

Company Number 09046531

**THE COMPANIES ACT 2006**

**COMPANY LIMITED BY GUARANTEE**

**WRITTEN RESOLUTION**

**OF**

**ADMIRALS WOOD (LOT 2) MANAGEMENT COMPANY LIMITED**

**(the "Company")**

Circulation Date ~~17TH~~ June 2014

In accordance with Chapter 2 of Part 13 of the Companies Act 2006 we, being the sole eligible member of the Company irrevocably agree that the Resolution below is passed as a special resolution

**SPECIAL RESOLUTION**

- 1 **THAT** the regulations contained in the document attached to this resolution and for the purpose of identification marked 'A' are approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the Company's existing Articles of Association

Signature *[Signature]*

Print Name *TRACY LEE PRAMMER*

For and on behalf of **Ingleby Nominees Limited**

Date *17TH JUNE 2014*

WEDNESDAY



\*A3AA7BEX\*  
A25 18/06/2014 #314  
COMPANIES HOUSE

## NOTES

1 You may either

- 1 1 agree to all of the above resolutions, or
- 1 2 decline to agree to any of the above resolutions

You may not agree to some of the resolutions but not the others

2 If you agree to the above resolutions please indicate your agreement by signing and dating this document where indicated and returning it to the Company by **15<sup>th</sup> July** 2014 using one of the following methods

- a) delivering it by hand to Wragge Lawrence Graham & Co LLP (Ref COSEC/NJP2) 11<sup>th</sup> Floor, Two Snowhill, Birmingham, B4 6WR,
- b) sending it by post to Wragge Lawrence Graham & Co LLP (Ref COSEC/NJP2) 11<sup>th</sup> Floor, Two Snowhill, Birmingham, B4 6WR, or
- c) faxing it to 0121 214 1099 marked for the attention of (COSEC/NJP2)

If the Company has not received sufficient agreement by that date the resolutions will lapse

3 Once you have indicated your agreement to the resolutions you may not revoke that agreement

4 If you do not agree to the above resolutions, you do not need to do anything. If no response is received from you as indicated above, you will be counted as withdrawing your agreement to the above resolutions

"A"

Company Number 09046531

THE COMPANIES ACT 2006

---

PRIVATE COMPANY LIMITED BY GUARANTEE

---

ARTICLES OF ASSOCIATION

of

ADMIRALS WOOD (LOT 2) MANAGEMENT COMPANY LIMITED

(Adopted by Special Resolution passed on 17th June 2014)

---

## **PART 1**

### **INTERPRETATION AND LIMITATION OF LIABILITY**

#### **1 EXCLUSION OF DEFAULT ARTICLES AND DEFINED TERMS**

1.1 In these articles, unless the context requires otherwise

"administration of the company" means resolutions proposed

- to amend the articles of association of the company,
- to change the name of the company,
- to change the accounting reference date,
- to change the registered office address,
- to vote to remove and/or appoint a director and/or company secretary

and any other resolutions concerning the administration of the company which affect all members of the company,

**'alternate' or 'alternate director'** has the meaning given in article 25,

**"apartment"** means one of the leasehold apartments on the estate,

**"apartment owner"** means the leasehold owner or joint owner for the time being of an apartment,

**"appointor"** has the meaning given in article 25,

**"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,

**"block"** means a building comprising apartments and any external communal areas which exclusively serve such building,

**"CA 2006"** means the Companies Act 2006,

**"chairman"** has the meaning given in article 13,

**"chairman of the meeting"** has the meaning given in article 35,

**"companies acts"** means the Companies Acts (as defined in section 2 CA 2006), in so far as they apply to the company,

**"company"** means Admirals Wood (Lot 2) Management Company Limited (CRN 09046531),

**"connected persons"** in relation to a director means persons connected with that director for the purposes of section 252 CA 2006,

**"developer"** means Miller Homes Limited (CRN SC255429) or any company in the same group or any person or company nominated by it from time to time to succeed it as the developer for the purposes of these articles,

**"developer director"** means any director of the company appointed by the developer under article 22 2,

**"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 CA 2006,

**"eligible director"** means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter),

**"estate"** means all the land and buildings situated at the development known as Lot 2 Admirals Wood, situate at the former Coldeast Hospital, Salsbury Green, Fareham, Hampshire built by the developer or Linden Limited and registered under title number HP665330 together with all common parts, land, buildings, roads, parking areas, pathways and landscaped areas, public open spaces (if any), pumping or electricity substation (if any), and other such land as shall from time to time form part of the estate,

**"estate managed areas"** means the landscaped areas and the service media within the estate, visitors parking spaces which are not intended to be adopted or included in the sale of any unit but to remain in private ownership and which are to be used in common by two or more occupants of the units, the unadopted areas, the managed parking and the front gardens, all of which are intended to be maintained by the company and shown for the purposes of identification only in green and hatched green and coloured brown on Plan A and coloured green and light brown on Plan B (which may be subject to change) and such other land as shall from time to time form part of the estate which is not intended to be adopted or included in the sale or lease of any unit and which is intended to be used in common by the owners,

**"front gardens"** means the gardens at the front of each house or block not forming part of the demise to each owner and intended to be maintained by the company,

**"HCA"** means Homes and Communities Agency established by the Housing and Regeneration Act 2008,

**"HCA Director"** means the directors appointed by the HCA on incorporation or any successor appointed by the HCA under article 22 3,

**"group company"** means a company which is at the relevant time,

(a) a subsidiary of the company, or

(b) the company's holding company or a subsidiary of that holding company and for these purposes 'holding company' has the meaning given to that expression in section 1159 CA 2006,

**"house"** means one of the freehold or leasehold dwelling houses on the estate,

**"Linden apartments"** means the apartments built by Linden Limited intended to be sold to private owners (which excludes any RSL apartments),

**"Linden director"** means the director appointed by Linden Limited on incorporation or any successor appointed by Linden Limited under article 22 4,

**"Linden Limited"** means Linden Limited (CRN 01108676),

**"Local Authority"** means Fareham Borough Council or such other authority having responsibility for the maintenance of roads and footpaths within the Estate at public expense

