

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION

OF

BUILD UK GROUP LIMITED (the "Company")

(Adopted by special resolution passed on 24 JUNE 2015)

INTRODUCTION

1. EXCLUSION OF MODEL ARTICLES

The articles in 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, and any similar regulations in any other legislation concerning companies, shall not apply to the Company.

2. INTERPRETATION

2.1 In these Articles, unless the context otherwise requires, the following definitions apply:

Act: the Companies Act 2006;

Articles: these articles or any replacement articles of association of the Company from time to time;

Business Day: any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

Chairman: the Director appointed to chair the meetings of the Directors in accordance with article 17;

Chief Executive: the chief executive officer of the Company from time to time;

Conflict: a situation in which a Director has or can have a direct or indirect interest that conflicts or possibly may conflict with the interests of the Company;

Contractor Director: any Director appointed to the board by the Contractor Members in accordance with article 12.2;

Contractor Members: the Members admitted to that class of membership in accordance with article 33.2 and a **Contractor Member** means any one of them;

Director: a director of the Company, and includes any person occupying the position of director, by whatever name called;

Document: includes, unless otherwise specified, any document sent or supplied in electronic form;

Eligible Director: a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding in relation to the authorisation of a Conflict pursuant to article 28, any Director whose vote is not to be counted in respect of the particular matter);

Financial Period: the period by reference to which the statutory accounts of the Company are prepared;

Industry: the construction industry;

Member: a member of the Company, made up of the following two classes of members: Contractor Members and Trade Association Members;

Officers: the Chairman and the Vice-chairman and **Officer** means any one of them;

Trade Association Members: the Members admitted to that class of membership in accordance with article 33.2 and a **Trade Association Member** means any one of them;

Trade Association Director: means any Director appointed to the board by the Trade Association Members in accordance with article 12.2;

Vice-chairman: the Director appointed as vice-chair of the meetings of the Directors in accordance with article 17; and

writing: the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 2.2 Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Act as in force on the date when these Articles become binding on the Company.
- 2.3 If, and for so long as, the Company has only one Member, these Articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to such a company.
- 2.4 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 2.5 A reference in these Articles to an "**article**" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 2.6 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- 2.6.1 any subordinate legislation from time to time made under it; and
- 2.6.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 2.7 A "**person**" includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 2.8 Words importing the singular shall include the plural and vice versa and words importing any gender shall include all other genders.
- 2.9 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

3. OBJECTS

3.1 The objects for which the Company is established is to:

- 3.1.1 provide advice, information and assistance to persons, firms and companies engaged in the Industry, to promote the interests of its Members, to co-ordinate and provide collective expression of the interests and views of its Members, to encourage good relations between main contractors and specialist trade contractors, to encourage and promote greater productivity and improved standards of safety and design in the Industry, to examine proposed and existing legislation, delegated legislation, bye-laws, codes of practice and guidance notes, which affect or may affect its Members and to act to support, consult on, comment upon, lobby for or against or oppose any such matters, to arrange publicity in the interests of its Members, to make representations to the Government, local authorities, trade associations and other bodies relevant to the interests of its Members;
- 3.1.2 make representations to the Government on legislation and other public matters which affect the Industry and to improve the understanding of the Industry by the Government and its agencies;
- 3.1.3 promote training, research and innovation in the Industry;
- 3.1.4 promote a public policy framework and private sector initiatives to ensure that the Industry is capable of delivering world class standards of efficiency and customer service;
- 3.1.5 maintain a forum to debate and identify solutions to problems facing the Industry;
- 3.1.6 improve professional standards in the Industry;
- 3.1.7 enhance the Industry's image;
- 3.1.8 lead efforts to unify Industry representation;
- 3.1.9 provide advice to its Members on issues of concern to them;
- 3.1.10 collect and disseminate statistical and other information for the use and benefit of the Members and others.

