



SOLICITORS IN LOCAL GOVERNMENT LIMITED

MEMORANDUM

And

ARTICLES OF ASSOCIATION

Control Log

17/4/05		Approved by AGM
19/3/06		Amendments approved by AGM
01/4/07		Amendments approved by AGM

THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY GUARANTEE
MEMORANDUM OF ASSOCIATION
OF
SOLICITORS IN LOCAL GOVERNMENT LIMITED
AMENDED BY RESOLUTION
DATED 1st April 2007

1. The Company's name is "SOLICITORS IN LOCAL GOVERNMENT Limited".

The Company's registered office is to be situated in England and Wales.

2. **OPERATIVE CLAUSES**

"Local Government"

a Local Authority (including for the avoidance of doubt the Greater London Authority), a Joint Local Authority Board, a Local Authority Residuary body, a housing Arms Length Management Organisation (ALMO), a Passenger Transport Executive or Authority, Transport for London, a Probation Board, the Rent Service, a Police Authority, a Police Force, a Fire and Civil Defence Authority, a National Parks Authority, a Development Corporation, The London Development Agency, a Waste Disposal Authority, a Local Authority Association or any other kind of body which in the opinion of the National Executive is of a similar nature, but excluding the Government Legal Service.

3. **OBJECTS**

The Company's objects are:

- 3.1 to represent, promote and develop the role of solicitors, trainee solicitors and prospective solicitors employed in Local Government and to represent the interests of such individuals who were previously employed in Local Government and who do

not go on to practice as a solicitor or otherwise within a practice which does not form part of Local Government.

- 3.2 to consider and take appropriate action on all matters concerning Local Government, including the education, training, duties, responsibilities, status, remuneration and interests of members and to promote and assist in the pastoral care of members of the Company;
- 3.3 to enable members to arrange activities, both business and social, which would further their mutual interests;
- 3.4 to provide a medium whereby any views expressed by the Company on matters of common concern can be brought before the Council of The Law Society;
- 3.5 to enable the Council of The Law Society to consult the Company upon matters of professional interest and upon proposed central government policies and initiatives as affect solicitors, trainee solicitors and prospective solicitors in Local Government;
- 3.6 to exchange information and ideas with all branches of the legal profession and with lawyers overseas and to take appropriate action on matters of common interest
- 3.7 to collect and publish appropriate information and to hold meetings and conferences relating to the above objects;
- 3.8 to carry on any other trade or activity whatever which can in the opinion of the National Executive be advantageously carried on in connection with or as being ancillary to any of the businesses or activities of the Company;
- 3.9 to purchase or by any other means acquire and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property;
- 3.10 to apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire;
- 3.11 to acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for any such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for

mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received;

- 3.12 to improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company;
- 3.13 to invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined by the National Executive and to hold or otherwise deal with any investments made;
- 3.14 to lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company) and to receive money on deposit or loan upon any terms;
- 3.15 to guarantee or otherwise support or secure, either with or without the Company receiving any consideration or advantage and whether by personal covenant or by mortgaging or charging all or any part of the undertaking, property, assets, rights and revenues (present and future) of the Company, or by both such methods or by any other means whatever, the performance of the liabilities and obligations of and the repayment or payment of any moneys whatever by any person, firm or company, including (but not limited to):
 - 3.15.1 any liabilities and obligations whatever of, and the repayment or payment of any moneys whatever by, any company which is for the time being or is likely to become the Company's holding company or a subsidiary of the Company or another subsidiary of the Company's holding company or otherwise associated with the Company in business; and
 - 3.15.2 any liabilities and obligations incurred in connection with or for the purpose of the acquisition of shares in any company which is for the time being the Company's holding company in so far as the giving of any such guarantee or other support or security is not prohibited by law; and
 - 3.15.3 the repayment or payment of the principal amounts of, and premiums, interest and dividends on, any borrowings and securities;

- 3.16 to borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it;
- 3.17 to draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments;
- 3.18 to apply for, promote, and obtain any Act of Parliament, order, or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem to the National Executive to be calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem to such board to be calculated directly or indirectly to prejudice the Company's interests;
- 3.19 to enter into any arrangements with any government, agency or authority (supreme, municipal, local, or otherwise) that may seem to the National Executive conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which such board may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges and concessions;
- 3.20 to subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world;
- 3.21 to control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem to the National Executive to be desirable with respect to any business or operations of or generally with respect to any such company or companies;
- 3.22 to promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear to the National Executive

to be likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid;

- 3.23 to sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the National Executive may think fit, and in particular (but without limitation) for shares, debentures, or securities of any company purchasing the same;
- 3.24 to act as agent or broker and as trustee or nominee for any person, firm or company, and to undertake and perform sub-contracts;
- 3.25 to remunerate any person, firm or company rendering services to the Company by cash payment or otherwise;
- 3.26 to pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company;
- 3.27 to provide, and establish and maintain or concur in establishing and maintaining trusts, funds, schemes, clubs or other arrangements (whether contributory or non-contributory) with a view to providing pensions, insurances, allowances, gratuities, bonuses and incentives and benefits of every description including, but not limited to, retirement benefits schemes and/or life assurance schemes to or for the benefit of officers, ex-officers, employees or ex-employees of the Company or its predecessors in business or of any company which is for the time being or has at any time been the Company's holding company or a subsidiary of the Company or another subsidiary of that holding company or of any predecessor in business of any such company or the dependants or relatives of any such persons; and to provide or lend money or provide other financial assistance in accordance with or for the purposes of such arrangements;
- 3.28 to support (whether by direct subscription, the giving of guarantees or otherwise) any charitable, benevolent or educational fund, institution or organisation, or any event or purpose of a public or general nature, the support of which will or may, in the opinion of the National Executive, directly or indirectly benefit, or is calculated so to benefit, the Company or its business or activities or its officers, ex-officers, employees or ex-employees or the business, activities, officers, ex-officers, employees or ex-employees of any company which is for the time being or has at any time been the Company's holding company or a subsidiary of the Company or another subsidiary of that holding company or the officers, ex-officers, employees or

ex-employees of any predecessor in business of the Company or any such company as aforesaid;