**"Lot 1 balancing pond"** means the balancing pond which serves the estate and which is to be managed and maintained by the Lot 1 management company,

**"Lot 1 management company"** means Admirals Wood Community Management Company Limited (CRN 06789300),

**"managed parking"** means any parking court areas within the Estate which are intended to be maintained by the company,

**"member"** has the meaning given in section 112 CA 2006,

**"miller apartments"** means the apartments built by the developer intended to be sold to private owners (which excludes any RSL apartments),

**"Model Articles"** means the regulations contained in Schedule 2 to the Companies (Model Articles) Regulations 2008,

**"open space"** means the areas of landscaping, open space and play space within the Estate which are intended to be maintained by the company,

**"ordinary resolution"** has the meaning given in section 282 CA 2006,

**"owner"** means a freehold owner or in the case of a unit subject to a lease of at least 99 years, the long leasehold owner of a unit,

**"participate"**, in relation to a directors' meeting, has the meaning given in article 11,

**"plan A"** means the plan attached showing that part of the estate to be constructed by Linden Limited ,

**"plan B"** means the plan attached showing that part of the estate to be constructed by the developer ,

**"proxy notice"** has the meaning given in article 41,

**"RSL"** means the residential social housing provider on the estate (if any),

**"RSL" apartment/"RSL house"** means a house or apartment on the estate to be transferred for the purpose of social housing,

**"service charge deeds"** means the service charge deeds to be entered into between the owners and the company with regard to the maintenance and management of the estate managed areas by the company in return for the payment of service charge by the owners to the company,

**"special resolution"** has the meaning given in section 283 CA 2006,

**"subsidiary"** has the meaning given in section 1159 CA 2006,

**"unadopted areas"** means the areas intended to be maintained by the company and not to be adopted by the Local Authority including any unadopted roadways and footpaths within the estate,

**"unit"** means an apartment or house or situated on the estate,

**"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 The Model Articles do not apply to the company

1 3 Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in CA 2006, as in force on the date when these articles become binding on the company

1 4 Headings in these articles are used for convenience only and shall not affect the construction or interpretation of these articles

1 5 A reference in these articles to an "article" is a reference to the relevant article of these articles unless expressly provided otherwise

1 6 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of

(a) any subordinate legislation from time to time made under it, and

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

1 7 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms

## **2 LIABILITY OF MEMBERS**

2 1 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 amongst themselves

## **PART 2**

### **RESTRICTION OF COMPANY'S OBJECTS**

#### **3 COMPANY'S OBJECTS**

3.1 In accordance with section 31(2) CA 2006, the company's objects are restricted as follows

- (a) to carry on business as a property management company and to manage and maintain the land and structures situate on the estate managed areas and in particular (but without limitation) to carry out any and/or all of the following activities
  - (i) acquiring and holding the freehold interest in the parts intended to be used in common by or to be held for the joint benefit of the owners on the estate and holding the same as an investment for the benefit of the owners,
  - (ii) to collect the service charge payable by the owners in connection with the maintenance of the Lot 1 balancing pond managed by the Lot 1 management company,
  - (iii) to collect the rents and income of the estate managed areas and the rent charges payable to the company by the owners and to apply the same in the proper and convenient arrangements thereof including but without prejudice to the generality of the matters recited in this article 3 1
    - (A) to provide all of the services relating to the estate managed areas any unadopted areas and managed parking (if any) including the management, repair, maintenance and cultivation of the front gardens of each of the units and cleaning of the external faces of any accessible windows of the units on a regular basis to the owners in accordance with the terms of the service charge deeds,
    - (B) generally to carry out all of the obligations imposed upon the company from time to time pursuant to the service charge deeds of



the units,

- (C) to make rules and regulations for members of the company to observe for the use and control of the estate managed areas,
  - (D) to develop an estate management scheme to encourage social integration, generate community policing (i.e. neighbourhood watch, a community web-site, encourage social walking, car sharing and use of local areas of open space etc) and development of sustainable initiatives such as recycling, composting, energy reduction and glass collection,
  - (E) to enter into any agreements, if required to do so by the developer, Linden Limited or the Local Authority for the benefit of the estate in relation to the adoption of the roads footpaths drains sewers and other services within the estate,
- (iv) to enter into an agreement with the Lot 1 management company in connection with the maintenance of the Lot 1 balancing pond which obligates the Lot 1 management company to maintain the Lot 1 balancing pond in consideration for the company collecting from the owners a proportionate contribution towards the maintenance of the same,
  - (v) to borrow and raise money for the purposes of the company on such terms and security as the company shall think fit,
  - (i) to invest the moneys of the company not immediately required for the furtherance of its objects in or upon such investments, securities or property as may be thought fit,
  - (ii) to accept, draw, make, execute, discount or endorse bills of exchange, promissory notes or other negotiable instruments,
  - (iii) to employ all workmen, contractors, agents and professional advisers as may be necessary to enter into all contracts and execute all deeds as shall be requisite for the purposes of the company,
  - (iv) to effect insurance against any risk to which the company, any property belonging to the company, or any person employed by the company, may be subject,
- (b) remunerating any person, firm or company rendering services to the company including the provision of a solicitor or other legal representative,

