himself or herself from any discussions of the Board 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).

25. **CONFLICTS OF INTEREST AND CONFLICTS OF LOYALTIES**

25.1 If a conflict of interests arises for a Board Member 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 the Articles, the unconflicted Board Members may authorise such a conflict of interests where the following conditions apply

25.1.1 the conflicted Board Member is absent from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person;

25.1.2 the conflicted Board Member does not vote on any such matter and is not to be counted when considering whether a quorum of Board Members is present at the meeting; and

25.1.3 the unconflicted Board Members consider it is in the interests of the Institute to authorise the conflict of interests in the circumstances applying

25.2 In this Article, a conflict of interest arising because of a duty of loyalty owed to another organisation or person only refers to such a conflict which does not involve a direct or indirect benefit of any nature to a Board Member or to a Connected Person.

26. **DISSOLUTION**

26.1 The Company Members of the Institute may at any time before, and in expectation of, its dissolution resolve that any net assets of the Institute after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the Institute be applied or transferred In any of the following ways

26.1.1 directly for the Objects, or

26.1.2 by transfer to any charity or charities for purposes similar to the Objects, or

26.1.3 to any charity or charities for use for particular purposes that fall within the Objects.

26.2 In no circumstances shall the net assets of the Institute be paid to or distributed among the Company Members and if no resolution in accordance with Article 26.1 is passed by the Company Members the net assets of the Institute shall be applied for charitable purposes as directed by the court or the Commission.