

THE COMPANIES ACT 2006
PRIVATE CLUB LIMITED BY GUARANTEE
ARTICLES OF ASSOCIATION
OF

HARPENDEN GOLF CLUB LIMITED (the "Club")

(Adopted by special resolution passed on 17th October 2020)

Interpretation, objects and limitation of liability

1. Interpretation

1.1 In these Articles, unless the context otherwise requires:

Act: means the Companies Act 2006;

Articles: means the Club's articles of association for the time being in force;

Annual General Meeting: means a meeting of the Members held pursuant to article 20.2;

Auditors: the auditors of the Club from time to time;

bankruptcy: includes insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

Business Day: means any day (other than a Saturday, Sunday or public holiday in England) when banks in London are open for business;

Captain's Committee: means the Committee referred to in article 9;

Club House: the club house of the Club from time to time;

Committee: means all or any of the Management Committee, the Captain's Committee, and any other committee established pursuant to article 7.3.4 from time to time, as the context allows;

Conflict: means 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 Club;

director: means, in accordance with article 7.1, a director of the Club being the five elected Members from time to time of the Management Committee, and any reference in these Articles or the Model Articles to a director shall be construed accordingly.

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

electronic form: has the meaning given in section 1168 of the Act;

Eligible Director: means 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 16, any director whose vote is not to be counted in respect of the particular matter);

Extraordinary General Meeting: has the meaning given in article 20.1;

Interested Director: has the meaning given in article 16.1;

Management Committee: means the Committee referred to in article 8, each member of which shall be a director of the Club for the purposes of the Act;

Member: means a person whose name is entered in the Register of Members of the Club and Membership shall be construed accordingly; and

Model Articles: means 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 reference to a numbered "Model Article" is a reference to that article of the Model Articles. A copy of the Model Articles is annexed to these Articles;

Ordinary Resolution: has the meaning given in section 282 of the Act;

participate: in relation to a director's meeting, has the meaning given in Model Article 10;

proxy notice: has the meaning given in Model Article 31;

Registered Office: means the registered office of the Club from time to time;

secretary: means the secretary of the Club and any other person appointed to perform the duties of the secretary of the Club, including a joint, assistant or deputy secretary;

Special Resolution: has the meaning given in section 283 of the Act;

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.

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an article is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute or statutory provision:
 - 1.5.1 is a reference to it as amended, extended or re-enacted from time to time; and
 - 1.5.2 shall include any subordinate legislation from time to time made under that statute or statutory provision.
- 1.6 Any word following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 The Model Articles shall apply to the Club, except in so far as they are modified or excluded by, or are inconsistent with, these Articles. References to the “company” in the Model Articles shall be construed as being references to the Club.

- 1.8 Model Articles 2, 8, 9(1), 11(2), 11(3), 13, 14(1), 14(2), 14(3), 14(4), 21, 22, 31(1)(d), 32(4), 35, 36, 38 and 39 shall not apply to the Club
- 1.9 Model Article 3 (Directors' general authority) shall be amended by the insertion of the words "in accordance with its objects" after (in accordance with article 1.7) the words "the management of the Club's business".
- 1.10 Model Article 7 (Directors to take decisions collectively) shall be amended by the insertion of the words "for the time being" at the end of Model Article 7(2)(a).
- 1.11 Model Article 20 shall be amended by the insertion of the words "and the secretary" before the words "properly incur".

2. Objects

2.1 The objects for which the Club is established are to:

- 2.1.1 establish, maintain and conduct a golf club and golf course for the accommodation of members of the Club and for the provision of golf in or near Harpenden;
- 2.1.2 provide for members of the Club in or in the neighbourhood of Harpenden or elsewhere, a golf course or courses and grounds, and to establish, maintain and carry on a golf and social club in all its branches, and to lay out, prepare and maintain such courses and grounds for golf and other purposes of the Club, and to provide pavilions, clubhouses, kitchens, dining and refreshment rooms, bars, workshops, garages, sheds, houses and other facilities in connection therewith, and to furnish, maintain and promote the same and the property of the Club, all to be used by persons either gratuitously or for payment and generally to do what may seem best calculated to promote the interests of the Club;
- 2.1.3 promote the game of golf and other athletic sports and pastimes;
- 2.1.4 make and to approve rules and regulations for admission to and use of the Club, and its premises and the conduct of Members and visitors, and from time to time to rescind and vary or modify the same; and
- 2.1.5 recognise the importance of affording equal opportunity and equal treatment, and to be committed to challenging any form of discrimination in the Club,

and openly to welcome differences, as well as accepting diversity, equality and inclusion.

3. Powers

3.1 In pursuance of the object set out in article 2, the Club has the power to:

- 3.1.1 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 Club, provided always that the Club shall not sell, let or mortgage any freehold property of the Club unless authorised so to do so by Special Resolution duly passed by the Members in general meeting;
- 3.1.2 purchase, hire, make or otherwise acquire and maintain for the purposes of the Club any real or personal property and in particular any lands, buildings, livestock, motor vehicles, furniture, implements, tools, cards, games, and other things required or which may be conveniently used in connection with the courses and grounds, club houses and other premises of the Club by persons frequenting the same, whether Members of the Club or not, and to sell, demise, let, mortgage or dispose of the same;
- 3.1.3 buy, prepare, make, supply, sell and deal in all kinds of golf clubs and balls and all apparatus used in connection with golf and other athletic sports, and all kinds of provisions and refreshments, including wines, spirits and tobacco products required or used by the Members of the Club or other persons frequenting the course, grounds, club houses, or premises of the Club;
- 3.1.4 hire and employ professionals, managers, secretaries, groundsmen and catering and other staff, and to pay to them and to other persons in return for services rendered to the Club, salaries, wages, gratuities and pensions, and to support and subscribe to any charitable or public object;
- 3.1.5 conduct, promote and hold, either alone or jointly with any other association, club or persons, golf tournaments, sports competitions, matches and other meetings of an athletic or social nature, and to offer, give, or contribute towards prizes, medals, awards, balls, concerts and other entertainments;