- (c) collecting from the members of the company and any relevant third parties contributions payable by each of them towards the management, maintenance and improvement of the estate managed areas,
- (d) executing such instruments and doing such other acts and things as may be requisite for the purpose of ensuring the efficient management and administration of the estate managed areas,
- (e) arranging such insurance cover as the company may consider to be appropriate for the estate managed areas and in respect of any risks for which the company may be liable as an employer of persons working on the estate managed areas,
- (f) paying all rates, taxes, duties, charges, assessments and outgoings of any description which may be assessed, charged or payable by the company,
- (g) employing a firm of managing agents and enforcing or attempting to enforce the observance of any covenants on the part of the owners and/or occupiers of estate,
- (h) engaging a qualified accountant if the company thinks fit for the purpose of auditing the accounts of the company in respect of the monies received and the monies expended or reserved for anticipated or periodical expenditure by or on behalf of the company from time to time in connection with the estate managed areas,
- (i) borrowing and raising money in such manner and upon such terms (including all such terms relating to the payment of interest) as the company thinks fit (in order to provide the services and to discharge the obligations set out in these articles and to pay all such bank charges and interest from time to time as and when the same shall become due and payable), and in particular to enter into mortgages or charges, perpetual or otherwise, and, if the company thinks fit, charged upon all or any of the company's property (both present and future) and undertaking, and collaterally or further to secure any obligations of the company by a trust deed or other assurance,
- (j) purchasing and maintaining insurance for the benefit of any persons who are or were at any time officers or employees of the company or any other company which is a subsidiary or subsidiary undertaking of the company or in which the company has any interest, whether direct or indirect, or who are or were at any time trustees of any pension fund in which any employee of the company or any other such company or subsidiary undertaking is or has been interested indemnifying such persons against liability for negligence, default, breach of duty of trust or to cover the terms of the indemnity given to the directors in article 49 or any other liabilities which may be lawfully insured against,
- (k) selling, letting, licencing, purchasing, taking on lease or licence, hiring, exchanging or

otherwise disposing of or acquiring any property of any kind, which is appropriate or convenient for the proper discharge or conduct of the business of the company,

- (l) acquiring, holding, dealing with and disposing of any freehold or leasehold land or property in such manner and on such terms as the company may think fit,

and generally doing such other things as are incidental or conducive to the attainment of the above objects or any of them, or as are calculated to enhance the value and beneficial advantage of the estate and the units comprised in it

3 2 The company is strictly prohibited from carrying out any of the following

- (a) amending the rent charge deeds or the service charge deeds which each owner will buy their units subject to,
- (b) disposing of any land which is vested in it (and such should be retained by the company for the benefit of the owners), and
- (c) taking any action beyond the provision of the wider estate management without the prior written consent of the HCA

3 3 The objects specified in each sub-clause of this article 3 shall not be limited or restricted in any way by reference to or inference from the terms of any other sub-clause, or the name of the company, unless such limitation or restriction is expressly stated in that sub-clause. None of the sub-clauses shall be deemed merely subsidiary or auxiliary to the objects mentioned in the first sub-clause

## **PART 3**

### **DIRECTORS**

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

##### **4 DIRECTORS' GENERAL AUTHORITY**

4 1 Subject to these 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

##### **5 MEMBERS' RESERVE POWER**

5 1 The members may, by special resolution, direct the directors to take, or refrain from taking, specified action

5 2 No such special resolution invalidates anything which the directors have done before the passing of the resolution

## **6 DIRECTORS MAY DELEGATE**

- 6 1 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

- 6 2 Article 6 1 above includes the ability for the directors to delegate the power to execute any deed or document on behalf of the company
- 6 3 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated
- 6 4 The directors may revoke any delegation in whole or part, or alter its terms and conditions

## **7 COMMITTEES**

- 7 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
- 7 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**

### **8 DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

- 8 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 9
- 8 2 If the company only has one director (and no provision of these articles require 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 subject to article 20 Accordingly, articles 9 to 14 inclusive shall not apply in those circumstances

## **9 DIRECTORS' DECISIONS**

- 9 1 A decision of the directors is taken in accordance with this article when all eligible directors have been asked to express a view on the matter in question and a majority of all eligible directors indicate to each other by any means that they share a common view on a matter
- 9 2 Such a decision may take the form of a resolution in writing, copies of which have been signed by a majority of eligible directors or to which a majority of eligible directors have otherwise indicated agreement in writing, or may be in electronic form
- 9 3 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at a directors' meeting

## **10 CALLING A DIRECTORS' MEETING**

- 10 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
- 10 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
- 10 3 Notice of a directors' meeting must be given to each director, but need not be in writing
- 10 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

## **11 PARTICIPATION IN DIRECTORS' MEETINGS**

- 11 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
- 11 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

11 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

11 4 Subject to these articles, if a director has an interest in an actual or proposed transaction or arrangement with the company

(a) that director's alternate may not vote on any proposal relating to it unless the interest has been duly declared (if so required by section 177 or section 182 CA 2006), but

(b) this does not preclude the alternate from voting in relation to that transaction or arrangement on behalf of another appointor who does not have such an interest

11 5 A director who is also an alternate director has an additional vote on behalf of each appointor who is

(a) not participating in a directors meeting, and

(b) would have been entitled to vote if they were participating in it

## **12 QUORUM FOR DIRECTORS' MEETINGS**

12 1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting

12 2 Until the developer resigns as a member in accordance with article 31 5 and whilst the developer director (or their replacement developer director) is still in office, the quorum for directors' meetings (including adjourned meetings) shall be two eligible directors or their alternates, which must include the developer director and the HCA director

12 3 After the developer director has resigned as a director (or has been removed in accordance with article 24 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 eligible directors

12 4 For the purposes of

(a) any meeting (or part of a meeting) held to authorise a director's conflict in accordance with article 16, or

(b) any determination in accordance with article 18 2(a) (iii) and 18 2(b)(iii),

if there is only director present who is not a conflicted director (as defined in article 16), the quorum for that meeting (or part of a meeting) is one eligible director

12 5 For the purposes of

(a) any informal directors' resolution in accordance with article 9 to authorise a director's conflict for the purposes of article 16, or

(b) any determination in accordance with article 18 4 other than in a meeting,

if there is only one director in office who is not a conflicted director (as defined in article 16), the quorum for the purpose of signing or passing that resolution or determination in one eligible director

12 6 For the purposes of

(a) any decision in relation to the appointment of a managing agent for the estate or the variation of the services they provide, or

(b) the admission of unit owners as members of the company,

if the developer director (or their replacement appointed in accordance with article 22 2) is still in office, the quorum for the directors meeting to approve such matters shall be just the developer director and they alone may decide upon such matters in accordance with article 8

12 7 Once the developer director (or their successor nominated under article 22 2) ceases to be a director of the company, 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

### **13 CHAIRING OF DIRECTORS' MEETINGS**

13 1 Until the developer resigns as a member in accordance with article 31 5 and whilst the developer director (or their replacement developer director) is still in office, the developer director shall chair all directors meetings. Thereafter, the directors may appoint a director to chair their meetings