4. POWERS

4.1 In pursuance of the objects set out in article 3, the Company has the power to do all such other lawful things as are incidental or conducive to the pursuit or to the attainment of any of those objects, including:

- 4.1.1 buy, lease or otherwise acquire and deal with any property real or personal and any rights or privileges of any kind over or in respect of any property real or personal and to improve, manage, develop, construct, repair, sell, lease, mortgage, charge, surrender or dispose of or otherwise deal with all or any part of such property and any and all rights of the Company;
- 4.1.2 borrow and raise money in such manner as the Directors shall think fit and secure the repayment of any money borrowed, raised or owing by mortgage, charge, lien or other security on the Company's property and assets;

- 4.1.3 invest and deal with the funds of the Company not immediately required for its operations in or upon such investments, securities or property as may be thought fit;
- 4.1.4 subscribe for, take, buy or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority in any part of the world;
- 4.1.5 lend and advance money or give credit on such terms as may seem expedient and with or without security to customers and others, to enter into guarantees, contracts of indemnity and suretyships of all kinds to receive money on deposit or loan upon such terms as the Company may approve and to secure or guarantee the payment of any sums of money or the performance of any obligation by any company, firm or person including any holding company or subsidiary;
- 4.1.6 lobby, advertise, publish, educate, examine, research and survey in respect of all matters of law, regulation, economics, accounting, governance, politics and/or other issues and to hold meetings, events and other procedures and co-operate with or assist any other body or organisation in each case in such way or by such means as may, in the opinion of the Directors, affect or advance the objects in any way;
- 4.1.7 pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company and to contract with any person, firm or company to pay the same;
- 4.1.8 enter into contracts to provide services to or on behalf of other bodies;
- 4.1.9 provide and assist in the provision of money, materials or other help;
- 4.1.10 open and operate bank accounts and other facilities for banking and draw, accept, endorse, issue or execute promissory notes, bills of exchange, cheques and other instruments;
- 4.1.11 subscribe to, affiliate, become a member of, arrange, amalgamate, or co-operate (whether by way of joint venture or otherwise) with any other organisations, companies, institutions, societies, or associations having objects similar to the Company's objects; and
- 4.1.12 incorporate subsidiary companies to carry on any trade.

5. INCOME

- 5.1 The income and property of the Company shall be applied in promoting the objects of the Company as set out in article 3.
- 5.2 Nothing in these Articles shall prevent any payment in good faith by the Company of:
 - 5.2.1 reasonable and proper remuneration to any Member, officer or servant of the Company for any services rendered to the Company;
 - 5.2.2 any interest on money lent by any Member or any Director at a reasonable and proper rate;
 - 5.2.3 reasonable and proper rent for premises demised or let by any Member or Director;

5.2.4 a distribution of profits or excess accumulated funds to the Members; or

5.2.5 reasonable out-of-pocket expenses properly incurred by any Director.

6. WINDING UP

On the winding-up or dissolution of the Company, any assets or property that remains available to be distributed or paid, after the payment of the liabilities and adjustments set out in articles 7.1.1, 7.1.2 and 7.1.3 below, shall be paid or distributed to the Members at the time of dissolution in proportion to the subscriptions paid by the Members in the last full Financial Period.

7. GUARANTEE

7.1 The liability of each Member is limited to £1, being the amount that each Member undertakes to contribute to the assets of the Company in the event of its being wound up while he is a Member or within one year after he ceases to be a Member, for:

7.1.1 payment of the Company's debts and liabilities contracted before he ceases to be a Member;

7.1.2 payment of the costs, charges and expenses of the winding up; and

7.1.3 adjustment of the rights of the contributories among themselves.

DIRECTORS

8. DIRECTORS' GENERAL AUTHORITY

Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

9. MEMBERS' RESERVE POWER

9.1 The Members may, by special resolution, direct the Directors to take, or refrain from taking, specified action.

9.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

APPOINTMENT OF DIRECTORS

10. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of Directors shall not be subject to any maximum but shall be not less than two, one being a Contractor Director and the other being a Trade Association Director. The board of Directors shall maintain equal numbers of Contractor Directors and Trade Association Directors.

11. METHODS OF APPOINTING DIRECTORS

11.1 Subject to article 10, any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director:

11.1.1 by ordinary resolution,

11.1.2 by a decision of the Directors; or

11.1.3 in accordance with article 12.