- 3.29 to purchase and maintain, for the benefit of any director(including an alternate director), officer or auditor of the Company or of any company which is the holding company, a subsidiary, or a fellow subsidiary of the Company, insurance against any liability as is referred to in section 310(1) of the Act and, subject to the provisions of the Act, against any other liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a director (including an alternate director), officer or auditor and, subject also to the provisions of the Act, to indemnify any such person out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto and, without prejudice to the foregoing, to grant any such indemnity after the occurrence of the event giving rise to any such liability;
- 3.30 to distribute among the members of the Company in kind any property of the Company of whatever nature;
- 3.31 to procure the Company to be registered or recognised in any part of the world;
- 3.32 to do all or any of the things or matters aforesaid in any part of the world and either as principal, agent, contractor or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others;
- 3.33 to do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them;

AND so that:

- (a) none of the objects set out in any of the preceding sub-clauses of this **clause 3** shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this **clause 3**, or by reference to or inference from the name of the Company;
- (b) none of the preceding sub-clauses of this **clause 3** and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause, and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this **clause 3** as though each such sub-clause contained the objects of a separate company;

- (c) the word “company” in this **clause 3**, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere;
 - (d) in this **clause 3** the expressions “holding company” and “subsidiary” shall have the meanings given to them respectively by section 736 of the Act and the expression “subsidiaries” shall include a subsidiary undertaking as defined by section 258 of the Act; and
 - (e) in this **clause 3** the expression “the Act” means the Companies Act 1985, but so that any reference in this **clause 3** to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision at the time this **clause 3** takes effect.
4. The income of the Company from wherever derived shall be applied solely in promoting the above objects and no distribution shall be made to its members in cash or otherwise.
 5. The liability of the members is limited.
 6. Every member of the Company undertakes to contribute such amount as may be required (not exceeding £1.00) to the Company’s assets if it should be wound up while he is a member or within one year after he ceases to be a member, for payment of the Company’s debts and liabilities contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.
 7. If upon the winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Company, but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Company, such institution or institutions to be determined by the members of the Company at or before the time of dissolution, and if and so far as effect cannot be given to such provision then to some other institution which operates for the benefit of solicitors practising in England and Wales.

THE COMPANIES ACT 1985
COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE A CAPITAL
ARTICLES OF ASSOCIATION
OF
SOLICITORS IN LOCAL GOVERNMENT LIMITED
ADOPTED PURSUANT TO A RESOLUTION

DATED 1st April 2007

1. PRELIMINARY

The regulations contained in Table C in the Schedule to the Companies (Tables A to F) Regulations 1985 in force at the time of adoption of these Articles shall not apply to the Company. The regulations contained in Table A (a copy of which is attached to these Articles) in the Schedule to the Companies (Tables A to F) Regulations 1985 in force at the time of adoption of these Articles (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied by these Articles and such regulations (save as so excluded or varied) and these Articles shall be the regulations of the Company.

2. OPERATIVE CLAUSES

In these Articles and in Table A the following expressions have the following meanings unless inconsistent with the context:

"the Act"	The Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force
"these Articles"	these Articles of Association, whether as originally adopted or as from time to time altered by special resolution

“Branch”	means the branch areas in England and Wales described in article 14 or as decided by the National Executive from time to time and approved by the membership at the Annual General Meeting. For the avoidance of doubt “branch” does not include any overseas offices
“clear days”	in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect
“the directors”	the members for the time being of the National Executive of the Company or (as the context shall require) any of them acting as the National Executive of the Company
“executed”	includes any mode of execution
“Law Society”	the representative and regulatory body for solicitors of England and Wales
“Local Government”	a Local Authority (including for the avoidance of doubt the Greater London Authority), a Joint Local Authority Board, a Local Authority Residuary body, a housing Arms Length Management Organisation (ALMO), a Passenger Transport Executive or Authority, Transport for London, a Probation Board, the Rent Service, a Police Authority, a Police Force, a Fire and Civil Defence Authority, a National Parks Authority, a Development Corporation, The London Development Agency, a Waste Disposal Authority, a Local Authority Association or any other kind of body which in the opinion of the National Executive is of a similar nature, but excluding the Government Legal Service
“member”	an individual who is admitted as a member of the Company in accordance with the provisions of these Articles
“National Executive”	means the National Executive appointed in

	accordance with these Articles
“Officer”	an individual appointed to the post of Chairman, Vice-Chairman, Deputy Vice-Chairman, Secretary or Treasurer pursuant to article 9 .
“Non-practising member”	a person as defined in article 3.1.2
“Roll of Solicitors”	the register of solicitors maintained by the Law Society
“seal”	the common seal of the Company (if any)
“secretary”	the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary
“solicitor”	any person whose name appears on the Roll of Solicitors whether or not that person has a current practising certificate
“Trainee Solicitor”	a trainee solicitor is a person holding a valid Training Contract with a solicitor employed in Local Government
“the United Kingdom”	Great Britain and Northern Ireland.

Unless the context otherwise requires, words or expressions contained in these Articles and in Table A shall bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company. Regulation 1 of Table A shall not apply to the Company.

3. MEMBERS

3.1 The subscribers to the Memorandum of Association of the Company and such other persons as are admitted to membership in accordance with these Articles shall be members of the Company. Subject to the remaining provisions of these Articles the following persons shall be eligible to become members of the Company:

3.1.1 any solicitor or trainee solicitor employed in Local Government (whether directly employed by the public body or engaged through an agency or other similar arrangement)