- 3.1.6 establish or promote or assist in establishing or promoting, and to subscribe to or become a member of any other association or club whose objects are similar or in part similar to the objects of the Club or the establishment or promotion of which may be beneficial to the Club;
- 3.1.7 undertake and execute any trusts which may lawfully be undertaken by the Club and may be conducive to its objects;
- 3.1.8 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 Club's property and assets (provided always that the Club shall not sell, let or mortgage any freehold property of the Club unless authorised so to do so by Special Resolution duly passed by the Members in general meeting);
- 3.1.9 invest and deal with the funds of the Club not immediately required for its operations in or upon such investments, securities or property as may be thought fit;
- 3.1.10 enter into contracts to provide services to or on behalf of other bodies;
- 3.1.11 open and operate bank accounts and other facilities for banking and draw, accept, endorse, issue or execute cheques and other instruments;
- 3.1.12 incorporate subsidiary companies to carry on any trade;
- 3.1.13 establish and support or aid in the establishment and support of any charitable associations or institutions and to subscribe or guarantee money for charitable purposes in any way connected with the purposes of the Club or calculated to further its objects; and
- 3.1.14 do all such other lawful things as are incidental or conducive to the pursuit or to the attainment of any of the objects set out in article 2.

4. Income, Expenses and Benefits

- 4.1 The income and property of the Club from wherever derived shall be applied solely in promoting the Club's objects.

- 4.2 The Club shall not support with its funds any object, or endeavour to impose on or procure to be observed by its Members or others any regulation, restriction or condition which would make it a trade union.
- 4.3 No distribution shall be paid or capital otherwise returned to the Members in cash or otherwise.
- 4.4 No member of the Management Committee or the Captain's Committee shall be appointed to any salaried office of the Club or any office of the Club paid by fees, and no remuneration or other benefit in money or money's worth shall be given by the Club to any member of the Management Committee or the Captain's Committee, except by way of free membership (at the discretion of the Management Committee).
- 4.5 Nothing in these Articles shall prevent any payment in good faith by the Club of:
- 4.5.1 reasonable and proper remuneration to any Member, officer or servant of the Club for any services rendered to the Club;
 - 4.5.2 any interest on money lent by any Member or any director at a reasonable and proper rate;
 - 4.5.3 reasonable and proper rent for premises demised or let by any Member or director; or
 - 4.5.4 reasonable out-of-pocket expenses properly incurred by any director.

5. Winding up

On the winding-up or dissolution of the Club, after provision has been made for all its debts and liabilities, any assets or property that remains available to be distributed or paid, shall not be paid or distributed to the Members but shall be transferred to another body (charitable or otherwise) with objects similar to those of the Club (and for the avoidance of doubt, a transfer to any such other body shall not be prohibited because a Member is also a member of that other body). Such body shall be determined by resolution of the Members at or before the time of winding up or dissolution and, subject to any such resolution of the Members, may be made by resolution of the directors at or before the time of winding up or dissolution. Insofar as effect cannot be given to the provisions of this article 5, then any assets or property that remain available shall be given or transferred to some charitable object.

6. Guarantee

6.1 The liability of each Member is limited to £1, being the amount that each Member undertakes to contribute to the assets of the Club 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:

6.1.1 payment of the Club's debts and liabilities contracted before he ceases to be a Member,

6.1.2 payment of the costs, charges and expenses of the winding up, and

6.1.3 adjustment of the rights of the contributories among themselves.

Management and Committees

7. General Management

7.1 The directors of the Club shall be the five elected Members from time to time of the Management Committee, and any reference to "directors" in these Articles or the Model Articles shall be construed accordingly.

7.2 The Company Secretary shall be appointed by the Management Committee. The General Manager may be appointed Company Secretary but he or she shall not be a director.

7.3 The management and administration of the Club shall be conducted by:

7.3.1 The Management Committee;

7.3.2 The Captain's Committee;

7.3.3 The General Manager, who shall manage the day-to-day running of the Club and who shall report to the Management Committee;

7.3.4 Further Committees, or sub-groups, as may be required from time to time in terms agreed by the Management Committee or required by legislation. Such Committees may include, but not limited to, Wine, Golf & Handicap and Golf Course Committees. Subject to article 7.6, the responsibilities of any such Committee, the numbers of Members sitting on those Committees and the manner of their appointment and retirement (including the

applicability of rotation of office), shall be determined by the Management Committee in their absolute discretion.