12. APPOINTMENT AND REMOVAL OF DIRECTORS

- 12.1 The whole of this article 12 is subject to compliance with article 10.
- 12.2 In accordance with article 10, the Contractor Members shall be entitled to appoint such number of persons to be Directors of the Company (any such Directors so appointed being called **Contractor Directors**) and the Trade Association Members shall be entitled to appoint such number of persons to be Directors of the Company (any such Directors so appointed being called **Trade Association Directors**) so that they have equal numbers of Directors.
- 12.3 The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director. A Director so appointed shall hold office only until the next following annual general meeting. If not reappointed at such annual general meeting, he shall vacate office at the conclusion thereof.
- 12.4 Save for the Officers, who shall be subject to the provisions of article 17, at each annual general meeting any Director then in office shall retire from office but shall be eligible for re-appointment.
- 12.5 A retiring Director shall (unless he is removed from office or his office is vacated in accordance with the Articles) retain office until the close of the meeting at which he retires unless:
- 12.5.1 another person is appointed during the meeting in his place; or
- 12.5.2 the resolution to re-appoint the retiring Director is put to the meeting and lost.
- 12.6 Subject to article 12.5, if the Company at any meeting at which a Director retires in accordance with these Articles does not fill the office vacated by such Director and does not pass a resolution not to fill the vacancy, the retiring Director, if willing to act, shall be deemed to be re-appointed.
- 12.7 Any Contractor Director may at any time be removed from office by a majority of the Contractor Members and any Trade Association Director may at any time be removed from office by a majority of the Trade Association Members.
- 12.8 Any appointment or removal of a Director pursuant to this article shall be in writing and signed by or on behalf of a majority of the Contractor Members or the Trade Association Members (as the case may be) and served on the Company at the registered office, marked for the attention of the company secretary, if any, or delivered at a duly constituted meeting of the Directors. Any such appointment or removal shall take effect at the time of such service or delivery or at such later time as may be specified in such notice.

13. TERMINATION OF DIRECTOR'S APPOINTMENT

- 13.1 A person ceases to be a Director as soon as:
- 13.1.1 by virtue of any provision of the Companies Acts (as defined in section 2 of the Act), that person is prohibited from being a Director by law;
- 13.1.2 that person is removed from office pursuant to article 12;
- 13.1.3 a bankruptcy order is made against that person;
- 13.1.4 a composition is made with that person's creditors generally in satisfaction of that person's debts;

- 13.1.5 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
- 13.1.6 notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms;
- 13.1.7 he has, for no less than six consecutive months, been absent (without the permission of the Directors) from meetings of the Directors held during that period and the Directors resolve that he is removed from his office; and/or
- 13.1.8 that person is removed from office pursuant to these Articles.

14. ALTERNATE DIRECTORS

No Director may appoint an alternate director at any time.

15. DIRECTORS' REMUNERATION

- 15.1 Directors may undertake any services for the Company that the Directors decide.
- 15.2 Directors are entitled to such remuneration as the Directors determine:
 - 15.2.1 for their services to the Company as Directors, and
 - 15.2.2 for any other service which they undertake for the Company.
- 15.3 Subject to the Articles, a Director's remuneration may:
 - 15.3.1 take any form, and
 - 15.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.
- 15.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.
- 15.5 Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

16. DIRECTORS' EXPENSES

- 16.1 The Company may pay any reasonable expenses which the Directors (including the company secretary (if any)) have properly incurred in connection with their attendance at:
 - 16.1.1 meetings of Directors or committees of Directors, or
 - 16.1.2 general meetings,
 or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

17. OFFICERS

- 17.1 The office of Chairman and Vice-chairman of the Company shall be appointed every two years by the Members in the annual general meeting.

