

**COMPANY LIMITED BY GUARANTEE AND  
NOT HAVING A SHARE CAPITAL**

**MEMORANDUM AND ARTICLES OF ASSOCIATION**

**OF**

**LRALC LIMITED**

Company No:

Incorporated:

WELLERS HEDLEYS SOLICITORS  
6 Bishopsmead Parade East Horsley  
Surrey  
KT246SR

**COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE  
CAPITAL**

**COMPANIES ACT 2006**

**MEMORANDUM OF ASSOCIATION**

**LRALC LIMITED**

Each subscriber to this Memorandum of Association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company

**Name of each subscriber**

- 1.
- 2.
- 3.
- 4.

**COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE  
CAPITAL**

**COMPANIES ACT 2006**

**ARTICLES OF ASSOCIATION**

**LRALC LIMITED**

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## PART 1

### INTERPRETATION AND LIMITATION OF LIABILITY

#### Defined terms

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

|                           |   |
|---------------------------|---|
| "articles"                | means the company's articles of association   |
| "bankruptcy"              | includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy.                                   |
| "chairman"                | has the meaning given in article 12   |
| "chairman of the meeting" | has the meaning given in article 25.  |
| "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"                  | is Town or Parish Council or a Parish Meeting in the County of Leicester or the former County of Rutland and has the meaning given in section 112 of the Companies Act 2006                         |
| "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  |
| "poll"                    | means a vote taken by means of a ballot paper (which may be in electronic form) sent to every eligible member   |
| "proxy notice"            | has the meaning given in article 31   |
| "representative"          | means a person whose identity is advised to the Company Secretary not less than 7 days before a general meeting which the representative wishes to attend   |
| "special resolution"      | has the meaning given in section 283 of the Companies Act 2006  |
| "subsidiary"              | has the meaning given in section 1159 of the Companies Act 2006, and  |
| "writing"                 | means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise |

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

## **Liability of members**

2. The liability of the members is limited to £1 being the amount that each member undertakes to contribute to the assets of the company in the event of it 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

## **Non Distribution**

3. The income and property of the Company shall be applied solely towards the promotion of the Company and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to members of the Company

## **PART 2**

### **DIRECTORS**

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

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

4. (1) 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
- (2) The Directors may from time to time make such Rules as it may deem necessary or convenient for the proper conduct and management of the members and in particular but without prejudice to the generality of the foregoing, it may by such Rules regulate:
  - (i) The admission and classification of members of the Company, and the rights and privileges of such members, and the conditions of membership and the terms on which members may resign or have their membership terminated and the entrance fees, subscriptions and other fees or payments to be made by members
  - (ii) The conduct of members of the Company in relation to one another and to the Company's employees
  - (iii) The procedure at general meetings and meetings of the Board and sub Committees in so far as such procedure is not regulated by these Articles
  - (iv) Generally, all such matters as are commonly the subject matter of Company rules

### **Members' reserve power**

5. (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**

6. (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) to such an extent;
  - (c) in relation to such matters; and
  - (d) 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**

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 the articles which govern the taking of decisions by directors.
- (2) The directors may make rules of procedure for all or any committees.

## **DECISION MAKING BY DIRECTORS**

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

8. 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.

### **Unanimous decisions**

9. (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**

10. (1) Any two or more directors 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 seven 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**

11. (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**

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
- (2) The quorum for directors' meetings shall be one-third of the number of appointed Directors on the Board.



- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision-
  - (a) to appoint further directors, or
  - (b) to call a general meeting so as to enable the shareholders to appoint further directors.

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

13. (1) The Directors shall appoint a director to chair their meetings.
- (2) The Directors shall appoint a Vice-Chairman to support and deputise for the Chairman.
- (3) The person so appointed for the time being is known as the chairman.
- (4) The directors may terminate the chairman's appointment at any time.
- (5) A non-councillor director may not be appointed as chairman.
- (6) If the chairman is not in attendance at 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**

14. (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**

15. (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 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) 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**

- 16. The directors must ensure that the company keeps a record, in writing, for at least ten years from the date of the decision recorded, of every decision taken by the directors.

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

- 17. 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**

#### **Number of Directors**

- 18. Unless otherwise determined by the Company, the Board shall consist of at least ten and no more than twelve directors. Each of the seven parished District, Borough, and/or Unitary County Council areas within the Leicestershire and Rutland county areas shall have a director position allocated exclusively for that area and these positions can only be filled by elected members of a Town or Parish Council from that area.

or Parish Meeting in membership within that area. Three of the remaining positions may be filled by elected members of any Town or Parish Council or Parish Meeting in membership, and the remaining two positions shall be non-councillor positions for individuals the Board decide have appropriate skills and knowledge to act as a director for the company.