- 7.4 Any Committee may co-opt Members or employees of the Club to serve on that Committee on such terms and with such powers and responsibilities as the relevant Committee shall determine;
- 7.5 Any Committee may invite the General Manager to attend their meetings, and to be heard, but the General Manager shall have no right to vote.
- 7.6 The Club may from time to time in general meeting increase or reduce the number of elected members of all or any of the Committees (other than the Management Committee) and determine in what rotation (if any) such increased or reduced number shall go out of office on the basis of similar principles to those set out in article 12 in relation to the Management Committee, and may make the appointments necessary for effecting any such increase.
- 8. The Management Committee
 - 8.1 The Management Committee shall consist of five Members, one of who must be male and one must be female, elected in accordance with these Articles, and two ex-officio Members (who shall be non-voting) being the Club Captain or Vice-Club Captain and Lady Captain or Lady Vice-Captain. The Management Committee shall elect a chairman annually who will preside at meetings and, in case of equality of votes, shall have a second or casting vote.
 - 8.2 The Management Committee shall have responsibility for and full powers to act, through the General Manager of the Club, on all aspects of the Club's management (other than those reserved to the Captain's Committee) including, without limitation:
 - 8.2.1 GENERAL MANAGER: Appointment, salary and terms and conditions of employment;
 - 8.2.2 COMPANY SECRETARY: Appointment, terms and conditions of employment, and removal;
 - 8.2.3 PLANNING: Produce long term plans for the future and ensure their implementation via a system of performance management;

- 8.2.4 FINANCE: Cash Control - budgeting and financial controls including generally administering the Club so that the objectives of the Club are achieved;
- 8.2.5 AUDIT: The recommendation for the appointment of Auditors and the conduct of the annual audit;
- 8.2.6 PROPERTY: The maintenance, care and improvement of the course and the buildings on it;
- 8.2.7 STAFF: Advising the General Manager on employment of staff and, in particular, ensuring that contracts of employment and all aspects of staff relations are strictly in accordance with the law and the interests of the Club;
- 8.2.8 REGULATIONS: The making and revision of rules and regulations for the conduct of the Club and generally administering the Club to its benefit;
- 8.2.9 MEMBERSHIP: To ensure that the overall number of Members in each category is appropriate. Enforcement of the provisions of article 19.2 and article 19.3 where necessary, and of the Club's rules and regulations;
- 8.2.10 INCLUSIVITY: To ensure and monitor all aspects of inclusivity within the Club on a regular basis;
- 8.2.11 SUBSCRIPTIONS: Considering and proposing the levels of subscriptions necessary for each twelve-month period;
- 8.2.12 MEETINGS: Meetings of the Management Committee shall be convened by the chairman of the Committee not less than four times per year;
- 8.2.13 FREEHOLD PROPERTY: The Management Committee shall not sell, let, mortgage, dispose of or turn to account any freehold property of the Club unless authorised so to do so by Special Resolution duly passed by the Members in general meeting.

9. The Captain's Committee

9.1 The Captain's Committee shall be composed of:

- 9.1.1 The Club Captain (who can be a male or female elected Member);

- 9.1.2 The Vice-Club Captain (who can be a male or female elected Member);
 - 9.1.3 The Immediate Past Captain;
 - 9.1.4 The Lady Captain;
 - 9.1.5 The Lady Vice Captain;
 - 9.1.6 Three Members who are elected at the Annual General Meeting for a three-year term.
- 9.2 The Captain's Committee shall have responsibility for and full powers to act, through the General Manager of the Club, on all aspects of:
- 9.2.1 GOLF: Including competitions, matches, local rules and handicaps;
 - 9.2.2 SOCIAL: The social programme of the Club;
 - 9.2.3 MEMBERSHIP: The election of new Members;
- 9.3 Meetings of the Captain's Committee shall be convened by the Captain not less than four times a year. The Captain's Committee shall cause proper minutes to be made of all full and sub-committees meetings. The Club Captain or, in the Club Captain's absence, the Vice-Club Captain shall be the chairman at any meeting of the Captain's Committee.
10. Elections to Committees
- 10.1 Subject to the remaining provisions of these Articles, all elections of members of the Committees shall take place by the ballot at the Annual General Meeting in each year, taken in such manner as the Chair of the Management Committee shall prescribe.
 - 10.2 Nominations for Vice-Club Captain shall be limited to General Members and shall be proposed by a General Member, seconded by at least four General Members and accompanied by a statement from the nominee indicating his or her willingness to stand. The nomination should be received by the General Manager no later than 21 days before the Annual General Meeting.
 - 10.3 The Vice-Club Captain, once elected, shall be Club Captain for the year following his or her year as Vice-Club Captain.

- 10.4 No person (not being an elected member of the relevant Committee who is retiring at the meeting) shall, unless recommended by that Committee for election, be eligible for election as an elected member of any Committee unless notice in writing has been given to the General Manager by two Members (duly qualified to be in attendance and vote at the meeting for which such notice is given) of their intention respectively to propose and second such person for election, such notice to be given not less than 14 days before the time fixed for the holding of the meeting and also being signed by such person to indicate their willingness to be elected.
- 10.5 Upon receipt of a notice in accordance with article 10.4, the General Manager shall give notice of any such nomination to the Members by posting the same in the Club House forthwith following receipt thereof. The Club Captain or Vice-Club Captain shall not be eligible for election to the Management Committee (other than in his or her capacity as an ex-officio Member).
- 10.6 No person who is not a Member shall under any circumstances be eligible to hold office as a member of any Committee.
- 10.7 The members for the time being of the Committees may act notwithstanding any vacancy in their body; provided always that if the members of the Management Committee shall at any time be or be reduced in number to less than the quorum prescribed by article 13.1 for the conduct of the business of the Management Committee, they may act as the Management Committee for the purpose of the filling of vacancies in their body, or of summoning a General Meeting, but not for any other purpose.
11. Disqualification of members of the Committees
- 11.1 The office of a Member of the Committees shall be vacated:
- 11.1.1 if he or she becomes subject to a bankruptcy order or makes any arrangement or composition with creditors;
- 11.1.2 if he or she becomes of unsound mind;
- 11.1.3 if he or she ceases to be a Member;
- 11.1.4 if by notice in writing to the Club he or she resigns his office;