- 17.2 The role of Chairman and Vice-chairman shall be filled respectively by a Contractor Member or a Trade Association Member or vice versa, so that the roles of Chairman and Vice-chairman are always held by different classes of Member.
- 17.3 The roles of Chairman and Vice-chairman shall each be filled by senior representatives from contracting businesses.
- 17.4 Subject to article 17.1 and prior to each relevant annual general meeting, the Chief Executive shall invite nominations from the Members of the Company for the office of Chairman and Vice-chairman, specifying a date, not less than thirty clear days prior to the annual general meeting by which nominations must be received.
- 17.5 The Chief Executive shall circulate a list of the nominees for the Chairman and Vice-chairman positions with the notice convening the annual general meeting.
- 17.6 The elected Chairman and Vice-chairman shall take office immediately after their election at that annual general meeting and shall continue in office until the annual general meeting held two years later where they shall retire from their respective offices but shall be eligible for re-election at that annual general meeting.
- 17.7 In the case of the resignation, death or incapacity for any reason of the Chairman or the Vice-chairman, their duties shall devolve automatically upon the other until a general meeting can be convened to elect a new Officer to fill the role, with the Chief Executive inviting nominations for such new Officer in accordance with article 17.4 and circulating the list of the nominees for the new Officer with the notice convening the general meeting, provided always that the person appointed to fill the vacancy shall hold office until such time as the person he replaced was due to retire but shall be eligible for re-election in accordance with these Articles.
- 17.8 If at the same time both Officers resign, die or become incapacitated for any reason such that their duties cannot be undertaken by either Officer, the Directors may elect a new Chairman to carry out the duties of both Officers until such time as a general meeting can be convened to elect new Officers to fill the roles, with the Chief Executive inviting nominations for such new Officers in accordance with article 17.4 and circulating the list of the nominees for the new Officers with the notice convening the general meeting. The persons appointed by the Members at the general meeting shall hold office until such time as the Officers that were replaced were due to retire but shall be eligible for re-election in accordance with these Articles.

18. CHIEF EXECUTIVE

- 18.1 The Directors may entrust to and confer upon the Chief Executive such duties upon such terms and conditions and with such restrictions as they may think fit and may from time to time revoke, withdraw, alter or vary all or any of such duties.
- 18.2 The Chief Executive shall have the right to attend all meetings of the Directors and any of its committees but shall have no right to vote unless the Chief Executive is also a Director.

19. COMPANY SECRETARY

The Directors may appoint any person who is willing to act as the company secretary for such term, at such remuneration and upon such conditions as they may think fit, and from time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors.

20. DELEGATION OF DIRECTORS' POWERS

20.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles:

- 20.1.1 to such person or committee;
- 20.1.2 by such means (including by power of attorney);
- 20.1.3 to such an extent;
- 20.1.4 in relation to such matters or territories; and
- 20.1.5 on such terms and conditions,

as they think fit.

20.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.

20.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

21. COLLECTIVE DECISIONS

21.1 The general rule about decision-making by Directors is that any decision of the Eligible Directors must be either a majority decision at a meeting or a decision taken in accordance with article 22.

21.2 No resolution of the Directors shall be effective unless at least one Contractor Director and one Trade Association Director shall have voted in favour of it.

21.3 If the Company has only one Director for the time being, article 25.3 applies.

22. UNANIMOUS DECISIONS

22.1 A decision of the Directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.

22.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.

22.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at such a meeting.

23. CALLING A DIRECTORS' MEETING

23.1 Any Director may call a Directors' meeting by giving not less than 10 Business Days' notice of the meeting (or such lesser notice as all the Directors may agree) to the Directors or by authorising the company secretary (if any) to give such notice.

23.2 Notice of any Directors' meeting must indicate:

- 23.2.1 its proposed date and time;
- 23.2.2 where it is to take place; and
- 23.2.3 if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

- 23.3 Notice of a Directors' meeting must be given to each Director in writing (including by email).
- 23.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting by giving notice to that effect to the Company not more than 5 Business Days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 23.5 A Director who is absent from the UK and who has no registered address in the UK shall not be entitled to notice of a Directors' meeting.

