

THE COMPANIES ACT 2006  
SPECIAL RESOLUTION  
PORTESBERYSQUARE (CAMBERLEY) MANAGEMENT COMPANY LIMITED  
(Co. No. 10460435)  
ADOPTION OF NEW ARTICLES OF ASSOCIATION

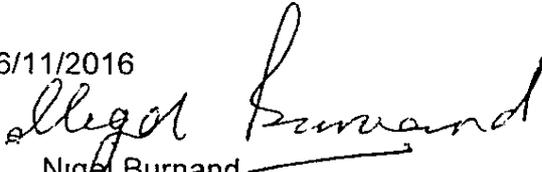
At a general meeting of the members of the above named company, duly convened and held at Thamesbourne Lodge Station Road Bourne End Buckinghamshire SL8 5QH on 16<sup>th</sup> November 2016,

The following Special Resolution was duly passed

That the existing articles of association in their entirety be removed and substituted for the new articles of association attached to this resolution

DATED 16/11/2016

SIGNED

  
Nigel Burnand  
Director

NOTES

This resolution must be filed with Companies House along with the new articles of association.



Company Number 10460435

PORTESBERY SQUARE (CAMBERLEY) MANAGEMENT COMPANY LIMITED

ARTICLES OF ASSOCIATION

A PRIVATE COMPANY LIMITED BY GUARANTEE

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**PART 1**  
**INTERPRETATION, OBJECTS AND LIMITATION OF LIABILITY**

**Preliminary**

The regulations contained in the model articles of association for private companies limited by guarantee contained in Schedule 2 to the Companies (Model Articles) Regulations 2008 in force at the time of adoption of these articles shall not apply to the Company and these articles shall be the regulations of the Company

**Defined terms and interpretation**

1 1 In these articles, unless the context requires otherwise

“articles”	means the Company’s articles of association,
“bankruptcy”	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy,
“chairman”	has the meaning given in article 29,
“chairman of the meeting”	has the meaning given in article 9,
“Companies Acts”	means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company,
“Company”	means PORTESBERY SQUARE (CAMBERLEY) MANAGEMENT COMPANY LIMITED company number 10460435
“Developer”	means Cala Homes (Thames) Limited whose registered office address is at Cala House 54 The Causeway Staines Surrey TW18 3AX,
“director”	means a director of the Company, and includes any person occupying the position of director, by whatever name called,
“document”	includes, unless otherwise specified, any document sent or supplied in electronic form,
“dwelling”	means any freehold or leasehold residential unit on the Estate,
“Dwellingholder”	means an owner of a dwelling (other than the owner solely of a freehold reversionary interest where the leasehold interest originally granted is for at least 99 years) and so that whenever two or more persons are for the time being Dwellingholders of a dwelling they shall for the purposes of these articles be deemed to constitute one Dwellingholder,

“Estate”	means all that land now or formerly comprised within (1) title number SY825082 as the same is registered at the Land Registry and (2) title number SY837173 as the same is registered at the Land Registry (being all that land transferred pursuant to a TP1 dated 8 June 2016 and made between (1) Surrey County Council and (2) CALA Management Limited together with any other land or building for the time being owned or managed or administered by the Company from time to time,
“Handover”	means any arrangements made by the Developer to transfer control of the Company to the Ordinary Members following completion of the sale of the final dwelling comprised in the Estate,
“Member”	means both the Special Members (if any) and the Ordinary Members,
“Ordinary Members”	means a person, a firm or Company or other legal entity admitted as such under article 4 3,
“ordinary resolution”	has the meaning given in section 282 of the Companies Act 2006,
“participate”	in relation to a directors’ meeting, has the meaning given in article 27,
“proxy notice”	has the meaning given in article 15,
“special resolution”	has the meaning given in section 283 of the Companies Act 2006,
“subsidiary”	has the meaning given in section 1159 of the Companies Act 2006, and
“writing”	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

