

**EXTRACT FROM: ARTICLES OF ASSOCIATION OF NORTHWARDS
HOUSING LIMITED**

**APPOINTMENT OF COUNCIL BOARD MEMBERS BY THE COUNCIL
MEMBER**

1. (1) Subject to Article 13 the Council Member shall from time to time appoint four persons as Council Board Members and shall have the power to remove from office any such Board Member.
- (2) Appointment or removal pursuant to Article 14(1) shall be effected by an instrument in writing signed by the Council Member and shall take effect upon lodgement at the registered office of the Organisation or such date later than such lodgement as may be specified in the instrument.
- (1) Notwithstanding any other provisions in these Articles the Council Member shall have power at any time by notice in writing to the Secretary to appoint and remove any Board Member.

RETIREMENT AND ELECTION OF TENANT BOARD MEMBERS

2. (1) At the second annual general meeting of the Organisation and at every subsequent annual general meeting Tenant Board Members shall retire from office in the following rotation:
 - (a) at the second annual general meeting, two Tenant Board Members shall retire;
 - (b) at the first subsequent annual general meeting, a further one Tenant Board Member, shall retire; and
 - (c) at the second subsequent annual general meeting, a further one Tenant Board Member shall retireand so forth such that the Tenant Board Members shall subsequently retire in a rotation which mirrors that in sub-paragraphs (a) to (c).
- (2) The Tenant Board Members to retire at any such subsequent annual general meeting shall be those who have been longest in office since they last became Tenant Board Members, but as between persons who became Board Members on the same day those to retire shall be chosen by lot PROVIDED THAT where a Tenant Board Member is appointed as a consequence of the death or retirement (other than by operation of this sub-paragraph) of another Tenant Board Member (“the Predecessor”), the period of time for which the Tenant Board Member shall have held office shall, for the purposes only of this Article 15(2) be deemed to include the period since the last election or appointment of the Predecessor.

- (2) Prior to every annual general meeting, direct or indirect elections shall be held among the Tenants for the number of Tenant Board Members to be appointed thereat. Only Tenants shall be eligible to be appointed as Tenant Board Members but otherwise the mode and manner of such elections shall be as the Board may from time to time agree subject at all times to compliance with Article 13.
- (3) The company secretary shall announce the results of the elections referred to in Article 15(4) at each relevant annual general meeting and the Tenants so elected shall be duly appointed as Tenant Board Members.

RETIREMENT AND ELECTION OF INDEPENDENT BOARD MEMBERS

3. (1) At the second annual general meeting of the Organisation and at every subsequent annual general meeting the Independent Board Members shall retire from office in the following rotation:
 - (a) at the second annual general meeting, one Independent Board Member shall retire;
 - (b) at the first subsequent annual general meeting, a further one Independent Board Member shall retire; and
 - (c) at the second subsequent annual general meeting, a further two Independent Board Members shall retire

and so forth such that the Independent Board Members shall subsequently retire in a rotation which mirrors that in sub-paragraphs (a) to (c).

- (2) The Independent Board Members to retire at any such subsequent annual general meeting shall be those who have been longest in office since they last became Independent Board Members but as between persons who became Board Members on the same day those to retire shall be chosen by lot PROVIDED THAT where an Independent Board Member is appointed as a consequence of the death or retirement (other than by operation of this sub-paragraph) of another Independent Board Member (“the Predecessor”), the period of time for which the Independent Board Member shall have held office shall, for the purposes only of this Article 16(2) be deemed to include the period since the last election or appointment of the Predecessor.
- (3) If, at the meeting at which a Board Member retires in accordance with Article 16(1), there are no other candidates to fill the post the retiring Board Member shall, if willing to act, be deemed to have been re-appointed unless a resolution not to reappoint the Board Member is passed by the meeting.

- (4) No person other than an Independent Board Member retiring by rotation shall be appointed as an Independent Board Member at any general meeting unless he is recommended by the Board.
- (5) Subject to Articles 16(1) – (4) the Council Member may by Ordinary Resolution in General Meeting appoint any eligible person who is willing to act as an Independent Board Member.
- (6) Subject to Articles 13, 16 and 18 the Organisation may by Ordinary Resolution in general meeting appoint any person who is willing to act as a Board Member to fill a vacancy.
- (7) Subject to Articles 13, 16 and 18 the Board may appoint any person who is willing to act as an Independent Board Member to fill a vacancy until the next Annual General Meeting.
- (8) Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to the Council Member of any person (other than a Board Member retiring by rotation at the meeting) who is recommended by the Board for appointment or reappointment as an Independent Board Member at the meeting. The notice shall give the particulars of that person which would, if he were so appointed or re-appointed, be required to be included in the Organisation's register of Board Members.

CASUAL VACANCIES

4. (1) Subject to Article 13 the Board may appoint a person who is willing to act to be a Board Member to fill a vacancy. The Board may only fill vacancies occurring among Council Board Members where the Council Member shall have failed within three months of a written request by the Organisation to make the appropriate appointments pursuant to Article 14(1). The Board may only fill vacancies occurring among Tenant Board Members where the Tenants' Federation shall have failed within three months of a written request by the Organisation to make a nomination to fill such vacancy. A Board Member appointed under this Article 17(1) shall hold office only until the next following annual general meeting. If not re-appointed at such annual general meeting he shall vacate office at the conclusion thereof.
- (2) The Board may from time to time co-opt up to a maximum of two persons and may at any time revoke such co-option. Co-optees shall be entitled to attend and to speak but not to vote at meetings of the Board or of a committee of the Board and shall not be counted as part of the quorum.

DISQUALIFICATION AND REMOVAL OF BOARD MEMBERS

5. A person shall be ineligible for appointment to the Board and if already appointed shall immediately cease to be a Board Member if the relevant individual:-
- (1) ceases to be a Board Member by virtue of any provision of the Act or becomes prohibited by law from being a company director; or
 - (2) is or becomes a person disqualified from elected membership of a local authority; or
 - (3) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (4) is, or may be, suffering from mental disorder and either:-
 - (a) is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or
 - (b) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his/her detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
 - (5) resigns his office by notice to the Organisation; or
 - (6) is removed from office by a resolution (or written notice signed by) at least three quarters of all the other Board Members from time to time; or
 - (7) shall for more than six consecutive months have been absent without permission of the Board from meetings of the Board held during that period and the Board resolves that his office be vacated; or
 - (8) in any period of 12 months, he shall have been absent (without the permission of the Board Members) from at least 60% of the meetings of Board Members held during that period and the Board Members resolve that his office be vacated; or
 - (9) in the case of a Tenant Board Member he ceases to be a Tenant of the Council Member PROVIDED THAT this Article 18(9) shall not apply in respect of a Tenant Board Member temporarily ceasing to be a Tenant as a result of the demolition of or works carried out to that Tenant Board Member's home; or

- (10) is a Tenant Board Member and is (in the reasonable opinion of a majority of Board Members) in serious breach of their obligations as a Tenant; or
- (11) is a Council Board Member and is or becomes a Tenant leading to a breach of the limit in Article 13(6); or
- (12) is a Tenant Board Member and is or becomes a Local Authority Person leading to a breach of the limit in Article 13(7); or
- (13) is an Independent Board Member and is or becomes a Tenant or a Local Authority Person; or
- (14) is removed by resolution of the Council Member pursuant to Article 14.