24. PARTICIPATION IN DIRECTORS' MEETINGS

- 24.1 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:
- 24.1.1 the meeting has been called and takes place in accordance with the Articles, and
- 24.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 24.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 24.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

25. QUORUM FOR DIRECTORS' MEETINGS

- 25.1 The quorum for the transaction of business at a meeting of Directors is any two Eligible Directors, one of whom must be a Contractor Director and one of whom must be a Trade Association Director.
- 25.2 No business shall be transacted at any meeting of the Directors unless a quorum is present at the commencement of the meeting and also when that business is voted on. If a quorum is not present within 30 minutes from the time appointed for the relevant meeting then the meeting shall be adjourned to such time and place as the Director or Directors present may determine. If at any adjourned meeting a quorum is not present within 15 minutes from the time appointed for the meeting, the meeting shall be dissolved.
- 25.3 If the total number of Directors in office for the time being is less than the quorum required, the Directors must not take any decision other than a decision:
- 25.3.1 to appoint further Directors; or
- 25.3.2 to call a general meeting so as to enable the Members to appoint further Directors.

26. CHAIRING OF DIRECTORS' MEETINGS

- 26.1 If the Chairman is not participating in a Directors' meeting within ten minutes of the time at which it was to start, the Vice-chairman shall act as Chairman at the meeting and in both the Chairman and Vice-chairman's absence:
- 26.1.1 where the appointed Chairman is a Contractor Director, the other Contractor Directors shall be entitled to appoint another one of the Contractor Directors to act as Chairman at the meeting; or

26.1.2 where the appointed Chairman is a Trade Association Director, the other Trade Association Directors shall be entitled to appoint another one of the Trade Association Directors to act as Chairman at the meeting.

26.2 The Chairman shall be entitled to a second or casting vote.

27. **INTEREST IN PROPOSED AND EXISTING TRANSACTIONS OR ARRANGEMENTS**

A Director who to his knowledge is in any way, whether directly or indirectly, interested in a proposed or existing transaction or arrangement with the Company shall declare the nature and extent of his interest at a meeting of the Directors in accordance with the requirements of the Act. Subject where applicable to such disclosure, a Director shall be entitled to vote in respect of any proposed or existing transaction or arrangement in which he is interested and, if he shall do so, his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present.

28. **CONFLICTS OF INTEREST**

28.1 The Directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest (a "**Conflict**").

28.2 Any authorisation under this article 28 will be effective only if:

28.2.1 to the extent permitted by the Act, the matter in question has been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;

28.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and

28.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

28.3 Any authorisation of a Conflict under this article 28 may (whether at the time of giving the authorisation or subsequently):

28.3.1 extend to any actual or potential Conflict which may reasonably be expected to arise out of the matter or situation so authorised;

28.3.2 provide that the Interested Director be excluded from the receipt of Documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;

28.3.3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;

28.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;

28.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the

Company's affairs where to do so would amount to a breach of that confidence;
and

- 28.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 28.4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 28.5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 28.6 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

29. RECORDS OF DECISIONS

- 29.1 The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.
- 29.2 Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye.

30. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

Subject to these Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

31. COMMITTEES

- 31.1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors.
- 31.2 The Directors may impose terms of reference on all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.
- 31.3 A committee of the Directors can be made up of any of the Members.
- 31.4 Without limitation, the following committees shall be formed by the Directors:
- 31.4.1 a Contractor Member forum, to address specific and Industry-wide issues for contractors, made up of Contractor Members (the "**Contractor Forum**"); and

- 31.4.2 a Trade Association forum, to address specific and Industry-wide issues for specialist contractors, made up of Trade Association Members (the "**Trade Association Forum**").

MEMBERSHIP

32. MEMBERS

- 32.1 The subscribers to the memorandum of association of the Company and such other persons as are admitted to the membership in accordance with the Articles shall be the Members.
- 32.2 The following persons are eligible for membership of the Company:
- 32.2.1 any person carrying on business as a contractor within the Industry; and
- 32.2.2 any person itself being a body acting in all respects as a trade organisation within the Industry that meet agreed membership criteria.
- 32.3 Members shall have the right to receive notice of and to attend, speak and vote at all general meetings of the Company.
- 32.4 The Directors may determine the classes of Members and the membership criteria applicable to each class of Members from time to time.

