

**ARTICLES OF ASSOCIATION  
OF  
LEATHERHEAD RESIDENTS' ASSOCIATION**

**ADOPTED BY SPECIAL RESOLUTION**

**AT**

**A.G.M. ON 4<sup>th</sup> APRIL 2016**

**AMENDED BY SPECIAL RESOLUTION**

**AT**

**E.G.M. ON 6<sup>th</sup> JUNE 2016**

## INDEX TO THE ARTICLES

- 1 Defined terms
2. Exclusion of model articles
- 3 Liability of members
- 4 Objects of the Company
- 5 Powers of the company
- 6 No Profit distribution
- 7 Dissolution
- 8 Number of directors
9. Directors' general authority
- 10 Members' reserve power
- 11 Directors may delegate
12. Committees
- 13 Directors to take decisions collectively
- 14 Unanimous decisions
- 15 Calling a directors' meeting
16. Participation in directors' meetings
- 17 Quorum for directors' meetings
- 18 Chairing of directors' meetings
19. Casting vote
- 20 Conflicts of interest
21. Records of decisions to be kept
- 22 Directors' discretion to make further rules
- 23 Rules and bylaws
- 24 Methods of appointing directors
- 25 Retirement and reappointment of directors
26. Termination of director's appointment
- 27 Directors' remuneration
- 28 Directors' expenses
29. Applications for membership
- 30 Termination of membership
- 31 Membership fees
32. Annual general meetings
- 33 Calling general meetings
34. Attendance and speaking at general meetings
- 35 Quorum for general meetings
- 36 Chairing general meetings
37. Attendance and speaking by non-members
- 38 Adjournment
39. Voting. general
- 40 Errors and disputes
41. Poll votes
- 42 Content of proxy notices
- 43 Delivery of proxy notices

- 44 Amendments to resolutions
- 45. Means of communication to be used
- 46 Company seals
- 47. No right to inspect accounts and other records
- 48 Provision for employees on cessation of business
- 49 Indemnity
- 50 Insurance

### **Defined terms**

**1-(1)**In the articles, unless the context requires otherwise—

“area of benefit” means the Leatherhead wards of Mole Valley District Council

“articles” means the company’s articles of association;

“bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy,

“chairman” has the meaning given in article 18;

“chairman of the meeting” has the meaning given in article 36;

“Companies Acts” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

“director” means 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;

“electronic form” has the meaning given in section 1168 of the Companies Act 2006,

“hard copy form” has the meaning given in section 1168 of the Companies Act 2006

“instrument” means a document in hard copy form.

“majority” means a simple majority of eligible voting members subject to the provisions of these articles.

“member” has the meaning given in section 112 of the Companies Act 2006;

“model articles” has the meaning given in section 19 of the Companies Act 2006

“objects” has the meaning given in article 4

“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006;

“paid” means paid or credited as paid.

“participate”, in relation to a directors’ meeting, has the meaning given in article 16;

“proxy notice” has the meaning given in article 42,

“special resolution” has the meaning given in section 283 of the Companies Act 2006,

“subsidiary” has the meaning given in section 1159 of the Companies Act 2006,

“unanimous resolution” means a resolution approved by all members entitled to vote in the relevant matter

“writing” means 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) Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

(3) Headings in these articles are used for convenience only and shall not affect the construction or interpretation of these Articles

(4) A reference in these Articles to an “article” is a reference to the relevant article of these Articles unless expressly provided otherwise

(5) 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:

5.1 any subordinate legislation from time to time made under it; and

5.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts

(6) 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

### **Exclusion of model articles**

2 These articles exclude the model articles

### **Liability of members**

3. 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/she is a member or within one year after he/she ceases to be a member, for—

(a) payment of the company’s debts and liabilities contracted before he/she ceases to be a member

(b) payment of the costs, charges and expenses of winding up, and

(c) adjustment of the rights of the contributories among themselves.

## **Objects of the company**

- 4- The Leatherhead Residents Association exists to provide the following benefits to the residents of the "area of benefit"-
- to conserve the best of the built and natural environment
  - to influence the areas management and development
  - to improve the areas amenities
  - to provide a consultative link between residents and statutory bodies in respect of matters such as town planning,highways and road safety,public transport and community services
  - to promote community inter-action and spirit

## **Powers of the Company**

5-To further the Objects,in addition to any other powers it may have, the Company has the power to raise funds from subscriptions,contributions,the staging of local events and from any other source

## **No Profit Distribution**

6-The income,capital and any other assets of the Company shall be applied solely towards the promotion of the Objects and no part shall be paid or transferred,directly or indirectly, by way of dividend bonus or otherwise by way of profit,to any members of the Company,subject to the provisions of articles 27(1) and 28.