- 11.1.5 if he or she ceases to hold office by reason of any order made under the Company Directors Disqualification Act 1986 and/or Insolvency Act 1986;
 - 11.1.6 if he or she is removed from office by an ordinary resolution duly passed pursuant to section 168 of the Act;
 - 11.1.7 in accordance with article 11.2.
- 11.2 Without prejudice to the provisions of sections 168 of the Act, the Club may by Special Resolution remove any member of any Committee before the expiration of their period of office, and may, by an Ordinary Resolution appoint another member in their stead; but any person so appointed shall retain their office only for so long as the member in whose place he or she is appointed would have held office if not removed.
- 11.3 Members of the Committees shall not be subject to age limit.
- 12. Rotation of elected members of the Management Committee
 - 12.1 Subject to the remaining provisions of these Articles, the elected Members of the Management Committee shall serve for four years and shall retire at the Annual General Meeting four years after their appointment. A retiring member of the Management Committee shall be available for re-election for one further term, to serve for a maximum of eight consecutive years.
 - 12.2 The Club may, at the meeting at which an elected Member of the Management Committee retires, fill the vacancy by electing a replacement in accordance with article 10 and, in default, the retiring Member shall, if offering themselves for re-election, be deemed to have been re-elected unless at such meeting it is expressly resolved not to fill such vacated office, or unless a resolution for the re-election of such member shall have been put to the meeting and lost.
- 13. Proceedings of Committees
 - 13.1 Each Committee shall meet together for the dispatch of business, adjourn and otherwise regulate their meetings as such Committee thinks fit. Quorum necessary for the transaction of business shall (subject to article 15.1) be three elected members for the Management Committee and three members (other than co-opted members) for the Captain's Committee. For these purposes, members shall be deemed to be present at a Committee meeting when they can each communicate to the others any

information or opinions they have on any particular item relevant to the business of the meeting, In determining whether members of a Committee are participating in a meeting, they may do so via video or conference call or otherwise howsoever, it being irrelevant where any member is or how they communicate with each other. If all the members participating in an Committee 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. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote.

- 13.2 A member of any of the Committees may, on a request to the General Manager, summon a meeting of that Committee on not less than 7 days' prior notice (or such lesser period as a majority of the members of that Committee may otherwise agree) served upon the other members of the respective Committee.
- 13.3 A meeting of any Committee at which a quorum is present shall be competent to exercise all authorities, powers and discretions by or under the regulations of the Club for the time being vested in that Committee by these Articles.
- 13.4 Any Committee may delegate any of its powers to sub-committees consisting of such member or members of the Committee as they think fit, and any sub-committee so formed shall, in the exercise of the powers so delegated, conform to any regulations imposed on it by the delegating Committee. The meetings and proceedings of any such sub-committee shall be governed by the provisions of these Articles for regulating the meetings and proceedings of the Committees, so far as applicable and so far as the same shall not be superseded by any regulations made by the Management Committee. Any Committee may authorise a sub-committee to co-opt members who are not members of that Committee.
- 13.5 All acts bona fide done by any meeting of a Committee or of any sub-committee of a Committee, or by any person acting as a member of a Committee shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of that member or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a member of the relevant Committee.

- 13.6 Each Committee shall cause proper minutes to be made of all appointments of officers made by them and of proceedings of all meetings of that Committee and of sub-committees and all business transacted at such meetings, and any such minutes of any meeting, if purporting to be signed by the chairman of such meetings, or by the chairman of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated. Where decisions of a Committee are taken by electronic means, such decisions shall be recorded in permanent form, so that they may be read with the naked eye.
- 13.7 A resolution in writing signed by all the Members for the time being of a Committee (or of any sub-committee of a Committee) who are entitled to receive notice of a meeting of the Committee (or sub-committee) shall be as valid and effectual as if it had been passed at a meeting of the Committee (or such sub-committee) duly convened and constituted.

Directors

14. 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.
- 14.2 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.
- 14.3 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.

15. Quorum for directors' meetings

- 15.1 Subject to article 15.2, the quorum for the transaction of business at a meeting of directors shall be as specified in article 13.1.
- 15.2 For the purposes of any meeting (or part of a meeting) held pursuant to article 16 to authorise a Conflict, the quorum for the transaction of business at that meeting shall be three Eligible Directors.

- 15.3 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:
- 15.3.1 to appoint further directors; or
 - 15.3.2 to call a general meeting so as to enable the Members to appoint further directors or to authorise the Conflict.
16. Directors' conflicts of interest
- 16.1 The directors may, in accordance with the requirements set out in this article, authorise any Conflict proposed to them by any director which would, if not authorised, involve a director (an Interested Director) breaching his duty to avoid conflicts of interest under section 175 of the Act.
- 16.2 Any authorisation under this article 16 shall be effective only if:
- 16.2.1 the matter in question shall have 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;
 - 16.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - 16.2.3 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.
- 16.3 Any authorisation of a Conflict under this article 16 may (whether at the time of giving the authorisation or subsequently):
- 16.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 16.3.2 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;