1 2 Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the Company

1 3 Words importing the masculine gender only shall include the feminine gender and the neuter (as appropriate)

1 4 Words (including the definitions in article 1 1) importing the singular shall where the context permits include the plural and vice versa

1 5 The expression “clear days” in relation to a period of notice to call a meeting or an adjourned meeting means the number of days referred to excluding the day when the notice is given and the day of the meeting or adjourned meeting

## **Objects**

2 The Company's objects are to

- (a) manage and administer the Estate either on its own account or as trustee nominee or agent of any other company or person
- (b) do all such things as it may deem fit to enhance and/or improve the Estate for the benefit of the inhabitants and/or visitors to the Estate and
- (c) do all such other things as may be incidental or conducive to the attainment of such objects

### **Liability of Members**

3 1 The Ordinary Members will be liable to the Company for all the costs, expenses, debts and liabilities incurred by the Company in the carrying out of its objects Each Ordinary Member will be liable

- (a) either in the proportion provided for by the first transfer or lease of the dwelling from the Developer or
- (b) where such costs expenses debts and liabilities are not so provided for, in proportion to the number of dwellings held by such Ordinary Member against the total number of dwellings held by Ordinary Members

3 2 In the event of the Company being wound up the liability of each Member is limited to £1, being the amount that each Member undertakes to contribute to the assets of the Company in the event of its being wound up while he is a Member or within one year after he ceases to be a Member, for

- (a) payment of the Company's debts and liabilities contracted before he ceases to be a Member,
- (b) payment of the costs, charges and expenses of winding up, and
- (c) adjustment of the rights of the contributories among themselves

## **PART 2 MEMBERS**

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

#### **Special Members**

4 1 The Special Members of the Company shall be

- (a) the subscribers to the Memorandum of Association
- (b) any two nominees by the Developer
- (c) any person nominated by a Special Member to succeed him as a Special Member of the Company
- (d) any additional person appointed in writing by the Special Members acting unanimously

Provided that the number of Special Members shall not be greater than three

4 2 Every Special Member of the Company shall cease to be a Special Member upon the Special Member giving notice of resignation in writing to the Company. If the Special Member is a Dwellingholder he shall however continue to be an Ordinary Member

### **Ordinary Members**

4 3 The Company must accept as an Ordinary Member of the Company every person who is or who shall have become a Dwellingholder and has

- (a) either signed a written letter of application to become a member or
- (b) signed the Register of Members on becoming a member

If two or more persons are together a Dwellingholder each shall so comply. They shall together constitute one Ordinary Member and either of them (but only one of them) may exercise the voting powers vested in such Ordinary Member

4 4 The Company shall be entitled to treat as an application for membership

- (a) the execution by the Dwellingholder of a transfer or a counterpart lease of a freehold or leasehold interest in a dwelling or
- (b) an assignment or transfer of a freehold or leasehold interest in a dwelling to a purchaser

4 5 No person shall be admitted as an Ordinary Member of the Company other than a Dwellingholder

4 6 A Dwellingholder shall not resign as an Ordinary Member while holding, whether alone or jointly with others, a legal estate in any dwelling

### **Termination of membership**

5 1 Membership is not transferable

5 2 A person's membership terminates when that person dies or ceases to exist

5 3 A Dwellingholder shall cease to be an Ordinary Member on the registration as an Ordinary Member of the successor to his dwelling

5 4 If an Ordinary Member shall be adjudged bankrupt his legal personal representative or representatives or the trustee in his bankruptcy shall be entitled to be registered as an Ordinary Member in his place whilst the bankrupt Ordinary Member remains a Dwellingholder

## **ORGANISATION OF GENERAL MEETINGS**

### **Notice of general meetings**

6 1 A notice convening a general meeting of the Company shall be called by at least 14 clear days' notice in writing. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted.