13 2 The person so appointed for the time being is known as the chairman

13 3 The directors may terminate the chairman's appointment at any time

13 4 If the chairman is not participating in a directors' meeting within 10 minutes of the time at which it was to start, the participating directors must adjourn the meeting until such time as the developer director is able to attend

### **14 CASTING VOTE**

14 1 Subject to article 14 2 if the numbers of votes for and against a proposal are equal, the

chairman has a casting vote

- 14 2 Article 14 1 does not apply if, in accordance with these articles, the chairman or other director is not an eligible director

## **15 VETO AND RELATED RIGHTS**

- 15 1 Until the developer resigns as a member in accordance with article 31 5 and whilst the developer director (or their replacement developer director) is still in office, no decision or resolution of the directors or any committee of the directors affecting any of the matters set out below shall be effective if, at the meeting at which any of those matters are considered or resolved on, the developer director (including duly appointed alternates) does not vote in favour of the relevant decision or resolution

- (a) the admission of members to the company,
- (b) the alteration of these articles,
- (c) the sale, purchase, mortgaging or charging of any freehold or leasehold property of the company or of any interest in any such property,
- (d) the giving of any guarantee or indemnity,
- (e) the approval of any transaction or dealing of an unusual or long term nature,
- (f) the formation or acquisition of any subsidiary of the company,
- (g) the company
  - (i) acquiring or disposing of any shares or other legal interest in any other company,
  - (ii) acquiring or disposing of any business, or
  - (iii) participating in, varying or terminating any partnership (including a limited partnership or limited liability partnership) or joint venture,
- (h) the borrowing of any money or repayment of any borrowings,
- (i) the agreement or variation of terms and conditions under which any credit is to be made available to or repaid by the company,
- (j) the lending of any funds (otherwise than by way of deposit with a UK clearing bank or other institution the normal business of which includes the acceptance of deposits),
- (k) the alteration of any mandate given to the company's bankers relating to any matter concerning the operation of any of the company's bank accounts,
- (l) the making of any capital commitment in excess of £1000,



- (m) the sale or disposal of the whole or a substantial part of the company's undertaking or assets,
  - (n) the amalgamation or merger of the company with any other company or concern,
  - (o) the fixing or payment of the remuneration of any director,
  - (p) the payment of any service or consultancy fees in respect of any services supplied to the company, and
  - (q) the appointment of any managing agent and the terms of such appointment
- 15 2 The provisions of this article 15 override any other provision of these articles but no person dealing with the company shall be concerned to see or enquire whether the developer director did vote in favour of the relevant decision or resolution unless that person has actual notice that it did not

## 16 CONFLICTS OF INTEREST

16 1 In this article and articles 17 and 18

**"Authorise"** means to authorise in accordance with section 175(5)(a) CA 2006 and "authorisation", "authorised" and cognate expressions shall be construed accordingly,

A **"conflict of interest"** includes a conflict of interest and duty and a conflict of duties,

**"conflicted director"** means a director in relation to whom there is a conflicting matter,

**"conflicting matter"** means a matter which would or might (if not authorised or if not permitted under article 17) constitute or give rise to a breach of the duty of a director under section 175(1) CA 2006 to avoid a conflict situation,

**"conflict situation"** means a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company (including a conflict of interest),

**"interested director"** means a director who has, in any way, a material direct or indirect interest in a matter or decision,

A conflicting matter, conflict situation or interest is **"material"** unless it cannot reasonably be regarded as likely to give rise to a conflict of interest, and

**"other directors"** means, in relation to a particular conflicting matter, directors who are not interested directors in relation to that conflicting matter

16 2 Exercise of the power of the directors to authorise a conflicting matter shall be subject to the provisions of this article

16 3 The provisions of this article apply

- (a) subject to article 17, and
- (b) without prejudice (and subject) to the provisions of section 175(6) CA 2006

Nothing in these articles shall invalidate an authorisation

- 16.4 A conflicted director seeking authorisation of any conflicting matter shall disclose to the other directors the nature and extent of the conflicting matter as soon as is reasonably practicable. The conflicted director shall provide the other directors with such details of the conflicting matter as are necessary for the other directors to decide how to address the conflicting matter, together with such additional information as may be requested by the other directors.
- 16.5 Any director (including the conflicted director) may propose that a conflicted director's conflicting matter be authorised. Any such proposal, and any authorisation given by the directors, shall be effected in the same way as any other matter may be proposed to and resolved on by the directors under the provisions of these articles, except that
- (a) the conflicted director and any other interested director shall not count towards the quorum nor vote on any resolution giving that authorisation, and
  - (b) the conflicted director and any other interested director may, if the other directors so decide, be excluded from any meeting of the directors while the conflicting matter and the giving of that authorisation are under consideration.
- 16.6 Where the directors authorise a conflicted director's conflicting matter
- (a) the directors may (whether at the time of giving the authorisation or subsequently)
    - (i) require that the conflicted director is excluded from the receipt of information, the participation in discussions and/or the making of decisions (whether at meetings of the directors or otherwise) in relation to which any actual or potential conflict of interest may arise from the conflicting matter, and
    - (ii) impose on the conflicted director such other terms or conditions for the purpose of dealing with any actual or potential conflict of interest which may arise from the conflicting matter as they may determine,
  - (b) the conflicted director shall conduct himself in accordance with any terms or conditions imposed by the directors (whether at the time of giving that authorisation or subsequently),
  - (c) the directors may provide that, where the conflicted director obtains (otherwise than through his position as a director) information that is confidential to a third party, the conflicted director will not be obliged to disclose the information to the company, or to use or apply the information in relation to the company's affairs, where to do so would amount to a breach of that confidence,
  - (d) the terms of the authorisation shall be recorded in writing (but the authorisation shall be effective whether or not the terms are so recorded), and

- (e) the directors may revoke or vary the authorisation at any time but no such action will affect anything done by the conflicted director prior to that action in accordance with the terms of the authorisation

## **17 PERMITTED CONFLICT SITUATIONS**

### **17 1 If a director or a connected person of a director**

- (a) is or becomes a member, director, manager or employee of the company or any other group company, or
- (b) acquires and holds shares in the capital of any other body corporate, wherever incorporated, provided that the shares held by the director and his connected persons do not exceed 3% of the nominal value of the issued share capital of that body corporate,