- 16.3.3 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;
 - 16.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - 16.3.5 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 Club) information that is confidential to a third party, he shall not be obliged to disclose that information to the Club, or to use it in relation to the Club's affairs where to do so would amount to a breach of that confidence; and
 - 16.3.6 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.
- 16.4 Where the directors authorise a Conflict, the Interested Director shall be obliged to conduct themselves in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 16.5 The directors may revoke or vary such authorisation at any time, but this shall not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- 16.6 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 Club 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 in accordance with these Articles or by the Club 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.
- 16.7 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Club:

- 16.7.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Club or in which the Club is otherwise (directly or indirectly) interested;
- 16.7.2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- 16.7.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- 16.7.4 may act by himself or their firm in a professional capacity for the Club (otherwise than as Auditor) and their firm shall be entitled to remuneration for professional services as if he were not a director;
- 16.7.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Club is otherwise (directly or indirectly) interested; and
- 16.7.6 shall not, save as they may otherwise agree, be accountable to the Club for any benefit which they (or a person connected with them (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

Members: becoming and ceasing to be a member

17. Membership

- 17.1 Such persons as shall be admitted to membership in accordance with the provisions of these Articles shall be Members of the Club. The number of Members with which the Club proposes to be registered is unlimited.

17.2 The Management Committee may establish different classes of Members and set out the different rights and obligations for each class. As at the date of adoption of these Articles, the categories of Members are:

17.2.1 General Members;

17.2.2 Honorary Members;

17.2.3 Country Members;

17.2.4 Overseas Members;

17.2.5 Junior Members;

17.2.6 Temporary Members; and

17.2.7 Social / Non Playing Members.

These categories may be added to, deleted or otherwise changed as the Management Committee shall from time to time prescribe.

17.3 The following shall be the qualifications for election for membership of the categories of Member referred to in article 17.2:

17.3.1 General Membership. General Members are full Members entitled to use all the facilities of the Club without restriction. All persons over the age of 18 shall be eligible to be General Members.

17.3.2 Honorary Membership. Any Member so nominated by the Captain's Committee and approved by the Members at the Annual General Meeting;

17.3.3 Country Membership. Persons who are aged upwards of 21 years and who predominantly reside outside a radius of 50 miles from the Club House shall be eligible to be Country Members.

17.3.4 Overseas Membership. Members permanently predominantly resident outside the United Kingdom.

17.3.5 Junior Membership. Persons aged less than 18 years on 1st July at the commencement of the membership year in question shall be eligible to be Junior Members.

- 17.3.6 Temporary Membership. Any persons who in the opinion of the Captain's Committee are temporarily resident within the district of the Club House shall be eligible to be Temporary Members.
- 17.3.7 Social / Non Playing Membership. Any persons over the age of 18 shall be eligible to be Social / Non Playing Members.
- 17.4 Members of all categories shall be entitled to all the privileges of Membership except that:
- 17.4.1 Junior Members shall not be entitled to receive notice of or to attend or vote at any general meeting of the Club and shall only be entitled to play on Saturday or Sunday at times authorised by the Captain's Committee;
- 17.4.2 Country and Overseas Members shall not be entitled to receive notice of or to attend or to vote at any General Meeting of the Club;
- 17.4.3 Temporary Members shall be eligible to play in any competitions organised by the Club as authorised by the Captain's Committee, but shall not be entitled to receive notice of or to attend or to vote at any General Meeting of the Club; and
- 17.4.4 Social / Non Playing Members shall not be entitled to play or practise golf on any course maintained by the Club or to receive notice of or to attend or vote at any General Meeting of the Club.
- 17.5 All persons wishing to become Members in any category shall make application in such manner and in such form as shall from time to time be prescribed by the Management Committee.
- 17.6 Every prospective Member shall become a Member upon election by the Captain's Committee conditionally upon paying the entrance fee as agreed (if any) and subscription payable in accordance with article 18. If such fee and subscription are not be paid within one month after election, the election of the Member in default shall lapse, unless payment by instalments has been previously agreed with the Management Committee.
- 17.7 The Captain's Committee shall not be obliged to accept as Members persons fulfilling the criteria for Membership and may, in their absolute discretion but subject to the

provisions of the Equality Act 2010, decline to accept any application for Membership and need not give reasons for doing so.

- 17.8 The Captain's Committee may in its absolute discretion decline to elect any person to be a Member in any category and may alter the category of any Member; provided always that no person shall be elected to be a Member unless at least 48 hours shall have elapsed between making application as aforesaid and their election.
- 17.9 Upon election as a Member, the successful applicant's name will be made available to the membership by the secretary in such a way as is deemed appropriate by the Management Committee, and the secretary shall enter details of the successful applicant into the Register of Members.
- 18. Fees and Subscriptions
 - 18.1 All Members, other than Temporary or Honorary Members, shall pay such annual subscriptions as the Management Committee may from time to time prescribe and notify to all Members at least 21 days in advance of the date payable Provided That the Management Committee shall not increase the annual subscription of a General Member by more than 20% of the annual subscription paid in the year immediately preceding the increase other than by resolution passed at a General Meeting. The highest fee chargeable for an annual membership category shall be a General Member.
 - 18.2 Temporary Members shall pay such fee as may from time to time be prescribed by the Management Committee.
 - 18.3 Every member (other than a Temporary Member) shall pay an entrance fee of such sum, and in such manner, as the Management Committee shall from time to time prescribe, save that no such entrance fee shall exceed two years of the maximum subscription then in force for a General Member. Payment may be spread over two years on request at the discretion of the Management Committee.
 - 18.4 The Management Committee will detail payment options when notifying Members of the Membership subscriptions payable. Certain payment methods may attract a surcharge as prescribed by the Management Committee, to the extent permitted by law.