- 3.1.2 any solicitor who has been employed as such in Local Government within the previous 5 years and who has not since the last date of such employment undertaken any other legal practice
- 3.1.3 Honorary members admitted in accordance with **article 3.3**
- 3.2 Every person who wishes to become a member shall deliver to the Company an application for membership in such form as the National Executive require signed by him. Membership applications (including any question as to the eligibility of any person to be a member) shall be determined by the National Executive in accordance with such rules (if any) as the National Executive may determine from time to time save that any decision relating to entrance fees, subscriptions or other payments or fees to be made by members shall be reserved for the members of the Company in general meeting.
- 3.3 The National Executive may from time to time admit to honorary membership of the Company such persons as appear to the National Executive to have given distinguished service to the company or to the solicitors' profession within Local Government
- 3.4 A member may at any time withdraw from the Company by giving at least seven clear days' notice to the Company lodged at the Registered Office provided that after such withdrawal the number of members remaining is not less than two. Membership shall not be transferable. Membership of the Company shall automatically cease on the expiration of five years from the date an individual was admitted as a member of the Company. Any such outgoing member shall subject to the provisions of these Articles be entitled to be readmitted as a member of the Company.
- 3.5 A member shall cease to be a member of the Company if:-
- 3.5.1 he or she dies;
- 3.5.2 they cease to be a solicitor employed in Local Government in England or Wales subject however to any entitlements relating to honorary membership or arising by virtue of **articles 3.1.2**;
- 3.5.3 they fail to pay any subscription fee (other than Branch subscriptions) which may be payable;
- 3.5.4 their name be struck off the Roll of Solicitors;
- 3.5.5 the National Executive resolve that, in their opinion, the member has acted contrary to the objects or interests of the Company, provided that the member shall first be given notice of the grounds of complaint and an

opportunity of making representations thereon to the National Executive personally or in writing;

3.5.6 in the case of a non-practising member, he or she commences legal practice otherwise than as mentioned in article **3.1.1** or upon the expiry of a period of 5 years from the date of termination of his or her last employment as a solicitor in Local Government (whichever is the sooner) subject however to any entitlements relating to honorary membership;

3.5.7 in the case of a Trainee Solicitor:-

3.5.7.1 he or she ceases to be an associate member of the Law Society; or

3.5.7.2 his or her training contract with a solicitor employed in Local Government comes to an end, is suspended or is otherwise terminated,

unless in either case he or she has been admitted as a solicitor and continues to be employed in Local Government.

3.6 Any member whose membership of the Company terminates pursuant to **Article 3.5.3, 3.5.4 or 3.5.5** may only resume membership of the Company with the consent of the National Executive.

3.7 Regulations 2 to 35 (inclusive) of Table A shall not apply to the Company.

3A **Associates**

3A.1 The National Executive Committee (or any Branch Executive Committee acting on its behalf) may from time to time admit any person to be an Associate where they consider this would be beneficial to that individual and to the members of the Company PROVIDED that no solicitor in private practice shall be admitted as an Associate unless:

- (a) they practise on their own account neither employed nor in partnership with anyone else; and
- (b) they undertake work solely on behalf of local authority clients

3A.2 An Associate shall not be a member of the Company and shall not enjoy any rights under these articles of association but may attend meetings of the Company or any Branch (subject to paragraph 3A.3 below) and may speak but shall not vote at those meetings and shall not be eligible to hold any office within the Company or within any Branch

3A.3 The National Executive (or a Branch Executive as the case may be) may at any time:

3A.3.1 place such limitations upon the activities of an Associate or class of Associates (either generally or individually) as appear to them to be appropriate; or

3A.3.2 exclude any person from being or continuing to be an Associate

3A.4 The National Executive may issue guidance and instructions on the criteria for admission of Associates from time to time

4. GENERAL MEETINGS

4.1 General meetings may be called by the Chairman or the National Executive and regulation 37 of Table A shall not apply to the Company;

4.2 On the requisition of twenty five members of the Company the Chairman shall forthwith proceed to convene an extraordinary general meeting of the Company for a date not later than 35 days after receipt of the requisition. The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the registered office of the Company, and may consist of several documents in like form each signed by one or more requisitionists.

5. NOTICE OF GENERAL MEETINGS

5.1 Any general meeting of the Company shall be called by at least twenty-one clear day's notice. The notice shall specify the time and place of the meeting together with particulars of matters to be discussed and in the case of an annual general meeting, shall specify the meeting as such.

6. PROCEEDINGS AT GENERAL MEETINGS

6.1 The words "save that, if and for so long as the Company has only one person as a member, one member present in person shall be a quorum" shall be added at the end of the second sentence of regulation 40 of Table A.

6.2 Twenty five members or such number of members which represent one tenth of those members entitled to vote at general meetings (whichever is the lower) present in person shall form a quorum at any general meeting of the Company.

6.3 If a quorum is not present within half an hour from the time appointed for a general meeting the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Chairman may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor the member or members present in person entitled to vote upon the business to be transacted shall constitute a quorum and shall have power to decide upon all matters which could

properly have been disposed of at the meeting from which the adjournment took place. Regulation 41 of Table A shall not apply to the Company.

6.4 At all general meetings of the Company the Chairman of the National Executive or in his absence the Vice Chairman or in his absence the Deputy Vice-Chairman of the National Executive shall preside as Chairman of the meeting. If the Deputy Vice-Chairman is not present then the directors present shall nominate one of their number to act as Chairman of the meeting and in the event that there are no directors present then those members present shall nominate one of their number to act as Chairman.

6.5 The words “and at any separate meeting of the holders of any class of shares in the company” in regulation 44 of Table A and paragraph (d) of regulation 46 of Table A shall not apply to the Company.

7. **VOTES OF MEMBERS**

7.1 Regulations 54, 55, 57 and 59 to 63 (inclusive) of Table A shall not apply to the Company. On a show of hands every member who (being an individual) is present in person shall have one vote. On a poll every member present in person shall have one vote. In the event of an equality of votes the Chairman of the meeting shall be entitled to a second or casting vote.

8. **ALTERNATE DIRECTORS**

8.1 Branch Secretaries and Branch Representatives may appoint some other member of the Company who is a member of that Branch to be an alternate director to act on their behalf. No other directors or Officers shall be permitted to appoint alternate directors and Regulation 65 of Table A shall not apply to the Company.