## **Dissolution**

7-If the Company is wound up or dissolved and after all its debts and liabilities have been satisfied there remains any property,it shall not be paid to or distributed among the members of the Company,but shall be given or transferred to some other company or companies, society or societies (whether charitable or not) having objects similar to the Objects, which prohibit the distribution of its income and property at least as great as that imposed by Article 6 above,chosen by the members of the company at or before the time of dissolution

## **DIRECTORS**

### **DIRECTORS' POWERS AND RESPONSIBILITIES**

#### **Number of directors**

8-Unless otherwise determined by a special resolution,the number of directors shall be not less than 4 and not more than 15

### **Directors' general authority**

9.—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

### **Members' reserve power**

10.—(1) The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.

(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

### **Directors may delegate**

11.—(1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—

- (a) to such person or committee;
- (b) by such means (including by power of attorney);
- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions,

as they think fit

(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

(3) The directors may revoke any delegation in whole or part, or alter its terms and conditions

### **Committees**

12.—(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

(2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

## **DECISION-MAKING BY DIRECTORS**

### **Directors to take decisions collectively**

13.—(1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 14.

(2) If—

- (a) the company only has one director, and
- (b) no provision of the articles requires it to have more than one director,

the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making

#### **Unanimous decisions**

14.—(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.

(2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing

(3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting

(4) 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

#### **Calling a directors' meeting**

15.—(1) Any director may call a directors' meeting by giving notice of the meeting to the

directors or by authorising the company secretary (if any) to give such notice

(2) Notice of any directors' meeting must indicate—

(a) its proposed date and time;

(b) where it is to take place; and

(c) 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

(3) Notice of a directors' meeting must be given to each director, but need not be in writing

(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 7 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.

#### **Participation in directors' meetings**

16.—(1) Subject to the articles, directors participate in a directors' meeting, or part of a

directors' meeting, when—

(a) the meeting has been called and takes place in accordance with the articles, and

(b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting

(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.

(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

### **Quorum for directors' meetings**

17.—(1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting

(2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than 4, and unless otherwise fixed it is 4.

(3) If the total number of directors for the time being is less than the quorum required, the

directors must not take any decision other than a decision—

(a) to appoint further directors, or

(b) to call a general meeting so as to enable the members to appoint further directors

### **Chairing of directors' meetings**

18.—(1) The directors may appoint a director to chair their meetings

(2) The person so appointed for the time being is known as the chairman

(3) The directors may terminate the chairman's appointment at any time

(4) If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it

### **Casting vote**

19.—(1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

(2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

### **Conflicts of interest**

20.—(1) If a proposed decision of the directors is concerned with an actual or proposed

transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.

(2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.

(3) This paragraph applies when—

(a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process,

(b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest, or

(c) the director's conflict of interest arises from a permitted cause.

(4) For the purposes of this article, the following are permitted causes—

(a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;



(b) subscription, or an agreement to subscribe, for securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and

(c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.

(5) For the purposes of this article, references to proposed decisions and decision-making

processes include any directors' meeting or part of a directors' meeting.

(6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

(7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes

#### **Records of decisions to be kept**

21. 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

#### **Directors' discretion to make further rules**

22. Subject to the 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.

#### **Rules and bylaws**

23.1-The directors may from time to time make such rules and/or bylaws as they may deem necessary or expedient or convenient for the proper conduct and management of the business of the Company and in particular but without prejudice to the generality of the foregoing, they shall by such rules and bylaws regulate-

23.1 1-any subscriptions and other fees, charges, contributions or payments to be made by members to the company (which shall not limit or prejudice the right of the Company to require payments under any contractual or other legal right existing or created outside of such rules and/or bylaws).

23 1.2-the procedure at general meetings of the company

23 1.3-generally all such matters as are commonly the subject matter of company rules or bylaws or regulations of a company of this nature.