6 2 Subject to the provisions of these articles notice of general meetings shall

(a) Before Handover be given to the Special Members, the directors and to the auditors

(b) After Handover be given to all Members, to all directors and to the auditors

6 3 Notwithstanding the foregoing provisions of these articles a general meeting may be called by shorter notice if it is so agreed in accordance with section 307(4) of the Companies Act 2006

6 4 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

6 5 Notwithstanding the provisions of section 325(1) of the Companies Act 2006 as to giving information to Members in regard to their right to appoint proxies, any notice of a general meeting that fails to include such information shall not invalidate the proceedings at that meeting

6 6 Every notice convening a general meeting shall be given in accordance with section 308 of the Companies Act 2006 that is, in hard copy form or electronic form (each respectively having the meanings given in Companies Act 2006) or by means of a website

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

7 1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting

7 2 A person is able to exercise the right to vote at a general meeting when

(a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

(b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting

7 3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it

7 4 In determining attendance at a general meeting, it is immaterial whether any two or more Members attending it are in the same place as each other

7 5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them

### **Quorum for general meetings**

8 1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum

8 2 A quorum shall comprise not less than 20% of Members rounded up to the next whole number, in person or by proxy

8 3 A Member may be part of the quorum at a general meeting if the Member can hear, comment and vote on the proceedings through telephone, video conferencing or other communications equipment

### **Chairing general meetings**

9 1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so

9 2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start

(a) the directors present, or

(b) (if no directors are present), the meeting,

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

9 3 The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting"

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

10 1 Directors may attend and speak at general meetings, whether or not they are Members

10 2 The chairman of the meeting may permit other persons who are not Members of the Company to attend and speak at a general meeting

### **Adjournment**

11 1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it

11 2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if

(a) the meeting consents to an adjournment, or

(b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner

11 3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting

11 4 When adjourning a general meeting, the chairman of the meeting must

(a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

(b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting

11 5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it

(a) to the same persons to whom notice of the Company's general meetings is required to be given, and

(b) containing the same information which such notice is required to contain

11 6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

## **VOTING AT GENERAL MEETINGS and BALLOTS**

### **Voting: general**

12 1 A resolution put to the vote of a general meeting must be decided by a majority decision on a show of hands unless a poll is duly demanded in accordance with these articles

12 2 If the numbers of votes for and against a proposal are equal, the chairman has a casting vote

12 3 Before Handover only the Special Members are entitled to vote at a general meeting and every Special Member shall have one vote

12 4 After Handover every Special Member (if any) and every Ordinary Member present in person or by proxy at a general meeting shall, subject to article 12 5 have one vote in respect of every dwelling owned by that Ordinary Member (but in accordance with these articles if two or more persons are together a Dwellingholder they shall constitute only one Ordinary Member and have only one such vote)

12 5 An Ordinary Member shall not be entitled to vote at any general meeting unless all moneys presently payable by him to the Company have been paid

### **Errors and disputes**

13 1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid

13 2 Any such objection must be referred to the chairman of the meeting whose decision is final

## **Poll votes**

14 1 A poll on a resolution may be demanded

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared

14 2 A poll may be demanded by

- (a) the chairman of the meeting,
- (b) the directors,
- (c) two or more persons having the right to vote on the resolution, or
- (d) a person representing not less than one tenth of the total voting rights of all the Members having the right to vote on the resolution

14 3 A demand for a poll may be withdrawn if

- (a) the poll has not yet been taken, and
- (b) the chairman of the meeting consents to the withdrawal

14 4 Polls must be taken immediately and in such manner as the chairman of the meeting directs

14 5 The demand for a poll will not prevent the general meeting continuing to transact business other than in relation to the question on which the poll is demanded

## **Content of proxy notices**

15 1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which

- (a) states the name and address of the Member appointing the proxy,
- (b) identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed,
- (c) is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the directors may determine, and
- (d) is delivered to the Company in accordance with these articles and any instructions contained in the notice of the general meeting to which they relate