9. **APPOINTMENT AND RETIREMENT OF DIRECTORS**

9.1 The members of the National Executive shall be the directors of the Company

9.2 The National Executive shall comprise:

- 9.2.1 Chairman;
- 9.2.2 Vice-Chairman;
- 9.2.3 Deputy Vice-Chairman;
- 9.2.4 Secretary;
- 9.2.5 Treasurer;
- 9.2.6 Immediate past-chairman;
- 9.2.7 Second past-chairman;
- 9.2.8 Third past-chairman;

- 9.2.9 Branch Secretaries;
- 9.2.10 Branch Representatives;
- 9.2.11 Three trainee or newly qualified solicitors;
- 9.2.12 such other directors (without limitation on number) as the Company in general meeting may from time to time appoint;
- 9.2.13 such member(s) (if any) of the Council of the Law Society as represent Local Government Solicitors and who are members of the Company;
- 9.2.14 such additional directors as may from time to time be co-opted in accordance with **article 9.8**,

PROVIDED that the Company in general meeting may from time to time resolve that any post is to remain vacant.

Annual appointments

- 9.3 The Chairman shall be elected from the membership at each annual general meeting. The Chairman shall remain a director of the Company for a further 3 years after his successor is appointed.
- 9.4 The Vice-Chairman, Deputy Vice-Chairman, Secretary, Treasurer and such other directors as may be appointed to the national Executive under **article 9.2.12** shall each be appointed from the membership at each annual general meeting.
- 9.5 Trainee or newly qualified solicitors appointed to the National Executive under **article 9.2.11** shall remain as directors until the annual general meeting next following the anniversary of their admission as a solicitor (subject to the provisions of **article 10**)
- 9.6 Nominations for any Office or to appoint any person as a director may be made by:
 - 9.6.1 the National Executive;
 - 9.6.2 in writing signed by not less than two members and sent accompanied by the written consent of the nominee to the registered office of the Company to arrive not later than one month before the date of the annual general meeting; or
 - 9.6.3 if no nominations have been made in accordance with **articles 9.6.1** or **9.6.2** then by two members present at the annual general meeting (the consent of the nominee having been obtained)
- 9.7 If following the annual general meeting any position on the National Executive referred to in **articles 9.2.1** to **9.2.5** inclusive or **articles 9.2.11** or **9.2.12** remains vacant (not being a position which the annual general meeting has resolved should remain unfilled) or any vacancy occurs at any time thereafter the National Executive

shall from one of their number or from the membership appoint a person to fill the vacancy and that person shall hold such office until the next annual general meeting.

- 9.8 The National Executive may from time to time co-opt and appoint such other persons from among the membership to be additional directors where they consider it to be in the interests of the Company and the directors so appointed shall hold office until the next annual general meeting.

Branch Appointees

- 9.9 The Secretary of each Branch shall automatically be a member of the National Executive and a director of the company provided that if the Branch Secretary is unable or unwilling to become a member of the National Executive that Branch shall be entitled to appoint an additional Branch representative under **article 9.10** in his place.
- 9.10 In addition, each of the Branches shall be entitled to appoint representatives from among their membership to be members of the National Executive and directors of the company (and to remove the individuals so appointed) as follows:

<u>Branch</u>	<u>No. of Representatives</u>
Eastern	1
East Midlands	1
London and Home Counties	3
Northern	1
North Western and North Wales	1
South West	1
South and Mid Wales	1
West Midlands	1
Yorkshire and the Humber	1
Total	11

- 9.11 The appointments of Branch Secretaries and Branch Representative directors shall be made in accordance with the rules (if any) of each Branch in force from time to time and which relate to the election or determination of candidates to the National Executive. Each such appointment and removal shall be confirmed by notice in writing on behalf of the relevant Branch Executive Committee and shall take effect upon lodgement at the registered office of the Company.
- 9.12 Where any Branch Secretary or Branch Representative directors are unable to attend any meeting of the National Executive they may appoint a substitute to attend and act as an alternate director in accordance with **article 8.1**.

9.13 If it appears to the National Executive there is a vacancy among any of the Branch Secretaries or Branch Representative directors and that no appointment is likely to be made by the Branch concerned then (without prejudice to any action taken or to be taken under **article 14.6**) the National Executive may appoint any member of that Branch to fill the vacancy

9.14 Regulations 73 to 80 (inclusive) of Table A shall not apply to the Company.

10. **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

The office of a director shall be vacated if:

10.1 he ceases to be a director by virtue of any provision of the Act or these Articles or he becomes prohibited by law from being a director; or

10.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or

10.3 he ceases to be a member (or honorary member) of the Company.

10.4 he is, or may be, suffering from mental disorder and either:

10.4.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or

10.4.2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or

10.5 he resigns his office by notice to the Company; or

10.6 he shall for more than six consecutive months have been absent without permission of the Chairman (such permission not to be unreasonably withheld) from meetings of directors held during that period and the directors resolve that his office be vacated; or

10.7 in the case of Branch Secretaries, he ceases to be the secretary of that branch; or

10.8 in the case of Branch Representative Directors, he ceases to be a member of or is removed as a representative of that branch in accordance with **article 9.11** (whether or not a replacement is appointed),

and regulation 81 of Table A shall not apply to the Company.

11. **DIRECTORS' EXPENSES**

The words "of any class of shares or" shall be omitted from regulation 83 of Table A.

12. **PROCEEDINGS OF THE DIRECTORS**

12.1 The quorum for the transaction of the business of the National Executive shall be 5. Regulations 89 of Table A shall not apply to the Company.

12.2 The Chairman (appointed in accordance with the provisions of **Article 9.3**) shall preside at every meeting of the National Executive at which he is present. In the Chairman's absence the Vice-Chairman (appointed in accordance with the provisions of **Article 9.4**) shall preside at meetings of the National Executive. In the absence of the Vice-Chairman the Deputy Vice-Chairman (appointed in accordance with **Article 9.4**) shall preside at meetings of the National Executive. Regulation 91 of Table A shall be amended accordingly.

Declarations of Interests

12.3 Subject to the provisions of the Act, provided that he has disclosed to the National Executive the nature and extent of any interest of his and subject to **article 12.4**, a director notwithstanding his office:

12.3.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;

12.3.2 may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested;

12.3.3 may or any firm or company of which he is a member or director may act in a professional capacity for the Company or any body corporate in which the Company is in any way interested;

12.3.4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and

12.4 A director shall not be entitled to vote on any resolution and shall not be counted in the quorum on any matter referred to in any of **Articles 12.3.1 to 12.3.4** (inclusive) or on any resolution which in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever and if he shall vote on any resolution as aforesaid his vote shall not be counted.