Any conflict situation which arises only by reason of such a conflicting matter is permitted by this article and the relevant conflicting matter does not require disclosure and authorisation in accordance with article 16

### **17 2 A director shall not, by reason of his office or of the resulting fiduciary relationship, be liable to account to the company for any benefit which he (or a person connected with him) derives from**

- (a) a conflicting matter authorised by the directors,
- (b) a conflicting matter to which article 17 1 applies, or
- (c) a decision of the directors in relation to which, in accordance with article 18 2, the director was an eligible director, notwithstanding his relevant conflicting interest,

and no transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit

## **18 DIRECTORS' INTERESTS AND DECISION MAKING**

### **18 1 A director who has a direct or indirect interest or duty that conflicts with the interests of the company in relation to a proposed decision of the directors is not an eligible director in relation to that decision unless article 18 2 applies to him**

### **18 2 A director who has a direct or indirect interest that conflicts with the interests of the company in relation to a proposed decision of the directors (a "**relevant conflicting interest**") shall be an eligible director in relation to that decision, provided that**

- (a) in a case where the relevant conflicting interest is in an actual or proposed transaction or arrangement with the company
  - (i) the nature and extent of the relevant conflicting interest either
    - (A) has been duly declared to the other directors in accordance with

section 177 or section 182 CA 2006, as the case may require, or

- (B) is not required by the terms of either of those sections to be declared, and
- (ii) where the relevant conflicting interest is constituted by, or arises from, a conflicting matter of the director and
  - (A) that conflicting matter (or any breach of the relevant director's duty under section 175(1) CA 2006 by reason of that conflicting matter) is or has been authorised, permitted, approved or ratified, either in accordance with article 16 or article 17 or by the members (and that authorisation, permission, approval or ratification has not been revoked, withdrawn or reversed), and
  - (B) the relevant director has not been required to be excluded from participation in discussions and/or the making of decisions in relation to which the director has the relevant conflicting interest, or
- (iii) where the relevant conflicting interest is constituted by, or arises from, a conflicting matter of the director and that conflicting matter (or any breach of the relevant director's duty under section 175(1) CA 2006 by reason of that conflicting matter) is not or has not been authorised, permitted, approved or ratified, either in accordance with article 16 or article 17 or by the members
  - (A) the conflict situation arising by reason of that conflicting matter is not material, or
  - (B) the other directors are aware of the relevant conflicting interest and have determined that the director shall be an eligible director in relation to that decision, and
- (b) in any other case
  - (i) the director has disclosed the nature and extent of the relevant conflicting interest, or has not done so where
    - (A) it cannot reasonably be regarded as likely to give rise to a conflict of interest, or
    - (B) the other directors are already aware of it, and
  - (ii) where the relevant conflicting interest is constituted by, or arises from, a conflicting matter of the director and
    - (A) that conflicting matter (or any breach of the relevant director's duty under section 175(1) CA 2006 by reason of that conflicting matter) is or has been authorised, permitted, approved or ratified, either in accordance with article 16 or article 17 or by the members (and that authorisation, permission, approval or ratification has not been

revoked, withdrawn or reversed), and

- (B) the relevant director has not been required to be excluded from participation in discussions and/or the making of decisions in relation to which the director has the relevant conflicting interest, or
- (iii) where the relevant conflicting interest is constituted by, or arises from, a conflicting matter of the director and that conflicting matter (or any breach of the relevant director's duty under section 175(1) CA 2006 by reason of that conflicting matter) is not or has not been authorised, permitted, approved or ratified, either in accordance with article 16 or article 17 or by the members
  - (A) the conflict situation arising by reason of that conflicting matter is not material, or
  - (B) the other directors are aware of the relevant conflicting interest and have determined that the director shall be an eligible director in relation to that decision, but
  - (C) the provisions of this article do not apply in relation to a decision under article 16 5

For the purposes of this article, the other directors are to be treated as aware of anything of which they ought reasonably to be aware

- 18 3 If a question arises at a meeting of the directors about whether or not a director (other than the chairman of the meeting)
- (a) has a material conflict situation for the purposes of articles 16 or 17,
  - (b) can vote (where that director does not agree to abstain from voting) on the issue in relation to which the conflict situation arises, or
  - (c) can be counted in the quorum (where that director does not agree not to be counted in the quorum) for the purpose of voting on the issue in relation to which the conflict arises,

the question must (unless article 18 4 applies) be referred to the chairman of the meeting. The ruling of the chairman of the meeting in accordance with this article 18 3 about any director other than himself is final and conclusive, unless the nature or extent of the director's conflict situation (so far as it is known to him) has not been fairly disclosed to the other directors

- 18 4 If in relation to a question of the kind referred to in article 18 3 the chairman of the meeting is an interested director, the question must be referred to the other directors in accordance with article 18 5 as if it were a question about the chairman of the meeting

- 18 5 If a question of the kind referred to in article 18 3 arises about the chairman of the meeting (or if article 18 4 applies), the question shall be decided by a resolution of the other directors. The chairman of the meeting (or conflicted director) cannot vote on the question but can be

counted in the quorum. The other directors' resolution about the chairman of the meeting (or conflicted director) is conclusive, unless the nature and extent of the chairman's (or conflicted director's) conflict situation (so far as it is known to him) has not been fairly disclosed to the other directors.

18.6 For the purpose of a determination of the kind referred to in article 18.4 or 18.5

- (a) if there is only one director who is not an interested director for the purpose of that determination, the quorum for that determination is one director, and
- (b) if all the directors are interested, the matter must be referred to the members for authorisation or ratification.

18.7 Nothing in this article 18 shall be taken as absolving any director from any of the obligations set out in article 16. A determination by the directors in accordance with article 18.2(a)(iii)(B) or 18.2(b)(iii)(B) that a conflicted director may be an eligible director in relation to a decision of the directors does not amount to authorisation of the relevant conflict situation.

18.8 The company may, by ordinary resolution, ratify any transaction, arrangement or other matter which has not been properly authorised by reason of a contravention of these articles.