15 2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes

15 3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions

15 4 A proxy notice may instruct the proxy which way to vote on a particular resolution but otherwise, it must be treated as

(a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and

(b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

15 5 The proxy notice shall be deemed to confer authority to demand or join in demanding a poll

### **Delivery of proxy notices**

16 1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person

16 2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given

16 3 A notice revoking a proxy appointment only takes effect if it is delivered to the registered office of the Company at least 48 hours before the starting time for the meeting or the adjourned meeting to which it relates or to the chairman before the start of the such a meeting

16 4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf

16 5 No proxy notice will be valid for more than 12 months

16 6 A proxy notice will not be valid for any part of a general meeting at which the Member who appointed the proxy is present

### **Amendments to resolutions**

17 1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if

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

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

17 2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if

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

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

17 3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution

### **Written resolutions**

18 A written resolution, proposed in accordance with section 288 of the Companies Act 2006 will lapse if it is not passed within 28 days beginning with the date on which copies of it are sent or submitted to the Members (or if copies are sent or submitted to Members on different days, beginning on the first of those days)

### **Ballots**

19 1 The appointment or removal after Handover of the Company's managing agents for the carrying out of the Company's objects in relation to the Estate is to be conducted only by a ballot of all the Members who would be entitled to vote at a general meeting requiring 51% of such Members entitled to vote, to vote in favour of the appointment or removal

19 2 A request for a ballot to appoint or remove a managing agent must be demanded by a resolution passed at a general meeting of the Members

19 3 Notice of the ballot must be sent to each Member and must indicate

(a) the nature of the proposal

(b) the response date, being the date and time by which the Members must respond in order to be counted in the ballot result and

(c) the manner in which the Members may respond, whether by post, email or any other way authorised by the Companies Act 2006

19 4 The chairman of the directors may appoint scrutiners (who need not be Members) Notice of the result of the ballot must be given to the Members as soon as reasonable practicable after the response date The result will be the resolution of the general meeting where the request for a ballot was demanded but will be treated as having been made on the date when the result is declared

19 5 The accidental omission to give notice of the ballot to, or the non-receipt of notice of ballot by any person entitled to receive notice, shall not invalidate the result of the ballot

## **PART 3 DIRECTORS**

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

#### **Directors' general authority**

20 Subject to these articles, the directors are responsible

- (a) prior to Handover for the management of the Company's business and
- (b) after Handover for the management of the Company's business except for the appointment or removal of the Company's managing agents for the carrying out of the Company's objects in relation to the Estate,

for which purposes they may exercise all the powers of the Company

#### **Members' reserve power**

21 1 The Members may, by special resolution, direct the directors to take, or refrain from taking, specified action

21 2 No such special resolution invalidates anything which the directors have done before the passing of the resolution

#### **Directors may delegate**

22 1 Subject to these articles, the directors may delegate any of the powers which are conferred on them under these articles

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

as they think fit

22 2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated

2 3 The directors may revoke any delegation in whole or part, or alter its terms and conditions

#### **Committees**

23 1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of these articles which govern the taking of decisions by directors

23 2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from these articles if they are not consistent with them

### **DECISION-MAKING BY DIRECTORS**

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

24 1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 25

24 2 If

(a) the Company only has one director, and

(b) no provision of these articles requires it to have more than one director,

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

### **Unanimous decisions**

25 1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter

25 2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing

25 3 References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting

25 4 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting

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

26 1 Any director may call a directors' meeting by giving at least 14 clear days notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice

26 2 Notice of any directors' meeting must indicate

(a) its proposed date and time,

(b) where it is to take place, and

(c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting

26 3 Notice of a directors' meeting must be given to each director, but need not be in writing

26 4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 clear days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it

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

27 1 Subject to these articles, directors participate in a directors' meeting, or part of a directors' meeting, when

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

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

27 2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other

27 3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is

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

28 1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting

28 2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is 50% of the total number of appointed directors rounded up to the next whole number