- 18.5 All subscriptions shall be due and payable on the 1st July in each year. A Member elected on or after 1st August shall pay the proportion of the subscription that the number of months, including the month in which they are elected, bears to 12 months. No Member shall be eligible to compete for any prize after 31st July until the full subscription, if any, payable by them has been paid and no Member shall receive a prize or sweepstake until the full subscription, if any, payable by them has been paid. The names of any persons whose annual subscriptions are not paid before 1st September in each year shall be posted in the Club House. Any Member not paid by 1st September shall cease to be a Member and will be required to request to re-join, should they wish to do, which request shall only be granted with the consent of the Management Committee. A re-entrance fee may be charged at the discretion of the Management Committee.
- 18.6 The Management Committee may in its absolute discretion:
- 18.6.1 waive or reduce the payment of an entrance fee generally or in any particular case
 - 18.6.2 waive or reduce the payment of any subscription for any category of member either generally or in any particular case; and
 - 18.6.3 impose a surcharge on any Member who fails to pay the annual subscription by 1 August in the year to which such subscription relates.
- 18.7 The fee for a locker shall be as prescribed by the Management Committee from time to time.
19. Personal nature of membership and ceasing to be a Member
- 19.1 The rights of a Member shall be personal and shall not be transferable and shall cease on death, resignation or expulsion. Upon a Member ceasing as such, no fees or subscriptions paid by such Member shall be repayable.
- 19.2 A Member shall cease to be such in any of the following circumstances:
- 19.2.1 if an annual subscription or any other payments due to the Club by way of surcharge, service charge, interest, loan or otherwise shall remain payable to the Club and unpaid for two months after the due date for payment;

19.2.2 if the Member resigns by written notice sent or otherwise delivered to the Registered Office, in which event such resignation shall take effect from and including 1st July next, save if they thereafter cease to be a Member pursuant to article 19.3.

19.3 If the conduct of any Member shall in the opinion of the Captain's Committee be injurious to the character and interests of the Club or objectionable in any respect, such Member may be required by the Management Committee to resign, and, if the Member so requested does not resign within one week, such Member may (after the relevant Member has been given the opportunity to justify or explain their conduct) be expelled by resolution of the Management Committee, whereupon that Member shall cease to be a Member of the Club, and all fees and subscriptions which shall have been paid by such Member shall be forfeited. A Member expelled under this article 19.3 shall have a right of appeal by giving written notice of appeal to the General Manager within 10 days from the posting of the notice of expulsion, whereupon an Extraordinary General Meeting of the Members of the Club shall be called within 14 days at which the expulsion shall be rescinded if the Members so resolve by Special Resolution and the Member shall then be reinstated with immediate effect.

Decision making by members

20. General meetings

20.1 All general meetings, other than Annual General Meetings, shall be called Extraordinary General Meetings.

20.2 The Club shall in each year hold a general meeting to be chaired by the chairman of the Management Committee as its Annual General Meeting in addition to any other meetings in the year and shall specify the meeting as such in the notices calling it and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Club and that of the next. The Annual General Meeting shall be held at such time and place as the Management Committee shall appoint.

20.3 The Management Committee may whenever it thinks fit convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisitions, or in default may be convened by such requisitionists, as provided by the Act.

- 20.4 At least 21 days' notice of any general meeting shall be sent to every eligible Member of the Club, as referred to in article 17.4, and to the Auditors.
- 20.5 The accidental omission to give notice of a meeting to, or the non-receipt of such notice by, any person entitled to receive notice, thereof shall not invalidate any resolution passed, or proceeding had, at any meeting.
21. Proceedings at general meetings
- 21.1 All business shall be deemed "special" that is transacted at an Extraordinary General Meeting.
- 21.2 All business shall be deemed "special" that is transacted at an Annual General Meeting with the exception of the consideration of the accounts, balance sheets and the ordinary reports of the Committees and Auditors, the election of officers and of Members of the Committees in place of those retiring, and the appointment of the Auditors and the fixing of their remuneration.
- 21.3 No business shall be transacted at any general meeting unless a quorum is in attendance when the meeting proceeds to business. Save as herein otherwise provided, seven Members in attendance, and entitled and able to exercise the right to vote in accordance with Model Article 23, shall be a quorum.
- 21.4 If within half an hour from the time appointed for the holding of a general meeting a quorum is not in attendance, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or at such other place as the Management Committee may determine, and if at such adjourned meeting a quorum is not in attendance within half an hour from the time appointed for holding the meeting the Members in attendance and entitled and able to exercise the right to vote in accordance with Model Article 23, shall be a quorum.
- 21.5 The chairman of the Management Committee or failing them another member of the Management Committee (if any) or failing them the Club Captain shall preside at every general meeting but if there is no such holder of those positions, or if at any meeting none shall be in attendance within fifteen minutes after the time appointed for holding the same, or will be willing to preside, the Members in attendance and entitled and able to exercise the right to vote in accordance with Model Article 23 shall choose one of their number to preside.