33. APPLICATIONS FOR MEMBERSHIP

- 33.1 No person shall become a Member unless he has completed an application for membership in a form prescribed by or approved by the Directors from time to time.
- 33.2 The Directors shall have total and absolute discretion to determine:
- 33.2.1 if an applicant for membership meets the said membership criteria;
- 33.2.2 an applicant's class of membership in accordance with article 32.2; and
- 33.2.3 whether or not the applicant is admitted as a Member,
- and if admitted to membership, if eligible as set out in:
- (a) article 32.2.1, that Member shall be a "Contractor Member"; or
- (b) article 32.2.2, that Member shall be a "Trade Association Member",

and a letter shall be sent to each successful applicant confirming their membership of the Company and their class of membership, and the details of each successful applicant shall be entered into the register of members by the Chief Executive.

34. SUBSCRIPTIONS

- 34.1 The Directors shall in their absolute discretion fix the annual subscriptions payable from time to time by the Members of each class.
- 34.2 Each Member shall pay to the Company its annual subscription for the Financial Period to which the subscription relates.
- 34.3 The Company may at any time enter into an agreement in writing with any person (whether or not a Member) providing for the payment by that person to the Company of such contributions to the funds of the Company in respect of such periods and upon such terms and conditions as the Directors may in their absolute discretion decide.

35. TRANSFER OF MEMBERSHIP

Membership shall not be transferable.

36. TERMINATION OF MEMBERSHIP

36.1 A Member shall cease to be a Member:

36.1.1 if the Member being a firm, company, association or other organisation shall have (except for the purposes of a re-construction or amalgamation) a receiver, administrative receiver, administrator or liquidator appointed in respect of all or any part of its undertaking;

36.1.2 if the Member being a firm or unincorporated association becomes bankrupt or makes any composition or arrangement with its creditors;

36.1.3 if the Member being a firm, company or association enters into a voluntary arrangement with its creditors;

36.1.4 if the Member fails to pay its subscriptions or any instalment thereof within three months from the date when the same became due;

36.1.5 if the Member resigns in accordance with article 36.3;

36.1.6 if the Member is expelled from the membership of the Company in accordance with article 37; or

36.1.7 if the Directors resolve that the membership of a Member shall cease by reason of the Member no longer being eligible for membership.

36.2 No Member, having ceased to be a Member, shall have any interest in or claim upon the Company or its funds or any part thereof (including any refund of subscription fees) but shall be liable to pay all sums due from it to the Company as at the date of cessation of its membership.

36.3 Any Member wishing to resign from membership of the Company shall give not less than six months' notice of its intention to resign in writing to the Chief Executive, such notice to expire at the end of the then current Financial Period of the Company.

37. EXPULSION OF MEMBERS

37.1 A Member may be expelled from the membership of the Company at any time by resolution of the Members passed by majority of those Members present and voting at a meeting of the Members of which the Member who is to be the subject of the expulsion resolution shall have had twenty-one clear days' notice and at which such Member shall have been given the opportunity of making representations in writing to the Company, for any of the following reasons:

37.1.1 if the conduct or an action of such Member is or has been detrimental to the objects or purposes of the Company or by his actions brings the Industry or any or all of the Members into disrepute or if such Member continues in a course of action after being notified that in the opinion of the Members such action is detrimental to the policy, objects or interests of the Company;

37.1.2 a Member has acted or has threatened to act in a manner which is contrary to the interests of the Company as a whole;

- 37.1.3 if a Member has failed to observe the terms of these Articles; or
- 37.1.4 if a Member ceases to fulfil the specified membership criteria for his class of membership in accordance with article 32.2.
- 37.2 Following such termination, the Member shall be removed from the register of Members by the Chief Executive.
- 37.3 There shall be no right to appeal a decision of the Members to terminate the membership of a Member.
- 37.4 A Member whose membership is terminated under this article shall:
 - 37.4.1 not be entitled to a refund of any subscription fee;
 - 37.4.2 remain liable to pay to the Company any subscription or other sum owed by them; and
 - 37.4.3 not be entitled to reapply for membership of the Company for a period of one calendar year from the date on which he ceased to be a Member.