28 3 If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision

(a) to appoint further directors, or

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

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

29 1 The directors may appoint a director to chair their meetings

29 2 The person so appointed for the time being is known as the chairman

29 3 The directors may terminate the chairman's appointment at any time

29 4 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it

### **Casting vote**

30 1 If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote

30 2 But this does not apply if, in accordance with these articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes

## **Conflicts of interest**

31 1 If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the Company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes

31 2 But if article 31 3 applies, a director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in the decision-making process for quorum and voting purposes

31 3 This paragraph applies when

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

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

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

31 4 For the purposes of this article, the following are permitted causes

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

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

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

31 5 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting

31 6 Subject to article 31 7, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive

31 7 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes

31 8 A director need not declare an interest -

(a) if it cannot reasonably be regarded as likely to give rise to a conflict of interests, or

(b) if, and to the extent that, the other directors are already aware of it (and for this purpose the other directors are treated as being aware of anything of which they ought reasonably to be aware)

31 9 Where, for whatever reason, a director has any form of interest (direct or indirect) in relation to a transaction or arrangement with the Company (which shall include a conflict of duty) and the transaction or arrangement is not authorised by virtue of any other provision in these articles then it may be authorised by those directors not having a conflict provided that -

(a) the director with the conflict (and any other interested director) is not counted when considering whether or not there is a valid quorum for that part of the meeting and does not vote in relation to the matter giving rise to the conflict, and

(b) the directors who do not have a conflict in relation to the matter in question consider it is in the best interests of the Company to authorise the transaction

31 10 The directors who do not have a conflict in relation to the matter in question may, in their absolute discretion, determine that the director with the conflict and/or any other interested director should absent himself from the part of the meeting at which there is discussion concerning the transaction or arrangement giving rise to the conflict

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

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

### **APPOINTMENT OF DIRECTORS**

#### **Methods of appointing directors**

33 1 The maximum number and minimum number respectively of the directors may be determined from time to time by ordinary resolution in general meeting of the Company Subject to and in default of any such determination the maximum number of directors shall be seven and the minimum number of directors shall be two

33 2 Any person who is a Member of the Company and is willing to act as a director, and is permitted by law to do so, may be appointed to be a director

(a) by ordinary resolution passed by the Members of the Company at a general meeting, or

(b) by a decision of the directors

33 3 The directors may appoint as officers of the Company such Members as they think fit as part of the Handover arrangements

33 4 A director's appointment by decision of the directors is subject to ratification at the next general meeting of the Company and in the absence of ratification the director's appointment will then terminate at the end of the meeting

33 5 The appointment of a director will not take effect until he has confirmed his consent to act as required by Companies House. The appointment will lapse if he has not done so within one month of the appointment.

33 6 Where a Member is a corporation it may exercise its rights and obligations as a director through a duly authorised representative notified in writing to the Company.

33 7 If two or more persons are together a Dwellingholder only one of them may hold the office of director.

33 8 In any case where, as a result of death, the Company has no Members and no directors, the personal representatives of the last Member to have died have the right, by notice in writing, to appoint a person to be a director.

33 9 For the purposes of the preceding paragraph where 2 or more Members die in circumstances rendering it uncertain who was the last to die, a younger Member is deemed to have survived an older Member.

33 10 A technical defect in the appointment of a director of which the directors are unaware at the time does not invalidate decisions taken in good faith.

33 11 The directors are not required to retire by rotation.

#### **Termination of director's appointment**

34 1 A person ceases to be a director as soon as

(a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law,

(b) a bankruptcy order is made against that person,

(c) a composition is made with that person's creditors generally in satisfaction of that person's debts,

(d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,

(e) that person ceases to be a Dwellingholder

(f) that person fails to pay their service charge to the Company for more than 60 days after it falls due

(g) that person for more than six consecutive months has been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated

(h) the Members resolve that that person's office be vacated by ordinary resolution passed by the Members of the Company at a general meeting

34 2 A director who retires may, if willing to act, be re-appointed. If he is not re-appointed he shall retain office until the general meeting appoints someone in his place, or if it does not do so, until the end of the meeting.