12.5 For the purposes of **Article 12.3**:

12.5.1 a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;

12.5.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and

12.5.3 an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when the Company was incorporated) connected with a director shall be treated as an interest of the director.

Meetings

12.6 A meeting of the National Executive (of which not less than seven days previous notice in writing, together with particulars of the business to be transacted thereat, shall be sent by or on behalf of the secretary to each member thereof) shall be convened as often as the National Executive may decide, or whenever the Chairman shall think necessary, or on a requisition in writing signed by not less than four directors stating the purpose for which such meeting is desired.

12.7 The secretary shall place on the Agenda for the next meeting of the National Executive any matter sent to him by a Branch Executive Committee and the National Executive shall deal with such matter and direct the secretary to convey their decision and views thereon to the relevant Branch Executive Committee.

12.8 The proceedings of the National Executive or any committee appointed by the National Executive shall not be invalidated by reason of any vacancy therein or of any defect in the election or appointment of a member thereof.

12.9 Any director may participate in a meeting of the National Executive or a committee of the National Executive of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Act, he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

Urgent Business

- 12.10 The National Executive may delegate any of their powers to a single director or any committee comprising no less than two directors.
- 12.11 In the case of urgency and where it is not practicable to convene a meeting of the National Executive the powers of the National Executive may be exercised by the Officers (the Chairman, Vice-Chairman, Deputy Vice-Chairman, Treasurer and Secretary) acting as a committee of the National Executive PROVIDED that
- 12.11.1 no decision shall be made or action taken which is contrary to any expressed policy of the National Executive or the Company; and
- 12.11.2 details of all matters decided and action taken under this **article 12.11** shall be communicated to the other members of the National Executive as soon as reasonably practicable;
- 12.12 The proceedings of any committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying. Regulation 72 of Table A shall be amended accordingly.
- 12.13 Regulation 88 of Table A shall be amended by substituting for the sentence:
- “It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom.”
- the following sentence:
- “Notice of every meeting of the National Executive shall be given to each director, including directors who may for the time being be absent from the United Kingdom and have given the Company an address within the United Kingdom for service.”
- 12.14 Regulations 94 to 97 (inclusive) of Table A shall not apply to the Company.

13. RULES

- 13.1 The National Executive may make, alter or repeal (as necessary) such rules (“the Rules”) as may be deemed necessary or expedient or convenient for the proper conduct and management of the Company and for the purposes of prescribing procedures for processing membership applications and in particular but without prejudice to the generality of the foregoing, such Rules may regulate:
- 13.1.1 the admission and classification of members of the Company, and the rights and privileges of such members, and the conditions of membership and the terms on which members may resign or have their membership terminated;

- 13.1.2 the conduct of members of the Company in relation to one another, and towards others;
- 13.1.3 the setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes;
- 13.1.4 the procedure at general meetings and meetings of the National Executive and committees constituted pursuant to **Articles 12.10 and 12.11** in so far as such procedure is not regulated by these Articles;
- 13.1.5 the constitution of Branch Executive Committees as contemplated by **Article 14**;
- 13.1.6 and, generally, all such matters as are commonly the subject matter of such Rules,

provided, nevertheless, that no rule or bye-law shall be inconsistent with, or shall affect or repeal anything contained in the Memorandum of Association of the Company or these Articles.

14. **BRANCHES**

- 14.1 Regional branches shall be established in the following geographical areas for the purpose of fulfilling the objectives of the Company in relation to Solicitors employed in Local Government in that area. The members of the Company whose principal place of practice (or in the case of non-practising and honorary members, their principal place of residence) are within the area of each branch shall be the members of that branch:

<u>Branch</u>	<u>Areas</u>
East Midlands	Derbyshire Leicestershire Lincolnshire (excluding North Lincolnshire & North East Lincolnshire) Northamptonshire Nottinghamshire Rutland
Eastern	Bedfordshire Cambridgeshire Norfolk Suffolk

London and Home Counties	Greater London Berkshire Buckinghamshire East Sussex Essex Hampshire Hertfordshire Isle of Wight Kent Oxfordshire Surrey West Sussex
North Western and North Wales	Cheshire Conwy Denbighshire Flintshire Greater Manchester Gwynedd Lancashire Merseyside Wrexham Ynys Môn
Northern	Cleveland Cumbria Tyne and Wear Northumberland Durham
South and Mid Wales	Dyfed Gwent Mid Glamorgan Powys South Glamorgan West Glamorgan
South West	Cornwall Bristol Bath & N.E. Somerset Devon Dorset Gloucestershire Isles of Scilly Somerset Wiltshire
West Midlands	Herefordshire Shropshire Staffordshire Warwickshire West Midlands Worcestershire

Yorkshire and the Humber	East Riding of Yorkshire Kingston Upon Hull North East Lincolnshire North Lincolnshire North Yorkshire South Yorkshire West Yorkshire
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14.2 Any changes to the geographical location of established Branches or the establishment of new branches shall:

14.2.1 where all Branches directly affected resolve that an adjustment should be made in the boundaries of areas and are agreed upon such adjustment then the matter shall be considered by the National Executive at the next meeting and the National Executive may, if they think fit, approve such adjustment and the revised areas resulting therefrom shall be substituted for those mentioned in the **article 14.1** and notice of the changes shall be reported to the annual general meeting; and

14.2.2 in all other cases be approved by the Company in general meeting.

14.3 Each Branch shall hold an annual general meeting (such meeting to ordinarily take place not more than thirteen months after the date of the preceding annual general meeting)

14.4 Each Branch shall from among its own members elect a Chairman, a secretary and such other officers as it thinks fit and who shall collectively be the Branch Executive Committee. Each Branch Executive Committee may also appoint sub-committees for such purposes as it thinks fit. No person shall be a member of a Branch Executive Committee or sub-committee unless he is also a member of the Company.