- 21.6 The chairman of any particular general meeting may, with the consent of the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 21.7 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands. A declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minute book of the Club shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.
- 21.8 In the case of an equality of votes on a show of hands, the chairman of the meeting shall be entitled to a second or casting vote.
22. Votes of members
- 22.1 Subject to the Act and to article 17.4, at any general meeting every duly registered Member who has paid every subscription and other sum (if any) due and payable to the Club in respect of their Membership and who is in attendance in person (or by proxy) in accordance with Model Article 23:
- 22.1.1 shall on a show of hands have one vote;
- 22.1.2 shall on a poll have one vote; and
- 22.1.3 shall be entitled to as a proxy for another Member.
23. Proxies
- 23.1 Model Article 31(1)(d) shall be deleted and replaced with the words "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 and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".
- 23.2 Model Article 31(1) shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the members of the Management Committee, in their absolute discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.

- 23.3 The instrument appointing a proxy shall be in writing under the hand of the appointor, or the appointor's attorney duly authorised in writing.
- 23.4 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy thereof shall be deposited at the Registered Office (or provided to the Club by electronic means in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which it relates) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
- 23.5 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of the death, insanity or revocation as aforesaid shall have been received at the Registered Office (or provided to the Club by electronic means in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which it relate for the delivery of proxies) before the commencement of the meeting or adjourned meeting at which the proxy is used.

Administrative arrangements

24. Means of communication to be used
- 24.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 24.1.1 if properly addressed and sent by prepaid United Kingdom post to an address in the United Kingdom, 48 hours after it was posted;
 - 24.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - 24.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
 - 24.1.4 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 24, no account shall be taken of any part of a day that is not a Business Day.

- 24.2 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.

25. Seal

The seal of the Club shall only be affixed to an instrument with the authority of a resolution of the Management Committee and in the presence of at least two Members of the Management Committee. The said Members and the Company Secretary shall sign every instrument to which the seal shall be so affixed, and in favour of any purchaser or other person bona fide dealing with the Club such signatures shall be conclusive evidence of the fact that the seal has been properly affixed.

26. Rules and byelaws

- 26.1 The Management Committee may establish rules governing matters relating to Club administration that are required from time to time for the effective operation of the Club.

- 26.2 The Captain's Committee may from time to time make such recommendations to the Management Committee for bye-laws for carrying out the objectives of the Club provided that such bye-laws:

26.2.1 are not contrary to or amount to an amendment to these Articles; and

26.2.2 are in accordance with article 2.1.4,

and may from time to time in the same manner, and subject to the same limitations add to, rescind, alter or amend the same.

- 26.3 If there is a conflict between the terms of these Articles and any rules or bye-laws established under this article 26, the terms of these Articles shall prevail.

27. Accounts

27.1 The Management Committee shall cause proper books of accounts to be kept with respect to:

27.1.1 all sums of money received and expended by the Club and the matters in respect of which such receipts and expenditure take place;

27.1.2 all sales and purchases of goods by the Club;

27.1.3 the correct recording and control of the loan note registers.

Proper books shall not be deemed to be kept unless there are kept such books of account as are necessary to give a true and fair view of the state of the affairs of the Club and to explain its transactions.

27.2 The books of account shall be kept at the Registered Office, or subject to the Act, at such other place or places as the Management Committee shall determine, and shall always be open to the inspection of the members of the Management Committee.

27.3 The Management Committee shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of Club or any of them shall be open to the inspection of those Members who are not members of the Management Committee and no Member (other than a member of the Management Committee) shall have any right to inspect any account or book or document of the Club except as conferred by statute or authorised by the Management Committee or by the Club in General Meeting.

27.4 At the Annual General Meeting in every year the Management Committee shall lay before the Club a proper income and expenditure account for the period since the last preceding account, made up to a date not more than six months before such meeting, together with a proper balance sheet made up as at the same date. Every such balance sheet shall be accompanied by proper reports of the Management Committee and the Auditors, and copies of such account, balance sheet and reports (all of which shall be framed in accordance with any statutory requirements for the time being in force) and of any other documents required by law to be annexed or attached thereto or to accompany the same shall, not less than 21 clear days before the date of the meeting, and subject to the provisions of the Act, be sent to the Auditors and to all other persons entitled to receive notices of general meetings.

28. Audit
- 28.1 Once at least in every year the accounts of the Club shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by the Auditors.
- 28.2 The Auditors shall be appointed and their duties regulated in accordance with the Act and, subject thereto, these Articles.
29. Indemnity and insurance
- 29.1 Subject to article 29.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
- 29.1.1 each relevant officer shall be indemnified out of the Club's assets against all costs, charges, losses, expenses and liabilities incurred by them as a relevant officer in the actual or purported execution and/or discharge of their duties, or in relation to them, including any liability incurred by them in defending any civil or criminal proceedings in which judgment is given in their favour or in which they are acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on their part or in connection with any application in which the court grants them, in their capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Club's affairs; and
- 29.1.2 the Club may provide any relevant officer with funds to meet expenditure incurred or to be incurred by them in connection with any proceedings or application referred to in article 29.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 29.2 This article does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Act or by any other provision of law and any such indemnity is limited accordingly.
- 29.3 The directors may decide to purchase and maintain insurance, at the expense of the Club, for the benefit of any relevant officer in respect of any relevant loss.
- 29.4 In this article 29:

- 29.4.1 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 Club; and
- 29.4.2 a relevant officer means any director or secretary (or former director or secretary) of the Club, but excluding any person engaged by the Club as Auditor (whether or not they are also a director or other officer), to the extent they act in their capacity as Auditor).