GENERAL MEETINGS

38. CALLING GENERAL MEETINGS

- 38.1 General meetings are called on at least fourteen (14) clear days' written notice.
- 38.2 A general meeting may be called at any time by the Directors or by the Chief Executive acting on behalf of the Directors or may be called on a written request to the Directors from Members holding between them at least 5% of the voting rights in the Company.
- 38.3 On receipt of a written request made pursuant to article 38.2, the Chief Executive must call a general meeting within twenty-one (21) days and the general meeting must be held not more than twenty-eight (28) days after the date of the notice calling the general meeting.
- 38.4 Save for annual general meetings held in accordance with article 39, all general meetings shall be called general meetings. The business of such general meetings shall be decided by the Board subject to due notice having been given.

39. ANNUAL GENERAL MEETINGS

The Company shall hold a general meeting in every calendar year as its annual general meeting at such time and place as may be determined by the Directors and shall specify the meeting as such in the notices calling it.

40. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 40.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 40.2 A person is able to exercise the right to vote at a general meeting when:
 - 40.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - 40.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

- 40.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 40.4 In determining attendance at a general meeting, it is immaterial whether any two or more Members attending it are in the same place as each other.
- 40.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

41. QUORUM FOR GENERAL MEETINGS

- 41.1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
- 41.2 The quorum for the transaction of business at a general meeting is six Members (present in person or by a duly authorised representative), three of whom must be Contractor Members and three of whom must be Trade Association Members.

42. CHAIRING GENERAL MEETINGS

- 42.1 The Chairman shall chair general meetings if present.
- 42.2 If the Chairman is not participating in a general meeting within ten minutes of the time at which it was to start, the Vice-chairman shall act as chairman at the general meeting and in both the Chairman and Vice-chairman's absence:
- 42.2.1 where the appointed Chairman is a Contractor Director, the other Contractor Directors shall be entitled to appoint another one of the Contractor Directors to act as chairman at the general meeting; or
- 42.2.2 where the appointed Chairman is a Trade Association Director, the other Trade Association Directors shall be entitled to appoint another one of the Trade Association Directors to act as chairman at the general meeting.

43. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS

- 43.1 Directors may attend and speak at general meetings, whether or not they are Members.
- 43.2 The chairman of the meeting may permit other persons who are not Members of the Company to attend and speak at a general meeting.

44. ADJOURNMENT

- 44.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.
- 44.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
- 44.2.1 the meeting consents to an adjournment; or
- 44.2.2 it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

- 44.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 44.4 When adjourning a general meeting, the chairman of the meeting must:
- 44.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
 - 44.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 44.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- 44.5.1 to the same persons to whom notice of the Company's general meetings is required to be given; and
 - 44.5.2 containing the same information which such notice is required to contain.
- 44.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

DECISION MAKING BY MEMBERS

45. VOTES OF MEMBERS

Subject to the Act, at any general meeting every Member who is present in person (or by proxy) or (being a corporation) is present by a duly authorised representative shall on a show of hands have one vote and every Member present in person (or by proxy) or (being a corporation) is present by a duly authorised representative shall on a poll have the vote(s) ascribed to them in accordance with article 46.

46. POLL VOTES

- 46.1 A poll on a resolution may be demanded:
- 46.1.1 in advance of the general meeting where it is to be put to the vote; or
 - 46.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 46.2 A poll may be demanded by:
- 46.2.1 the chairman of the meeting;
 - 46.2.2 the Chief Executive;
 - 46.2.3 the Directors;
 - 46.2.4 any two Members having the right to vote on the resolution; or
 - 46.2.5 a person or persons representing not less than one tenth of the total voting rights of all the Members having the right to vote on the resolution.
- 46.3 A demand for a poll may be withdrawn if:
- 46.3.1 the poll has not yet been taken; and
 - 46.3.2 the chairman of the meeting consents to the withdrawal,