### **Methods of appointing directors**

19. (1) Any elected member of a Town or Parish Council or Parish Meeting in membership who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director. The term of office shall be three years (see 19(4)).
- (2) The directors may create a maximum of two director positions specifically for individuals who are not an elected member of a Town or Parish Council or Parish Meeting (non-councillor directors) but whom it is felt hold appropriate skills and qualities to be appointed as a director.
- (3) Directors may be appointed by
  - (a) ordinary resolution at an annual general meeting, or
  - (b) a decision of the directors
- (4) At the first annual general meeting a pre-designated third of the directors must retire from office and may offer themselves for reappointment for a full three-year term by the members. At each of the subsequent two annual general meetings a further pre-designated third of the directors must retire from office and may offer themselves for reappointment for a full three-year term by the members.
- (5) At every subsequent annual general meeting any directors who have been appointed by the directors since the last annual general meeting must retire from office and may offer themselves for reappointment for a full three-year term by the members.
- (6) A person appointed to Chairman or Vice Chairman of the Company or any of its committees shall hold office for no more than three consecutive years. Service in one capacity shall not prevent subsequent service in a different capacity.

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

20. 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;
- (g) they are removed from office by notice signed by a majority of the directors stating that that person should cease to be a director;
- (h) They cease to be an elected member of a member in membership (not applicable to non-councillor directors); notwithstanding that they may remain in post until the following annual general meeting
- (i) The member at which the director is an elected member at ceases to be a member (not applicable to non-councillor directors); notwithstanding that they may remain in post until the following annual general meeting

#### **Directors' remuneration**

21. (1) Directors may undertake any services for the company that the directors decide.
- (2) Directors are entitled to such remuneration as the directors determine for any service which they undertake for the company which does not fall within the remit of their services to the company as directors.

#### **Directors' expenses**

22. 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

### **PART 3**

#### **MEMBERS**

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

#### **Applications for membership**

23. (1) a Town or Parish Council or Parish Meeting in the County of Leicestershire or the County of Rutland shall be eligible for membership of the company
- (2) no Town or Parish Council or Parish Meeting shall become a member of the company unless -
- (a) that has completed an application for membership in a form approved by the directors, and
  - (b) the directors have approved the application

## **Termination of membership**

24. (1) A member may withdraw from membership of the company by giving not less than twelve months-notice in writing to the Directors of the company
- (2) A member will cease to be a member if it fails to pay the annual subscription set by a General meeting of the company by the 30<sup>th</sup> June in any year unless otherwise agreed by the Company Secretary.
- (3) If, in the view of the directors, it is determined that the member's continued membership is not in the best interests of the company or that membership should cease for any other reasonable reason and the directors pass a resolution to this effect by not less than two thirds majority
- (4) Membership is not transferable

## **ORGANISATION OF GENERAL MEETINGS**

### **Annual general meeting, attendance and speaking at general meetings**

25. (1) The company shall hold in each year a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it. The company shall hold its first annual general meeting within fifteen months of its incorporation, and not more than fifteen months shall elapse between the date of one annual general meeting and the next. The rest of the provisions in these Articles for general meetings also apply to annual general meetings.
- (2) A member is able to exercise the right to speak at a general meeting by sending one representative when that representative is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that representative has on the business of the meeting. The members shall advise the company of the identity of the representative not less than seven days before the general meeting.
- (3) A member is able to exercise the right to vote at a general meeting when
- (a) its duly notified representative is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- (b) that representative'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 councils representatives attending the meeting
- (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

### **Quorum for general meetings**

26. (1) No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending do not constitute a quorum
- (2) A quorum is no less than twenty members of the company

### **Chairing general meetings**

27. (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 Vice Chairman is appointed to take the meeting
- (b) If the Vice Chairman is not present, the directors present, or
- (c) (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**

28. (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**

29. (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 to ensure that the business of the meeting is conducted in an orderly matter
- (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 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 one day after it was adjourned, the company must give at least seven 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**

- 30. Each member shall have one vote. A resolution put to the vote of a general meeting must be decided on a show of hands of those present and voting unless a poll of the membership is demanded in accordance with the articles.

### **Errors and disputes**

- 31. (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**

- 32. (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) two directors;
  - (c) ten or more members having the right to vote on the resolution; or

- (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.

### **Amendments to resolutions**

- 33. (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 forty eight 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**

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

- 34. (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**



35. (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.

### **Right to inspect accounts and other records**

36. In addition to the rights provided by law, members may inspect any of the Company's accounting or other records or documents as authorised by the Chief Executive, Directors by resolution or an ordinary resolution of the Company, except where data protection or other relevant legislation forbids the release of such information

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

37. 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**

38. (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**

39. (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.