19 Any reference in this article or articles 16 and 17 to meetings of the directors and voting shall include decision-making by resolution in writing or by other informal means in accordance with article 9.

## **20 RECORDS OF DECISIONS TO BE KEPT**

20.1 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.

20.2 Where a decision of the directors is taken by electronic means, that decision must be recorded in permanent form, so that it may be read with the naked eye.

## **21 DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

21.1 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**

### **22 METHODS OF APPOINTING DIRECTORS**

22.1 The first director of the company shall be the director appointed by the subscriber. The subscriber may appoint any person or persons to succeed the director appointed by them by giving notice in writing of such appointment to the company at its registered office. Any such appointment shall take effect on the date specified in the notice.

- 22 2 Subject to articles 22 5 and 22 8 below, the developer shall have the right at any time to nominate any person or persons to act as a director of the company by giving notice in writing to the company at its registered office. The developer shall have the right to appoint or remove the developer director or a replacement developer director by serving notice upon the company's registered office address or upon the location where the company's statutory records are located.
- 22 3 Subject to articles 22 5 and 22 8 below, the HCA shall have the right at any time to appoint any person or persons to act as a HCA Director and shall have the right to appoint or remove the HCA director or a replacement HCA director by serving notice upon the company's registered office address or upon the location where the company's statutory records are located.
- 22 4 Subject to articles 22 5 and 22 8 below, Linden Limited shall have the right at any time to appoint any person or persons to act as a Linden Director and shall have the right to appoint or remove the Linden director or a replacement Linden director by serving notice upon the company's registered office address or upon the location where the company's statutory records are located.
- 22 5 The developer director, the HCA director and the Linden director (or their successors or nominees appointed by the developer, HCA and/or Linden Limited as appropriate) shall remain in office until the expiration of 2 years from the date of the sale of the last unit on the estate.
- 22 6 Any appointment or removal under this article takes effect on the date specified in the notice.
- 22 7 Subject to article 22 8 below, any person who is a representative of any managing agent's firm (appointed to manage the estate) or any person or persons nominated by the developer and 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.
- 22 8 Until the developer (or their successor nominated in accordance with article 30 4) resigns as a member, the only persons entitled to be a director of the company are persons appointed by the developer or HCA or Linden Limited in accordance with article 22 2, 22 3 and 22 4 above.
- 22 9 After the developer (or their successor nominated in accordance with article 30 4) has resigned as a member, any owner 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

22 10 In any case where, as a result of death or bankruptcy, the company has no members and no directors, the personal representative(s) of the last member to have died or to have a bankruptcy order made against him (as the case may be) may, by notice in writing, appoint a natural person (indicating a personal representative who is a natural person), who is willing to act and is permitted to do so, to be a director

22 11 For the purposes of article 22 10 above, where two 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

## **23 TERMINATION OF A DIRECTOR'S APPOINTMENT**

23 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 CA 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 3 months,
- (e) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms,
- (f) that person has been absent from the UK for more than 6 months without permission from the other directors, or
- (g) that person ceases to be a member of the company

## **24 REMOVAL OF DIRECTORS**

24 1 In addition and without prejudice to the provisions of sections 168 and 169 CA 2006, the company may by ordinary resolution remove any director before the expiry of his period of office and may, if thought fit, by ordinary resolution appoint another person in his place. Removal of a director in accordance with this article shall be without prejudice to any claim that director may have for damages for breach of any contract between him and the company

24 2 Without prejudice to article 22 5 and subject to article 24 1 above, the developer director shall



remain in office until removed by notice in writing given to the company at its registered office address (or at the address where the Company's statutory registers are located) by the developer

24 3 Without prejudice to article 22 5 and subject to article 24 1 above, the HCA director shall remain in office until removed by notice in writing given to the company at its registered office address (or at the address where the company's statutory registers are located) by the HCA

24 4 Without prejudice to article 22 5 and subject to article 24 1 above, the Linden director shall remain in office until removed by notice in writing given to the company at its registered office address (or at the address where the company's statutory registers are located) by Linden Limited

24 5 Any removal under this article takes effect on the date specified in the notice

## **25 APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

25 1 Any director (the "appointor") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to

- (a) exercise that director's powers, and
- (b) carry out that director's responsibilities,

in relation to the taking of decisions by the directors in the absence of the alternate's appointor

25 2 Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors

25 3 The notice must

- (a) identify the proposed alternate, and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice

## **26 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

26 1 An alternate director has the same rights, in relation to any directors' meeting or directors' written resolution, as the alternate's appointor

26 2 Except as these articles specify otherwise, alternate directors

- (a) are deemed for all purposes to be directors,

- (b) are liable for their own acts and omissions,
- (c) are subject to the same restrictions as their appointors, and
- (d) are not deemed to be agents of or for their appointors

26 3 A person who is an alternate director but not a director

- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating), and
- (b) may sign a written resolution (but only if it is not signed or to be signed by that person's appointor)

No alternate may be counted as more than one director for the above purposes

26 4 An alternate director is not entitled to receive any remuneration from the company for serving as an alternate director except such part (if any) of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company

## **27 TERMINATION OF ALTERNATE DIRECTORSHIP**

27 1 An alternate director's appointment as an alternate terminates

- (a) when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,
- (b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,
- (c) on the death of the alternate's appointor, or
- (d) when the alternate's appointor's appointment as a director terminates

## **28 DIRECTORS' REMUNERATION**

28 1 Directors may undertake any services for the company that the directors decide

28 2 Directors are entitled to such remuneration as the members determine by ordinary resolution

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

28 3 Subject to these 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

28 4 Unless the directors decide otherwise, directors' remuneration accrues from day to day

28 5 Unless the members 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 (if any) or of any other body corporate in which the company is interested

## **29 OFFICERS' EXPENSES**

29 1 The company may pay any reasonable expenses which the directors (including alternate directors) and the secretary (if any) properly incur in connection with their attendance at

- (a) meetings of directors or committees of directors,
- (b) general meetings, and
- (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**

