

THURSDAY



A29 \*A15QIVUX\* #162  
29/03/2012  
COMPANIES HOUSE

Company No 07568752

THE COMPANIES ACT 2006

WRITTEN RESOLUTION

of

BLUEBELLS (POLEGATE) MANAGEMENT COMPANY LIMITED

(the "Company")

Circulation Date: 28 March 2012

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose the following Written Resolution as a Special Resolution:

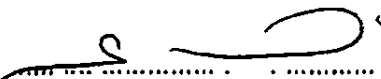
SPECIAL RESOLUTION

THAT:

The draft regulations attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

Please read the Notes overleaf before signifying your agreement to the Written Resolution.

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, we, the undersigned, being the eligible members of the Company who would have been entitled to vote on the resolution set out above on the Circulation Date stated above, hereby irrevocably agree to the resolution set out above as a Special Resolution:

  
.....  
Gregory Charles Ketteridge

Date 28/3 ..... 2012

  
.....  
Edward John Costello

Date 28/3 ..... 2012

  
.....  
Elaine Elizabeth Dufaur

Date 28/3/ ..... 2012

# COMPANY LIMITED BY GUARANTEE

## ARTICLES OF ASSOCIATION OF

Bluebells (Polegate) Management Company Limited  
(the "Company")



### PART 1

#### INTERPRETATION AND LIMITATION OF LIABILITY

##### **Defined terms**

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

"articles" means the Company's articles of association;

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

"chairman" has the meaning given in article 12;

"chairman of the meeting" has the meaning given in article 30

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

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

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

"electronic form" has the meaning given in section 1168 of the Companies Act 2006;

"Member" means a member of the Company who is either a Qualifying Person by virtue of holding a lease or owning a freehold of a Unit or the subscriber to the Memorandum of Association or becomes a members under the provisions of Part 3 of the Articles;

"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 10;

"Property" means any other freehold or leasehold land, building or premises for the time being also owned and/or managed or administered by the Company;

"proxy notice" has the meaning given in article 36

"Qualifying Person" means a person or persons, a firm or company or other legal entity to whom a lease or underlease of a Unit has been granted for a term of 99 years or more or to whom such a lease or underlease has been assigned or has devolved or who holds the freehold of a Unit and so that whenever 2 or more persons are for the time being joint lessees or owners of any one Unit they shall for all the purposes of these Articles be deemed to constitute one Qualifying Person;

"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;

"Unit" means any individual commercial or residential unit on the Property.

and

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

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

### **Liability of members**

2. The liability of 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**  
**DIRECTORS**  
**DIRECTORS' POWERS AND RESPONSIBILITIES**

**Directors' general authority**

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

**Members' reserve power**

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

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

**Directors may delegate**

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

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

as they think fit.

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

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

### **Committees**

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

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

## **DECISION-MAKING BY DIRECTORS**

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

7.—(1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.

(2) If—

(a) the Company only has one director, and

(b) no provision of the articles requires it to have more than one director, the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

### **Unanimous decisions**

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

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

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

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

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

9.—(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

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

(a) its proposed date and time;

(b) where it is to take place; and

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

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

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

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

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

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

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

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

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

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

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

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

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

(a) to appoint further directors, or

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

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

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

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

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

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

#### **Casting vote**

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

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

#### **Conflicts of interest**

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

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

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

(3) This paragraph applies when—

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

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

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

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

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

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

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

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

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

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

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

15. The directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

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

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

### **APPOINTMENT OF DIRECTORS**

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

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

(a) by ordinary resolution, or

(b) by a decision of the directors.

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

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

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

**18. A person ceases to be a director as soon as—**

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- (f) notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

### **Directors' remuneration**

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

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

- (a) for their services to the Company as directors, and
- (b) for any other service which they undertake for the Company.

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

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

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

(5) Unless the directors decide otherwise, directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

#### **Directors' expenses**

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

- (a) meetings of directors or committees of directors,
  - (b) general meetings, or
  - (c) separate meetings of the holders of debentures of the Company,
- or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

### **PART 3**

#### **MEMBERS**

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

#### **Subscriber and Members**

21.—(1) The subscriber to the Memorandum of Association shall be a Member. The subscriber may nominate any person to succeed him as a Member. A person so nominated by the subscriber and a person who by nomination succeeds the person nominated by the subscriber shall have the same power to nominate a person to succeed him as if he had been a subscriber. Save as aforesaid, no person shall be admitted as a Member other than a Qualifying Person. The Company must accept as a Member every person who is or who shall have become entitled to be admitted as a Member and shall have complied with either of the signature provisions set out in Article 22.

(2) If a Member shall die or be adjudged bankrupt or if a court order for possession of his Unit shall have been obtained by his mortgagee his legal representative or the

trustee in his bankruptcy or his mortgagee shall be entitled to be registered as a Member provided that he or they shall for the time being be a Qualifying Person.

#### **Applications for membership**

22.—(1) The provisions of sections 113, 121 and 128 of the 2006 Act shall be observed by the Company and every Qualifying Person shall either sign a written letter of application to become a Member or sign the Register of Members on becoming a Member. If two or more persons are together a Qualifying Person each shall so comply. They shall together constitute one Member and the person whose name first appears on the Register of Members shall exercise the voting powers vested in such Member. If the first-named person fails to so exercise such voting powers then the person whose name next appears in the Register of Members and who wishes to exercise such voting powers shall be entitled to exercise such voting powers in person.