23 2-The Company in general meeting shall have power to alter or repeal the rules and/or bylaws and to make additions thereto and the directors shall adopt such means as they deem sufficient to bring to the notice of members all such rules and

bylaws, which so long as they shall be in force, shall be binding on all members, provided that no rule or bylaw shall be inconsistent with or shall affect or repeal anything contained in the memorandum or articles of association of the company

## APPOINTMENT OF DIRECTORS

### Methods of appointing directors

24.—(1) Any member who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—

- (a) by ordinary resolution, or
- (b) by a decision of the directors.

(2) In any case where, as a result of death, the company has no members and no directors, the personal representatives of the last member to have died have the right, by notice in writing, to appoint a person to be a director

(3) For the purposes of paragraph (2), where 2 or more members die in circumstances rendering it uncertain who was the last to die, a younger member is deemed to have survived an older member

### Retirement and reappointment of directors

25.—At each general meeting of the Company any director then in office.

25.1 who has been appointed by the board since the previous annual general meeting in accordance with article 24 (1) (b) or

25.2 for whom it is the third annual general meeting following the annual general meeting at which he/she was elected or last re-elected;

Shall retire from office but shall be eligible for re-appointment

### Termination of director's appointment

26. A person ceases to be a director as soon as—

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person,
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
- (d) 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;
- (e) 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.
- (f) that person is absent without the permission of the Directors or without acceptable apology from three consecutive Directors meetings or sub-committee

meetings held within a period of six consecutive months and the directors resolve that that persons office be vacated  
(g)that person is removed from office by a special resolution of the company.

#### **Directors' remuneration**

27.—(1) Directors may undertake any services for the company that the directors decide and may be paid such reasonable and proper remuneration as the directors decide in respect of such services

(2) Directors are not entitled to any remuneration from the Company in respect of their office and ordinary duties as a director.

#### **Directors' expenses**

28. The company,with the approval of 3 directors,may pay any reasonable expenses which the directors properly incur in relation to carrying out their duties

### **BECOMING AND CEASING TO BE A MEMBER**

#### **Applications for membership**

29. No person shall become a member of the company unless-

(a)that person is aged 18 or over and

(b) that person resides in the Area of Benefit and

(c) that person supports the objects of the Company and

(d) that person has completed an application for membership in a form approved by the directors, and

(e) the directors have approved the application(for the avoidance of doubt the Directors may approve an application notwithstanding that the applicant does not comply with (a)-(b) above if they think it is in the interest of the Company to do so ) and

(f)that person has paid the appropriate subscription in force at the time

#### **Termination of membership**

30.—(1) A member may withdraw from membership of the company by giving 7 days' notice to the company in writing.

(2) Membership is not transferable

(3) A person's membership terminates when that person dies or ceases to exist or moves out of the Area of Benefit or has not paid the appropriate subscription for any year within 3 months of the start of that year.

(4) A persons membership may be terminated by a 75% majority vote at a directors meeting if the Directors consider that the persons continued membership is counter-productive to the smooth management and operation of the company. Prior to reaching this decision the Directors shall give the member an opportunity to state their case for remaining a member. In the event that the members membership is terminated no rebate of any subscription shall be payable

### **Membership Fees**

31 -All members shall pay annual subscriptions to the Company at a level agreed at the previous annual general meeting

31 1 Subscriptions shall be payable on or before the 1<sup>st</sup> January each year

31 2 Members shall lose their rights if the subscription is unpaid three months after it is due

31 3 The subscription of any member joining the Company in the three months preceding the 1<sup>st</sup> January in any year shall be regarded as covering the subscription for the following year

31 4 The directors shall apply the revenue gained from subscriptions towards the objects, costs and obligations of the Company in such manner as they, in their sole discretion, deem fit.

31 5 A member whose membership ceases for any reason shall not be entitled to a refund of any subscription

## **ORGANISATION OF GENERAL MEETINGS**

### **Annual General Meetings**

32 -An annual general meeting shall be held once a year at such time (consistent with the terms of the Companies Act) and place as may be determined by the board of directors.