### **MEMBERS**

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

### **30 APPLICATIONS FOR MEMBERSHIP**

30 1 Subject to articles 30 2 – 30 7 below no person shall become a member of the company 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

30 2 If an owner has signed a lease and/or transfer which states that they shall become a member of the company, that shall be treated by the directors as an application for membership in accordance with article 30 1 above

30 3 The subscriber to the memorandum of association is the first member of the company A

subscriber may nominate any person to succeed it as a member and its nominee has the same power to nominate its own successor in accordance with this article 30 3

- 30 4 The developer (and its nominated successor who is not an owner) shall be entitled to be a member of the company and may after the expiry of 2 calendar years from the date of completion of the sale of the last unit nominate any person to succeed it as a member and its nominee has the same power to nominate its own successor in accordance with this article 30 4 and such nominee shall have the same rights afforded to the developer by these articles as the developer
- 30 5 Apart from the subscriber (and its nominated successor) or the developer (and its nominated successor) only owners will be admitted as members of the company and Linden Limited shall not have the right to be admitted as a member The company must accept as a member every owner who has complied with this article
- 30 6 Where two or more persons jointly are an owner, they will together constitute one member and the person whose name first appears in the register of members shall exercise the voting and other powers vested in that member, save that both or all such persons shall be entitled to speak at a general meeting of the company
- 30 7 Subject to article 30 8 below, the tenants of the RSL shall not be entitled to be members of the company whilst the RSL retains a legal interest in an RSL unit on the estate even if the tenants are joint owners of that RSL unit and only the RSL shall be entitled to exercise the voting rights in respect of that RSL unit
- 30 8 If the tenants of the RSL are registered at the Land Registry as owning 100% of the RSL unit the RSL shall cease to be a member of the company and the directors shall make arrangements within a reasonable time after registration of the tenant as the registered proprietor at the Land Registry to admit the RSL tenant or joint tenants as a member of the company and to resign the RSL as a member in respect of that particular RSL unit The RSL shall still remain a member of the company in respect of all other RSL units on the estate

## **31 TERMINATION OF MEMBERSHIP**

- 31 1 A member may not withdraw from membership of the company while holding (either alone or jointly with others) a legal interest in a unit
- 31 2 A member (other than the subscriber or their nominated successor) ceases to be entitled to be a member upon the registration at the Land Registry of the successor in title to the legal interest in their unit and the directors of the company shall be entitled to remove the name of such a member from the Register of Members accordingly
- 31 3 Membership is not transferable

- 31 4 A person's membership terminates when that person dies or ceases to exist
- 31 5 The developer (and any nominated successor who is not an owner) will cease to be a member upon the expiry of 2 calendar years from the date of completion of the sale of the last unit and provided that
- (a) all the owners who should be admitted as members of the company have been admitted as members of the company in accordance with article 30, and
  - (b) the developer director (or its successor) has resigned and the developer has not appointed and does not intend to appoint a successor, and
  - (c) a person (other than someone nominated by the developer as a developer director) who is willing to act as a director has been so appointed
- 31 6 If the developer becomes subject to an insolvency regime, the liquidator administrator, administrative receiver or receiver of the developer shall be entitled to become a member on written request in place of the developer
- 31 7 A member who is an owner shall cease to be a member
- (a) on the registration as a member of his successor in title to his unit ,
  - (b) on death,
  - (c) on becoming bankrupt,
  - (d) when a registered medical practitioner who is treating that person gives a written opinion to the company that that person has become physically or mentally incapable of acting as a member and may remain so for more than 3 months, or
  - (e) in the case of a company on the company entering into liquidation, administration or voluntary arrangement or on the appointment of a receiver, or if the company is dissolved
- 31 8 Where a member ceases to be a member due to any provision of article 31 7 above, his estate shall remain liable under these articles until a successor in title to the member's unit is registered as a member
- 31 9 The trustee in bankruptcy of any bankrupt member, the personal representatives of any deceased member, or the receiver or attorney of any member who is of unsound mind, shall be entitled to become a member on written request in place of the bankrupt member or the deceased member or the member who is of unsound mind (as the case may be)
- 31 10 A receiver, liquidator, administrator or other appropriate insolvency practitioner of any

corporate member that has entered into receivership, liquidation, administration, or which has been dissolved shall be entitled to become a member on written request in place of the corporate member

- 31 11 A chargee in possession of a unit, or other person entitled by law to transfer title to a unit, is authorised to become a member in place of the relevant owner until such time as it ceases to be a chargee in possession or until title to a unit has been transferred

## **32 MEMBERSHIP CERTIFICATES**

- 32 1 The company is not obliged to issue membership certificates to its members. However, the company or its solicitors or managing agents may charge the member a reasonable fee for preparing a membership certificate (if the company chooses to issue one) or for preparing board minutes approving the directors' decision to admit that member to membership of the company

## **ORGANISATION OF GENERAL MEETINGS**

### **33 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

- 33 1 The provisions of this article take effect subject to article 34
- 33 2 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
- 33 3 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
- 33 4 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
- 33 5 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
- 33 6 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

#### **34 QUORUM FOR GENERAL MEETINGS AND VOTING RIGHTS**

34 1 Until the developer (or its successor nominated under article 30 4) ceases to be a member of the company

(a) the quorum for general meetings shall be one and only the developer or a duly authorised representative of the developer shall be entitled to convene, attend and vote and pass any resolution at any general meeting of the company whether on a show of hands or on a poll or pass any written resolution of the company, and

(b) only the developer or a duly authorised representative of the developer shall be entitled to vary any right of any member or any class of member (whether or not the developer is a member of that class)

34 2 Article 34 1(a) shall not apply in the case of a resolution proposed to remove a director from office in accordance with section 168 CA 2006 and where any such resolution is proposed, two eligible members present in person, by proxy or by representative (in the case of a corporation) shall represent a quorum provided always that one of those members is the developer

34 3 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

34 4 Once the developer has resigned as a member

(a) the quorum for general meetings shall be two members, and

(b) in the case of a meeting of the miller apartments only, the quorum shall be two miller owners,

(c) in the case of a meeting of the Linden apartments only, the quorum shall be two Linden Limited owners,

in each case, present in person or by proxy or in the case of a corporate member present by a corporate representative