14.5 Each Branch shall be entitled to make arrangements within the general framework of these Articles for its own activities, administration and organisation including sub-division where found convenient, provided such sub-division is first approved by the National Executive

14.6 All Branches shall comply with such rules and instructions as may be issued by the National Executive from time to time (whether generally in relation to all Branches or in relation to a specific matter or Branch) concerning the activities, administration and organisation of the Branch or any matter affecting the Branch and (without limitation to the generality of the forgoing) the National Executive may:

14.6.1 direct the Branch Executive Committee to do or refrain from doing any thing

- 14.6.2 revoke the authority of any Branch or Branch Executive Committee at any time;
 - 14.6.3 dismiss any member of the Branch Executive Committee from office or preclude any person from holding any office within a Branch or Branch Executive Committee where the National Executive resolve that, in their opinion, the member has acted contrary to the objects or interests of the Company or of that Branch, provided that the member and the Branch shall each first be given notice of the grounds of complaint and an opportunity of making representations thereon to the National Executive personally or in writing
- 14.7 If it appears to the National Executive that any Branch has failed to meet for a period of at least 6 months or that no members have been appointed to the Branch Executive Committee or that any members of the Branch Executive Committee are unable or unwilling to act then the Chairman of the Company or some other person authorised by him and acting on his behalf may at any time convene a meeting of the Branch or take such other action as appears to the National Executive to be desirable and calculated to promote the objects of the Company
- 14.8 Each Branch may fix its own annual subscription or other charges (if any) payable in connection with the services it provides to members of the Company within its locality.
- 14.9 Each Branch Executive Committee shall:
- 14.9.1 submit a quarterly report of its activities to the National Executive;
 - 14.9.2 submit to the annual meeting of the Company a report of its activities during the preceding year;
 - 14.9.3 account to the National Executive for the proper expenditure of all monies received by the Branch including Branch subscriptions and any national subventions;
 - 14.9.4 supply to the Company Treasurer copies of its audited accounts; and
 - 14.9.5 provide the National Executive with such other information and records as the National Executive may from time to time reasonably require.
- 14.10 No Branch Executive Committee shall take action by way of formal communication with any Government Department, Whitley Council, The Law Society, a Local Authority Association or similar body, otherwise than through the National Executive.

- 14.11 No publication of reports of any Branch Executive Committee or of any papers read thereto bearing the name of the Company shall be made without the previous sanction of the National Executive.
- 14.12 No Branch, Branch Executive Committee or Branch Officer shall enter into any contract in the name of the Company or hold itself or himself out as having any authority to act on behalf of the Company unless expressly authorised in writing to do so by the National Executive and the funds of the Company shall not be liable for any deficiency arising in the funds of any Branch Executive Committee.
- 14.13 A member of the Company may attend meetings of any Branch, whether or not he is a member of that Branch, but shall not be entitled to vote at any meeting of a Branch of which he is not a member. A member of the Company shall be supplied with notices of Branch meetings and papers relating thereto by the secretary of the relevant Branch of which he is not a member provided he has made a written request to the secretary of the relevant Branch indicating the period during which he wishes such notices and papers to be supplied to him.
- 14.14 If a member of the Company has a place of practice in the area of more than one branch, neither or none of which may be regarded as the member's principal place of practice, the member may choose from such branches the branch of which he or she wishes to be a member. Unless there has been a subsequent material change in the member's employment circumstances, the member, having exercised such choice, may not become a member of a different branch except with the prior written approval of the Company Secretary.

15. **MINUTES**

The words "of the holders of any class of shares in the company" shall be omitted from regulation 100 of Table A.

16. **THE SEAL**

If the Company has a seal it shall be used only with the authority of the National Executive or of a committee of the National Executive. The National Executive may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined, every instrument to which the seal is affixed shall be signed by one director and by the secretary or another director. Regulation 101 of Table A shall not apply to the Company.

17. **DIVIDENDS**

Regulations 102 to 108 (inclusive) shall not apply to the Company.

18. CAPITALISATION OF PROFITS

Regulation 110 of Table A shall not apply to the Company.

19. NOTICES

19.1 In regulation 112 of Table A, the words “first class” shall be inserted immediately before the words “post in a prepaid envelope”. Furthermore the words “post in a prepaid envelope” shall be changed to read “post in an envelope”. The second sentence of regulation 112 of Table A shall not apply to the Company.

19.2 Where a notice is sent by first class post, proof of the notice having been posted in a properly addressed envelope shall be conclusive evidence that the notice was given and shall be deemed to have been given at the expiration of 24 hours after the envelope containing the same is posted. Regulations 114 to 116 (inclusive) of Table A shall not apply to the Company.

19.3 The words “or of the holders of any class of shares in the company” shall be omitted from regulation 113 of Table A.

19.4 All members shall provide the Company with an address for electronic communication (e-mail) and nothing in these articles shall require the Company to communicate with or send any notice to any member otherwise than by electronic communication. No meeting of the Company shall be invalidated by reason of a member or members having failed to provide an address for electronic communication. Any notice contained within an electronic communication shall be deemed to have been given at the time it was sent and regulation 116 of Table A shall be amended accordingly.

20. WINDING UP

Regulation 117 of Table A shall not apply to the Company.

21. INDEMNITY

21.1 Subject to the provisions of section 310 of the Act every director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the lawful execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 144 or section 727 of the Act in which relief is granted to him by the court, and no director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the lawful

execution of the duties of his office or in relation thereto. Regulation 118 of Table A shall not apply to the Company.

- 21.2 The directors shall have power to purchase and maintain for any director, officer or auditor of the Company insurance against any such liability as is referred to in section 310 (1) of the Act and, subject to the provisions of the Act, against any other liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a director, officer or auditor.
- 21.3 The directors may authorise the directors of companies within the same group of companies as the Company to purchase and maintain insurance at the expense of the Company for the benefit of any director, other officer or auditor of such company in respect of such liability, loss or expenditure as is referred to in **Article 21.2**.