### **Calling General Meetings**

33 -If the company has no directors or fewer than two directors and the director (if any) is unable or unwilling to appoint sufficient directors to make up a quorum or to call a general meeting to do so, then two or more members may call a general meeting or may instruct the company secretary (if any) to do so for the purpose of appointing one or more directors

33.1 - a special general meetings shall be held if 15 or more members who have fully paid their subscriptions shall request it

33 2 -at least 14 days notice of all general meetings shall be given to members, except where a special resolution is to be considered, in which case 21 days notice will be given

### **Attendance and speaking at general meetings**

34.—(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

- (2) Only members may vote at general meetings and a member is able to exercise the right to vote at a general meeting when—
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - (b) 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
- (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
- (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.
- (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.

### **Quorum for general meetings**

35. No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the members attending it do not constitute a quorum

The quorum shall be 20 members or persons appointed as a proxy of a member in relation to the meeting.

### **Chairing general meetings**

36.—(1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so

(2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start—

- (a) the directors present, or
- (b) (if no directors are present), the meeting,

must appoint a director or member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

(3) The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

### **Attendance and speaking by non-members**

37.— The chairman of the meeting may permit other persons who are not members of the company to attend and speak at a general meeting.

### **Adjournment**

38.—(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

- (2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—
- (a) the meeting consents to an adjournment, or
  - (b) 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
- (3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the chairman of the meeting must—
- (a) 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
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (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)—
- (a) to the same persons to whom notice of the company's general meetings is required to be given, and
  - (b) containing the same information which such notice is required to contain.
- (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

## VOTING AT GENERAL MEETINGS

### Voting: general

39. A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

39.1 Any vote in respect of an ordinary resolution (written or otherwise) shall be decided by a simple majority and any vote in respect of a special resolution (written or otherwise) shall be decided by a 75% majority.

### Errors and disputes

40.—(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

(2) Any such objection must be referred to the chairman of the meeting whose decision is final

### Poll votes

41.—(1) A poll on a resolution may be demanded—

- (a) in advance of the general meeting where it is to be put to the vote, or

- (b) 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.

(2) A poll may be demanded by—

- (a) the chairman of the meeting,
  - (b) the directors,
  - (c) two or more persons having the right to vote on the resolution; or
  - (d) 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
- (3) A demand for a poll may be withdrawn if—
- (a) the poll has not yet been taken, and
  - (b) the chairman of the meeting consents to the withdrawal.
- (4) Polls must be taken immediately and in such manner as the chairman of the meeting directs

### **Content of proxy notices**

42.—(1) Proxies may only validly be appointed by a notice in writing (a “proxy notice”) which—

- (a) states the name and address of the member appointing the proxy,
  - (b) identifies the person appointed to be that member’s proxy and the general meeting in relation to which that person is appointed,
  - (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) 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.
- (4) Unless a proxy notice indicates otherwise, it must be treated as—
- (a) 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
  - (b) 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.

### **Delivery of proxy notices**

- 43.—(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
- (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
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates
- (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

### **Amendments to resolutions**

**44.—(1)** An ordinary resolution to be proposed at a general meeting may be amended by

ordinary resolution if—

(a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and

(b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

**(2)** A special resolution to be proposed at a general meeting may be amended by ordinary

resolution, if—

(a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

(b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution

**(3)** If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

## **ADMINISTRATIVE ARRANGEMENTS**

### **Means of communication to be used**

**45.—(1)** Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

**(2)** Subject to the articles, any notice or document to be sent or supplied to a director in

connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

**(3)** A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

### **Company seals**

**46.—(1)** Any common seal may only be used by the authority of the directors

**(2)** The directors may decide by what means and in what form any common seal is to be used

**(3)** Unless otherwise decided by the directors, if the company has a common seal and it is



affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature

- (4) For the purposes of this article, an authorised person is—
- (a) any director of the company;
  - (b) the company secretary (if any), or
  - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied

#### **No right to inspect accounts and other records**

47. Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a member.

#### **Provision for employees on cessation of business**

48. 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

### **DIRECTORS' INDEMNITY AND INSURANCE**

#### **Indemnity**

49.—(1) Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against—

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,
- (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
- (c) any other liability incurred by that director as an officer of the company or an associated company.

(2) This article does not authorise any indemnity which would be prohibited or rendered void by

any provision of the Companies Acts or by any other provision of law.

(3) In this article—

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "relevant director" means any director or former director of the company or an associated company.

#### **Insurance**

50.—(1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

(2) In this article—

(a) a "relevant director" means any director or former director of the company or an associated company,

(b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director'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

(c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.