#### **35 CHAIRING GENERAL MEETINGS**

35 1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so

35 2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within 10 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

35 3 A proxy or a representative appointed in accordance with section 323 CA 2006 may chair a general meeting if appointed to do so in accordance with article 35 2 above

35 4 The person chairing a meeting in accordance with this article is referred to as the "**chairman of the meeting**"

### **36 ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS**

36 1 Directors may attend and speak at general meetings, whether or not they are members

36 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

### **37 ADJOURNMENT**

37 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

37 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 to ensure that the business of the meeting is conducted in an orderly manner

37 3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting

37 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

37 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
- 37 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

### 38 VOTING GENERAL

- 38 1 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 these articles
- 38 2 Subject to article 38 3 below, until the developer (or its successor nominated under article 30 4) ceases to be a member no owner shall be entitled to convene, attend or vote at any general meeting or vote on a written resolution of the company
- 38 3 Article 38 2 above shall not affect the right of any member to vote upon a resolution to remove a director from office in accordance with section 168 CA 2006 but when such a resolution is being voted upon the developer shall be entitled
- (a) where the developer votes in favour of the resolution, to cast a number of votes which is one more vote than the total number of votes cast against the resolution, and
  - (b) where the developer votes against the resolution, to cast a number of votes which is one more than the total number of votes cast in favour of the resolution
- 38 4 Subject to articles 38 2 and 38 3 above, after the developer ceases to be a member, every member of the company present in person or by proxy or (if a corporation) by an authorised representative (or deemed to be present in accordance with article 33) shall subject to articles 38 5 - 38 7 below have one vote at a general meeting on a show of hands or shall have one vote when voting on a poll or for the purposes of passing a written resolution in respect of each unit that he owns
- 38 5 All owners shall be entitled to convene attend and vote at general meetings or vote on any written resolutions proposed which affect the administration of the company and the maintenance of the estate managed areas (with the exception of the maintenance of the miller apartments or the Linden apartments)
- 38 6 Only miller apartment owners shall be entitled to convene, attend and vote at general meetings or vote on any written resolutions proposed on business relating to the relevant block containing their apartment or any parking courts exclusively serving their block

38 7 Only Linden apartment owners shall be entitled to convene, attend and vote at general meetings or vote on any written resolutions proposed on business relating to the relevant block containing their apartment or any parking courts exclusively serving their block

38 8 No member shall be entitled to vote at any general meeting or any adjournment of it, or on any poll called at or in relation to it, or on any written resolution unless all amounts payable to the company in respect of that person's membership have been paid including any service charge payments due to the company

### **39 ERRORS AND DISPUTES**

39 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

39 2 Any such objection must be referred to the chairman of the meeting whose decision is final

### **40 POLL VOTES**

40 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

40 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

40 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

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made

40 4 Polls must be taken immediately and in such manner as the chairman of the meeting directs

#### **41 CONTENT OF PROXY NOTICES**

41 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,

and a proxy notice which is not delivered in that form and in that manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting

41 2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes

41 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

41 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

#### **42 DELIVERY OF PROXY NOTICES**

42 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

42 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

42 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

- 42 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

#### **43 AMENDMENTS TO RESOLUTIONS**

- 43 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
- 43 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
- 43 3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution

### **PART 5**

#### **ADMINISTRATIVE ARRANGEMENTS**

#### **44 MEANS OF COMMUNICATION TO BE USED**

- 44 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 CA 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
- 44 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

- 44 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

**45 DEEMED DELIVERY OF DOCUMENTS AND INFORMATION**

- 45 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

- (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 (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),
- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address, and
- (c) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this article, no account shall be taken of any part of a day that is not a business day

- 45 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by CA 2006
- 45 3 For the purposes of section 1147(3) CA 2006, where a document or information is sent or supplied by the company to any member by electronic means, and the company is able to show that it was properly addressed, it is deemed to have been received by the intended recipient one hour after it was sent (but subject to section 1147(5))
- 45 4 Article 45 3 above does not apply where a document or information is in electronic form but is delivered by hand or by post or by other non-electronic means
- 45 5 Where a document or information is sent or supplied to the company by one person (the "agent") on behalf of another person (the "sender"), the company may require reasonable

evidence of the authority of the agent to act on behalf of the sender

#### **46 FAILURE TO NOTIFY CONTACT DETAILS**

46 1 If

- (a) the company sends two consecutive documents to a member over a period of at least 12 months, and
- (b) each of those documents is returned undelivered, or the company receives notification that each has not been delivered,

that member ceases to be entitled to receive notices from the company

46 2 A member who has ceased to be entitled to receive notices from the company becomes entitled to receive such notices again by sending in writing to the company

- (a) a new address to be recorded in the register of members, or
- (b) if the member has agreed that the company should use a means of communication other than sending things to such an address, the information that the company needs in order to use that means of communication effectively

#### **47 NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

47 1 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

#### **48 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS**

48 1 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**

#### **49 INDEMNITY**

49 1 Subject to article 49 2 below, 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) CA 2006), and

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

49 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

49 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

## **50 INSURANCE**

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

50 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' benefit 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

## **OTHER PROVISIONS**

### **51 COMPANY SECRETARY**

51 1 Subject to article 51 2 below, the directors may appoint a company secretary for such term at such remuneration and conditions as they think fit, and any secretary so appointed may be removed by them

51 2 For so long as the developer is a member of the company, the secretary shall be a person or

company nominated by the developer

**52 INCOME AND PROPERTY OF THE COMPANY**

- 52 1 The income and property of the company shall be applied solely towards the promotion of the company's objects and no part of them shall be paid or transferred directly or indirectly by way of dividends, bonus or otherwise howsoever to any member or members of the company

**53 COSTS OF GRANTING CONSENT TO SALES OF PROPERTIES**

- 53 1 Where the company or its solicitors or managing agents are requested by the seller or buyer of a property on the estate to give consent to the sale of a property on the estate or to deal with a deed of covenant as required under the leases or transfers of the properties on the estate, the company or its solicitors or managing agent may charge a reasonable fee at the directors' discretion to the seller or buyer of the property