### **Directors' remuneration**

35 1 Directors are not entitled to any remuneration for their services to the Company as directors

35 2 Directors are entitled to such remuneration as the directors determine for any other service which they undertake for the Company

### **Directors' expenses**

36 The Company may pay any reasonable expenses which the directors properly incur in connection with their attendance at

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) separate meetings of the holders of debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company

## **PART 4 ADMINISTRATIVE ARRANGEMENTS**

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

37 1 Subject to these articles, anything sent or supplied by or to the Company under these articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company

37 2 Subject to these articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being

37 3 A director may agree with the Company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours

37 4 Any notice, document or other information shall be deemed served on or delivered

- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted
- (b) if properly addressed and delivered by hand, 24 hours after delivery
- (c) if properly addressed and sent by electronic means, 24 hours after the document or information was sent

(d) if sent or supplied by means of a website, 24 hours after the material is first made available to the intended recipient on the website, or (if later) 24 hours after the recipient receives notice that the material is available on the website

37 5 A notice is properly addressed

(a) to the Company if addressed to the company secretary at the registered office address of the Company

(b) to any other recipient if addressed to the last address given by the intended recipient for service of notices or if none such to the address of any dwelling owned by the intended recipient or if none such to the last known address of the intended recipient

### **Company seals**

38 1 Any common seal may only be used by the authority of the directors

38 2 The directors may decide by what means and in what form any common seal is to be used

38 3 Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by

(a) a director and the company secretary or

(b) two directors or

(c) at least one authorised person in the presence of a witness who attests the signature

38 4 For the purposes of this article, an authorised person is

(a) any director of the Company,

(b) the company secretary (if any), or

(c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied

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

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

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

40 The directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary

### **Company secretary**

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

### **Rules or Byelaws**

42 1 The directors may from time to time and subject to article 42 3 make such Rules or Byelaws as they may deem necessary or expedient or convenient for the proper conduct and management of the Company including (without limitation) Rules or Byelaws to regulate

- (a) the use and landscaping of the common parts of the Estate,
- (b) the grant of permissions agreements and waivers to Dwellingholders and third parties,
- (c) the management security and maintenance of the Estate,
- (d) the conduct of Members of the Company in relation to one another and to the Company and to the Company's employees or agents,
- (e) the setting aside of the whole or any part or parts of the Estate at any particular time or times or for a particular purpose or purposes,
- (f) the procedure at general meetings and meetings of the directors and committees of the directors of the Company insofar as such procedure is not regulated by these articles,
- (g) and generally all such matters as are commonly the subject matter of company rules or rules or regulations appropriate to the property of a similar nature and type as the Estate

42 2 The Company may by resolution at a general meeting alter, add to or repeal the Rules or Byelaws

42 3 The directors shall adopt such means as they deem sufficient to bring to the notice of the Members all such Rules or Byelaws which so long as they shall be in force shall be binding on all Members

42 4 No Rule or Byelaw shall be inconsistent with or shall affect or repeal anything contained in these articles

## **DIRECTORS' INDEMNITY AND INSURANCE**

### **Indemnity**

43 1 A relevant director of the Company or an associated company may be indemnified out of the Company's assets against

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company,

(b) any liability incurred by that director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),

(c) any other liability incurred by that director as an officer of the Company or an associated company

43 2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

43 3 The indemnity provided to a director in accordance with this article may include the provision of funds to cover the director's legal costs as they fall due on terms that the director in question will repay the funds if the director is unsuccessful in his defence of the criminal or civil proceedings to which these costs relate

43 4 In this article

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

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

#### **Insurance**

44 1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director in respect of any relevant loss

44 2 In this article

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

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

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