(2) No person shall become a Member unless—

- (a) that person has completed an application for membership in a form approved by the directors, and
- (b) the directors have approved the application.

#### **Termination of membership**

23.—(1) A Qualifying Person shall cease to be a Member on the registration as a Member of the succeeding Qualifying Person in respect of a Unit but shall not resign as a Member if he remains a Qualifying Person in respect of any other Unit or in any other Unit. Any purported resignation as a Member in contravention of this Article shall not be accepted by the Company.

(2) Each subscriber to the Memorandum of Association and any person nominated to be a Member under Article 21 shall, if not himself a Qualifying Person, cease to be a Member at the conclusion of the Handover meeting convened pursuant to Article 27.

(3) A Member may withdraw from membership of the Company by giving 7 days' notice to the Company in writing.

(4) Membership is not transferable.

(5) A person's membership terminates when that person dies or ceases to exist.

## **MEMBERS VOTING**

### **Voting**

**24.—(1)** Members shall be entitled to vote on all issues.

### **Disputes**

**25.** If there is any dispute as to what parts of the Property an issue relates, the dispute shall be decided by an independent Chartered Surveyor ("Independent Expert") nominated jointly by the Members or failing such nomination within 14 days of the relevant dispute at the request of any of the parties in dispute by the President of the Royal Institution of Chartered Surveyors. The Independent Expert shall be instructed by the Members to act as an expert and not as an arbitrator and to reach a decision, a written copy of which shall be sent to Members within 30 days of his nomination or appointment. In the absence of manifest error, his decision shall be final and binding on both parties who shall pay his costs as he directs.

## **ORGANISATION OF GENERAL MEETINGS**

### **Notice of General Meetings**

**26.** The notice calling a general meeting shall be given to all Members having a right to attend and to vote and to the auditors (if any) and to every person, being a legal personal representative or a trustee in bankruptcy or mortgagee of a Member where the Member, but for his death or bankruptcy or the court having issued an order for possession, would be entitled to receive notice of the meeting.

### **Proceedings at General Meetings**

**27.—(1)** Any Member entitled to attend and vote at a general meeting shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of him and any proxy so appointed shall have the same right as the Member to

speaking at the meeting. Every notice convening a general meeting shall comply with the provisions of section 325(1) of the 2006 Act as to giving information to Members in regard to their right to appoint proxies.

(2) The directors may at any time following the sale of the last Unit convene a general meeting to be referred to as the "Handover" meeting. At the conclusion of the Handover meeting any directors of the Company appointed as:

- (a) the persons who are deemed to have been appointed as the first directors of the Company on incorporation pursuant to section 16(6) of the 2006 Act; or
- (b) a person appointed as a director prior to the Handover meeting.

Shall resign

(3) If the Company has only one Member or only one Member entitled to receive notice of and to attend and vote at a general meeting of the Company, one Member present in person or by proxy shall be a quorum.

(4) If a quorum is not present within half an hour of the time appointed for a general meeting, the meeting, if convened on the requisition of Members, shall be dissolved: in any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the directors may determine and, if at the adjourned general meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present in person or by proxy shall be a quorum.

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

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

(2) A person is able to exercise the right to vote at a general meeting when—

- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

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

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

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

#### **Quorum for general meetings**

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

#### **Chairing general meetings**

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

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

(a) the directors present, or

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

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

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

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

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

(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**

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

**(2)** The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

(a) the meeting consents to an adjournment, or

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

**(3)** The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

**(4)** When adjourning a general meeting, the chairman of the meeting must—

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

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

**(5)** If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—

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

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

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

## **VOTING AT GENERAL MEETINGS**

### **Voting: general**

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

### **Errors and disputes**

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

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

### **Poll votes**

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

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

(2) A poll may be demanded by—

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

(3) A demand for a poll may be withdrawn if—

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

(4) Polls must be taken immediately and in such manner as the chairman of the meeting directs provided that on a poll each Member shall have one vote for every Unit in respect of which he is a Qualifying Person.

### **Content of proxy notices**

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

- (a) states the name and address of the Member appointing the proxy;
- (b) identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;

- (c) is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - (d) is delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes
  - (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
  - (4) Unless a proxy notice indicates otherwise, it must be treated as—
    - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
    - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

#### **Delivery of proxy notices**

- 37.—(1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
- (2) An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
  - (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
  - (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

#### **Amendments to resolutions**

- 38.—(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—

- (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
  - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution
- (3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

## **PART 4**

### **ADMINISTRATIVE ARRANGEMENTS**

#### **Service Charge**

- 39.—(1) If the Company is not fully reimbursed by payments received from unit holders under the leases of their respective Units, or by freehold owners of Units, for the cost of performing its obligations in relation to the Property, it may require such payments to be made to it by Members as are necessary to make good any deficit.
- (2) The directors may in their absolute discretion make provision for creating and setting aside a reasonable reserve fund for any general or particular purpose connected with the promotion of the principal objects of the Company but subject thereto the directors shall endeavour so to carry on the business and activities of the Company as to secure that taking one year with another the Company makes neither profit nor loss.

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

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

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

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

#### **Company seals**

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

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

(3) Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

(4) For the purposes of this article, an authorised person is—

(a) any director of the Company;

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

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

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

42. 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**

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

## **DIRECTORS' INDEMNITY AND INSURANCE**

### **Indemnity**

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

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

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

(3) In this article—

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

### **Insurance**

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

**(2) In this article—**

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

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

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