and a demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

- 46.4 Polls must be taken immediately after the chairman of the meeting has notified the Members of their entitlement to vote (calculated in accordance with articles 46.5 to 46.9) and in such manner as the chairman of the meeting directs.
- 46.5 In any situation in which a poll is called for:
- 46.5.1 the Contractor Members collectively (by operation of the mechanism set out in article 46.8) shall be entitled to cast such number of votes as necessary to exercise all voting rights in relation to 50% of the total votes available to all Members; and
- 46.5.2 the Trade Association Members collectively (by operation of the mechanism set out in article 46.9) shall be entitled to cast such number of votes as necessary to exercise all voting rights in relation to 50% of the total votes available to all Members.
- 46.6 Subject to the adjustment prescribed by article 46.7, Members shall have one vote each on a poll vote.
- 46.7 In order to achieve the equal voting split between Contractor Members and Trade Association Members as set out in article 46.5:
- 46.7.1 the aggregate number of votes cast on a poll vote by the Contractor Members, both for and against any resolution, shall be adjusted by being multiplied by the Contractor Multiplier;
- 46.7.2 the aggregate number of votes cast on a poll vote by the Trade Association Members, both for and against any resolution, shall be adjusted by being multiplied by the Trade Association Multiplier;
- 46.7.3 the resulting votes (as adjusted above) in favour of the resolution by each of the Contractor Members and the Trade Association Members shall be added together to represent the total number of votes in favour of the resolution;
- 46.7.4 the resulting votes (as adjusted above) against the resolution by each of the Contractor Members and the Trade Association Members shall be added together to represent the total number of votes against of the resolution; and
- 46.7.5 the proportion which such votes in favour of the resolution represent as a percentage of the total number of votes cast by the Members on that poll vote, shall be the percentage for the determination of whether the relevant requisite percentage threshold prescribed by the Act has been achieved in order to pass the resolution.
- 46.8 The Contractor Multiplier shall be calculated as follows:
- $\frac{1}{2} A$ divided by B = Contractor Multiplier
- where:
- A = the total number of Members
- B = the total number of Contractor Members.

46.9 The Trade Association Multiplier shall be calculated as follows:

$\frac{1}{2}$ A divided by B = Trade Association Multiplier

where:

A = the total number of Members

B = the total number of Trade Association Members.

47. ERRORS AND DISPUTES

47.1 No objection may be raised to the qualification of any person voting at a general meeting 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.

47.2 Any such objection must be referred to the chairman of the meeting whose decision is final.

PROXIES

48. CONTENT OF PROXY NOTICES

48.1 Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which:

48.1.1 states the name and address of the Member appointing the proxy;

48.1.2 identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;

48.1.3 is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and

48.1.4 is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised (unless the Directors, in their discretion, agree to accept the notice at any later time) and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate.

48.2 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.

48.3 Unless a proxy notice indicates otherwise, it must be treated as:

48.3.1 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

48.3.2 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.

49. DELIVERY OF PROXY NOTICES

49.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.

- 49.2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 49.3 A notice revoking a proxy appointment only takes effect if it is delivered not less than 48 hours before the time appointed for holding the meeting or adjourned meeting to which it relates.
- 49.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

ADMINISTRATIVE ARRANGEMENTS

50. MEANS OF COMMUNICATION TO BE USED

- 50.1 Any notice, Document or other information shall be deemed served on or delivered to the intended recipient:
- 50.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
- 50.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- 50.1.3 if properly addressed and sent or supplied by electronic means, one hour after the Document or information was sent or supplied; and
- 50.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article, no account shall be taken of any part of a day that is not a Business Day.

- 50.2 In proving that any notice, Document or other information was properly addressed, it shall suffice to show that the notice, Document or other information was addressed to an address permitted for the purpose by the Act.

51. RULES

The Directors may establish rules governing matters relating to Company administration that are required from time to time for the effective operation of the Company (for example, the provisions relating to classes of Members, subscriptions and the membership criteria for Members). If there is a conflict between the terms of these Articles and any rules established under this article, the terms of these Articles shall prevail.

52. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

The Directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former Director

or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

53. INDEMNITY AND INSURANCE

53.1 Subject to article 53.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

53.1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
- (b) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and

53.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 53.1.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

53.2 This article does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Companies Acts (as defined in section 2 of the Act) or by any other provision of law and any such indemnity is limited accordingly.

53.3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

53.4 In this article:

53.4.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

53.4.2 a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and

53.4.3 a "**relevant officer**" means any Director or other officer or former Director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a Director or other officer), to the extent he acts in his capacity as auditor.