COMPANIES ACT 1985 TABLE A
(SI 1985/805, SCHEDULE)

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INTERPRETATION

1. *In these regulations:*

“the Act”	<i>means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force</i>
“the articles”	<i>means the articles of the company</i>
“clear days”	<i>in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect</i>
“communication”	<i>means the same as in the Electronic Communications Act 2000</i>
“electronic communication”	<i>means the same as in the Electronic Communications Act 2000</i>
“executed”	<i>includes any mode of execution</i>
“office”	<i>means the registered office of the company</i>
“the holder”	<i>in relation to shares means the member whose name is entered in the register of members as the holder of the shares</i>
“the seal”	<i>means the common seal of the company</i>
“secretary”	<i>means the secretary of the company or any other person appointed to perform the duties of the secretary of the company, including a joint, assistant or deputy secretary</i>
“the United Kingdom”	<i>means Great Britain and Northern Ireland.</i>

Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the company.

SHARE CAPITAL

2. *Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the company may by ordinary resolution determine.*
3. *Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the company or the holder on such terms and in such manner as may be provided by the articles.*
4. *The company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.*
5. *Except as required by law, no person shall be recognised by the company as holding any share upon any trust and (except as otherwise provided by the articles or by law) the company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.*

SHARE CERTIFICATES

6. *Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be sealed with the seal and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.*
7. *If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.*

LIEN

8. *The company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share*

to be wholly or in part exempt from the provisions of this regulation. The company's lien on a share shall extend to any amount payable in respect of it.

9. *The company may sell in such manner as the directors determine any shares on which the company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.*
10. *To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.*
11. *The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.*

CALLS ON SHARES AND FORFEITURE

12. *Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.*
13. *A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.*
14. *The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.*
15. *If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the*

share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.

16. *An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.*
17. *Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.*
18. *If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.*
19. *If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.*
20. *Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.*
21. *A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the company for cancellation the certificate for the shares forfeited but shall remain liable to the company for all moneys which at the date of forfeiture were presently payable by him to the company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.*

22. *A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.*

TRANSFER OF SHARES

23. *The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.*
24. *The directors may refuse to register the transfer of a share which is not fully paid to a person of whom they do not approve and they may refuse to register the transfer of a share on which the company has a lien. They may also refuse to register a transfer unless:*
- (a) *it is lodged at the office or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;*
 - (b) *it is in respect of only one class of shares; and*
 - (c) *it is in favour of not more than four transferees.*
25. *If the directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the company send to the transferee notice of the refusal.*
26. *The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.*
27. *No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.*
28. *The company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.*

TRANSMISSION OF SHARES

29. *If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the company as having any title to his interest; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.*
30. *A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.*
31. *A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the company or at any separate meeting of the holders of any class of shares in the company.*

ALTERATION OF SHARE CAPITAL

32. *The company may by ordinary resolution:*
- (a) increase its share capital by new shares of such amount as the resolution prescribes;*
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;*
 - (c) subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others; and*
 - (d) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.*
33. *Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell*

the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

34. *Subject to the provisions of the Act, the company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.*

PURCHASE OF OWN SHARES

35. *Subject to the provisions of the Act, the company may purchase its own shares (including any redeemable shares) and, if it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the company or the proceeds of a fresh issue of shares.*

GENERAL MEETINGS

36. All general meetings other than annual general meetings shall be called extraordinary general meetings.
37. *The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the company may call a general meeting.*

NOTICE OF GENERAL MEETINGS

38. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed:
- (a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and

- (b) in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety-five per cent in nominal value of the shares giving that right.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.

39. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

40. No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.
41. *If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine.*
42. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.
43. If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
44. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting *and at any separate meeting of the holders of any class of shares in the company.*

45. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
46. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
- (a) by the chairman; or
 - (b) by at least two members having the right to vote at the meeting; or
 - (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - (d) *by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right;*
- and a demand by a person as proxy for a member shall be the same as a demand by the member.
47. Unless a poll is duly demanded a declaration by the chairman 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 minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
48. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
49. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

50. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.
51. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
52. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
53. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

VOTES OF MEMBERS

54. *Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is the holder.*
55. *In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.*
56. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is

specified in accordance with the articles for the deposit of instruments of proxy, 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 default the right to vote shall not be exercisable.

57. *No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.*
58. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
59. *On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion.*
60. *The appointment of a proxy shall be executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):*

“PLC/LIMITED

I/We, [NAME(S)], of [NAME OF COMPANY] being a member/members of the above-named company, hereby appoint [NAME] of [NAME OF COMPANY] or failing him, [NAME] of [NAME OF COMPANY], as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the company to be held on [DATE], and at any adjournment thereof.

Signed on [DATE].”

61. *Where it is desired to afford members an opportunity of instructing the proxy how he shall act the appointment of a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):*

“PLC/LIMITED

I/We, [NAME(S)], of [NAME OF COMPANY] being a member/members of the above-named company, hereby appoint [NAME] of [NAME OF COMPANY] or failing him, [NAME] of [NAME OF COMPANY], as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the company, to be held on [DATE], and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

*Resolution No 1 *for *against*

*Resolution No 2 *for *against.*

**Strike out whichever is not desired.*

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed this [NUMBER] day of [MONTH] [YEAR].”

62. *The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:*

(a) *in the case of an instrument in writing be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or*

(aa) *in the case of an appointment contained in an electronic communication, where an address has been specified for the purposes of receiving electronic communications -*

(i) *in the notice convening the meeting, or*

(ii) *in any instrument of proxy sent out by the company in relation to the meeting, or*

(iii) *in any invitation contained in an electronic communication to appoint a proxy issued by the company in relation to the meeting,*

be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;

(b) *in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or*

- (c) *where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;*

and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid.

In this regulation and the next, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.

63. *A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the company at the office or at such other place at which the instrument of proxy was duly deposited or, where the appointment of the proxy was contained in an electronic communication, at the address at which such appointment was duly received before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.*

NUMBER OF DIRECTORS

64. Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall be not less than two.

ALTERNATE DIRECTORS

65. *Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.*
66. An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the company for his services as an alternate director. But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.
67. An alternate director shall cease to be an alternate director if his appointor ceases to be a director; but, if a director retires by rotation or otherwise but is reappointed or

deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment.