Appendix 1 – Model Articles

SCHEDULE 1 Regulation 2

MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY SHARES

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PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise—

“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 12;

“chairman of the meeting” has the meaning given in article 39;

“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;

“distribution recipient” has the meaning given in article 31;

“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;

“fully paid” in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;

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

“holder” in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

“instrument” means a document in hard copy form;

“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 10;

“proxy notice” has the meaning given in article 45;

“shareholder” means a person who is the holder of a share;

“shares” means shares in the company;

“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;

“transmittee” means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

“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.

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.

Liability of members

2. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

3. 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.

Shareholders' reserve power

4.—(1) The shareholders 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

5.—(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

6.—(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

7.—(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 8.

(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

8.—(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

9.—(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

10.—(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

11.—(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 two, and unless otherwise fixed it is two.

(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 shareholders to appoint further directors.

Chairing of directors' meetings

12.—(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

13.—(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

14.—(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 shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or 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

15. 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

16. 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.

APPOINTMENT OF DIRECTORS

Methods of appointing directors

17.—(1) 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—

(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 shareholders and no directors, the personal representatives of the last shareholder 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 shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

Termination of director's appointment

18. 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) [paragraph omitted pursuant to The Mental Health (Discrimination) Act 2013]
- (f) 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.

Directors' remuneration

19.—(1) Directors may undertake any services for the company that the directors decide.

(2) Directors are entitled to such remuneration as the directors determine—

(a) for their services to the company as directors, and

(b) for any other service which they undertake for the company.

(3) Subject to the articles, a director's remuneration may—

(a) take any form, and

(b) 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.

(4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.

(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.

Directors' expenses

20. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—

(a) meetings of directors or committees of directors,

(b) general meetings, or

(c) separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

PART 3

SHARES AND DISTRIBUTIONS

SHARES

All shares to be fully paid up

21.—(1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.

(2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

Powers to issue different classes of share

22.—(1) Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

(2) The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

Company not bound by less than absolute interests

23. Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is

not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

Share certificates

24.—(1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

(2) Every certificate must specify—

(a) in respect of how many shares, of what class, it is issued;

(b) the nominal value of those shares;

(c) that the shares are fully paid; and

(d) any distinguishing numbers assigned to them.

(3) No certificate may be issued in respect of shares of more than one class.

(4) If more than one person holds a share, only one certificate may be issued in respect of it.

(5) Certificates must—

(a) have affixed to them the company's common seal, or

(b) be otherwise executed in accordance with the Companies Acts.

Replacement share certificates

25.—(1) If a certificate issued in respect of a shareholder's shares is—

(a) damaged or defaced, or

(b) said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

(2) A shareholder exercising the right to be issued with such a replacement certificate—

(a) may at the same time exercise the right to be issued with a single certificate or separate certificates;

(b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and

(c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

Share transfers

26.—(1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.

(2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

(3) The company may retain any instrument of transfer which is registered.

(4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

(5) The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

Transmission of shares

27.—(1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.

(2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require—

(a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and

(b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

(3) But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

Exercise of transmitters' rights

28.—(1) Transmitters who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

(2) If the transmitter wishes to have a share transferred to another person, the transmitter must execute an instrument of transfer in respect of it.

(3) Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmitter has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

Transmitters bound by prior notices

29. If a notice is given to a shareholder in respect of shares and a transmitter is entitled to those shares, the transmitter is bound by the notice if it was given to the shareholder before the transmitter's name has been entered in the register of members.

DIVIDENDS AND OTHER DISTRIBUTIONS

Procedure for declaring dividends

30.—(1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

(2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

(3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

(4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

(5) If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

(6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

(7) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

Payment of dividends and other distributions

31.—(1) Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means—

(a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

(b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;

(c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

(d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

(2) In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable—

(a) the holder of the share; or

(b) if the share has two or more joint holders, whichever of them is named first in the register of members; or

(c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

No interest on distributions

32. The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by—

- (a) the terms on which the share was issued, or
- (b) the provisions of another agreement between the holder of that share and the company.

Unclaimed distributions

33.—(1) All dividends or other sums which are—

- (a) payable in respect of shares, and
- (b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

(2) The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

(3) If—

(a) twelve years have passed from the date on which a dividend or other sum became due for payment, and

(b) the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

Non-cash distributions

34.—(1) Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

(2) For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution—

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

Waiver of distributions

35. Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if—

- (a) the share has more than one holder, or
- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

CAPITALISATION OF PROFITS

Authority to capitalise and appropriation of capitalised sums

36.—(1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution—

- (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
- (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.

(2) Capitalised sums must be applied—

- (a) on behalf of the persons entitled, and
- (b) in the same proportions as a dividend would have been distributed to them.

(3) Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

(4) A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.

(5) Subject to the articles the directors may—

(a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;

(b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and

(c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

Attendance and speaking at general meetings

37.—(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) A person 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

38. 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.

Chairing general meetings

39.—(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 shareholder 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 directors and non-shareholders

40.—(1) Directors may attend and speak at general meetings, whether or not they are shareholders.

(2) The chairman of the meeting may permit other persons who are not—

(a) shareholders of the company, or

(b) otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

Adjournment

41.—(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

42. 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.

Errors and disputes

43.—(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

44.—(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 shareholders 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

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

which—

(a) states the name and address of the shareholder appointing the proxy;

(b) identifies the person appointed to be that shareholder’s proxy and the general meeting in relation to which that person is appointed;

(c) is signed by or on behalf of the shareholder 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

46.—(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

47.—(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.

PART 5

ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

48.—(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

49.—(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

50. 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 shareholder.

Provision for employees on cessation of business

51. 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

52.—(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

53.—(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