68. Any appointment or removal of an alternate director shall be by notice to the company signed by the director making or revoking the appointment or in any other manner approved by the directors.
69. Save as otherwise provided in the articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

POWERS OF DIRECTORS

70. Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
71. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

DELEGATION OF DIRECTORS' POWERS

72. The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.

APPOINTMENT AND RETIREMENT OF DIRECTORS

73. *At the first annual general meeting all the directors shall retire from office, and at every subsequent annual general meeting one-third of the directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the*

number nearest to one-third shall retire from office; but, if there is only one director who is subject to retirement by rotation, he shall retire.

74. *Subject to the provisions of the Act, the directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.*
75. *If the company, at the meeting at which a director retires by rotation, does not fill the vacancy the retiring director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the director is put to the meeting and lost.*
76. *No person other than a director retiring by rotation shall be appointed or reappointed a director at any general meeting unless:*
- (a) he is recommended by the directors; or*
 - (b) not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the company of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the company's register of directors together with notice executed by that person of his willingness to be appointed or reappointed.*
77. *Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a director retiring by rotation at the meeting) who is recommended by the directors for appointment or reappointment as a director at the meeting or in respect of whom notice has been duly given to the company of the intention to propose him at the meeting for appointment or reappointment as a director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the company's register of directors.*
78. *Subject as aforesaid, the company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director and may also determine the rotation in which any additional directors are to retire.*
79. *The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with*

the articles as the maximum number of directors. A director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the directors who are to retire by rotation at the meeting. If not reappointed at such annual general meeting, he shall vacate office at the conclusion thereof.

80. *Subject as aforesaid, a director who retires at an annual general meeting may, if willing to act, be reappointed. If he is not reappointed, he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.*

DISQUALIFICATION AND REMOVAL OF DIRECTORS

81. *The office of a director shall be vacated if:*
- (a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or*
 - (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or*
 - (c) he is, or may be, suffering from mental disorder and either:*
 - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or*
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or*
 - (d) he resigns his office by notice to the company; or*
 - (e) he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated.*

REMUNERATION OF DIRECTORS

82. The directors shall be entitled to such remuneration as the company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

DIRECTORS' EXPENSES

83. The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or separate meetings of the holders *of any class of shares or* of debentures of the company or otherwise in connection with the discharge of their duties.

DIRECTORS' APPOINTMENTS AND INTERESTS

84. Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the company and may enter into an agreement or arrangement with any director for his employment by the company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the company. A managing director and a director holding any other executive office shall not be subject to retirement by rotation.
85. Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise interested;
 - (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the company or in which the company is otherwise interested; and
 - (c) shall not, by reason of his office, be accountable to the company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
86. For the purposes of regulation 85:
- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any

transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and

- (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

DIRECTORS' GRATUITIES AND PENSIONS

- 87. The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the company or with any body corporate which is or has been a subsidiary of the company or a predecessor in business of the company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

PROCEEDINGS OF DIRECTORS

- 88. Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.
- 89. *The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.*
- 90. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.
- 91. The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which

he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.

92. All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
93. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.
94. *Save as otherwise provided by the articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the company unless his interest or duty arises only because the case falls within one or more of the following paragraphs:*
- (a) *the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the company or any of its subsidiaries;*
 - (b) *the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the company or any of its subsidiaries for which the director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;*
 - (c) *his interest arises by virtue of his subscribing or agreeing to subscribe for any shares, debentures or other securities of the company or any of its subsidiaries, or by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such shares, debentures, or other securities by the company or any of its subsidiaries for subscription, purchase or exchange;*

- (d) *the resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes.*

For the purposes of this regulation, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this regulation becomes binding on the company), connected with a director shall be treated as an interest of the director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

95. *A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.*
96. *The company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the articles prohibiting a director from voting at a meeting of directors or of a committee of directors.*
97. *Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the company or any body corporate in which the company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.*
98. *If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.*

SECRETARY

99. *Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.*

MINUTES

100. *The directors shall cause minutes to be made in books kept for the purpose:*
- (a) *of all appointments of officers made by the directors; and*

- (b) of all proceedings at meetings of the company, *of the holders of any class of shares in the company*, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

THE SEAL

101. *The seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director.*

DIVIDENDS

102. *Subject to the provisions of the Act, the company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.*
103. *Subject to the provisions of the Act, the directors may pay interim dividends if it appears to them that they are justified by the profits of the company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall 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 any shares having deferred or non-preferred rights.*
104. *Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.*
105. *A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for*

distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

106. *Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.*
107. *No dividend or other moneys payable in respect of a share shall bear interest against the company unless otherwise provided by the rights attached to the share.*
108. *Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the company.*

ACCOUNTS

109. No member shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or authorised by the directors or by ordinary resolution of the company.

CAPITALISATION OF PROFITS

110. *The directors may with the authority of an ordinary resolution of the company:*
- (a) *subject as hereinafter provided, resolve to capitalise any undivided profits of the company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the company's share premium account or capital redemption reserve;*
 - (b) *appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may*

direct, in those proportions, or partly in one way and partly in the other: but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this regulation, only be applied in paying up unissued shares to be allotted to members credited as fully paid;

- (c) *make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this regulation in fractions; and*
- (d) *authorise any person to enter on behalf of all the members concerned into an agreement with the company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.*

NOTICES

111. Any notice to be given to or by any person pursuant to the articles (other than a notice calling a meeting of the directors) shall be in writing or shall be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice.

In this regulation, “address”, in relation to electronic communications, includes any number or address used for the purposes of such communications.

112. The company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address or by giving it using electronic communications to an address for the time being notified to the company by the member. *In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.* A member whose registered address is not within the United Kingdom and who gives to the company an address within the United Kingdom at which notices may be given to him, or an address to which notices may be sent using electronic communications, shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the company.

In this regulation and the next, “address”, in relation to electronic communications, includes any number or address used for the purposes of such communications

113. A member present, either in person or by proxy, at any meeting of the company *or of the holders of any class of shares in the company* shall be deemed to have

received notice of the meeting and, where requisite, of the purposes for which it was called.

114. *Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.*
115. *Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted or, in the case of a notice contained in an electronic communication, at the expiration of 48 hours after the time it was sent.*
116. *A notice may be given by the company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by the articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.*

WINDING-UP

117. *If the company is wound up, the liquidator may, with the sanction of an extraordinary resolution of the company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.*

INDEMNITY

118. *Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any*

application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.