

COMPANY NUMBER 706136

The Companies Act 2006

Company Limited by Shares

TRAFALGAR COURT RESIDENTS' ASSOCIATION LTD

SPECIAL RESOLUTION

Passed on 24th January 2020

At the Annual General Meeting of the members of the above Company duly convened and held at the Farnham Conservative Club, Ivy Lane, Farnham, GU9 7SB on Friday 24th January 2020, the following Resolution was duly passed as a Special Resolution:

THAT the revised Articles of Association be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association of the Company.

A copy of the revised Articles of Association is attached.

Signed.....
Director

Date

27th January 2020

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COMPANIES HOUSE

706136

THE COMPANIES ACT 1948

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

TRAFALGAR COURT RESIDENTS' ASSOCIATION LIMITED

Adopted by Special Resolution on the 24th January 2020

PRELIMINARY

1. The regulations contained in Part I of Table A in the First Schedule to the Companies Act 1948 (such Table being hereinafter called 'Table A') shall apply to the Company save in so far as they are excluded or varied hereby and in particular Clauses 24, 30, 31, 32, 40, 41, 42, 43, 75, 77, 89, 114, 115, 116, 117, 118, 119, 120, 121, 122, 128 and 129 shall not apply to the Company.

SHARE CAPITAL AND SHARES

2. The nominal share capital of the Company on incorporation was £520, being 52 shares of £10 each.

The share capital of the Company was increased to £10,920 on 30th March 1979 by the issue of 1,040 shares of £10 each to rank pari passu with the existing shares of the Company.

3. Save as otherwise directed by the Company in General Meeting, the Directors shall dispose of the shares of the Company in accordance with these present Articles having particular regard to Articles 5, 5a, 5b, 6, and 7 herein.

LIEN

4. The lien conferred by Clause 11 in Part I of Table A shall attach to fully paid up Shares and to all Shares registered in the name of any person indebted or under liability to the Company whether he or she shall be the sole registered holder thereof or shall be one of two or more joint holders.

TRANSFER AND TRANSMISSION OF SHARES

5. No shares in the Company shall be transferred unless the proposed transferee thereof has acquired the interest of the transferor in a lease for 999 years less three days from the First day of January 1961 at a yearly rent of £20.00 of a maisonette or flat with ancillary premises situate at Trafalgar Court Firgrove Hill Farnham in the County of Surrey.

5.(a) No more than and no less than 21 shares shall be held by the legal owner (whether the legal owner is one or more persons) of the leasehold interest in respect of any one maisonette or flat with ancillary premises situate at Trafalgar Court, Firgrove Hill, Farnham, Surrey, such leasehold interest being granted under a Lease of 999 years less 3 days from the First day of January 1961 and not being a sub lease or under lease or being by way of mortgage or charge and for the avoidance of doubt a person may be registered as being the holder of more than 21 shares provided that registration is in whole multiples of 21 and the shareholder is and remains the legal owner of the leasehold interest (as defined earlier) at all times during the registration of the holding of shares in the Company.

(b) In the event of the shareholder ceasing to be the owner of the leasehold interest (as defined earlier) in any maisonette or flat at Trafalgar Court aforesaid the shareholder concerned shall immediately transfer his or her shares relating to that maisonette or flat (not being more and not less than 21 shares) to the new and current owner of the said leasehold interest in the said maisonette or flat.

6. In the event of any shares being registered in the name of a person who is not the Lessee under a Lease referred to in Article 5 the Directors may give notice in writing to such holder requiring him or her to transfer such shares to a person who is such a Lessee and if the said shares shall not have been so transferred within 28 days after such notice has been given the Directors may at any time thereafter (unless in the meantime the same shall have been so transferred) call upon any such holder to transfer the said shares to any one or more persons being the Lessee or Lessees of the flat or maisonette of which the holder was formerly the owner such transfer being for one peppercorn. If the holder shall make default in so selling and transferring the Directors may appoint any person to execute a transfer of such shares to the transferee who shall then be entered on the Register as a holder of the shares and that holder's title to the shares shall not be impeachable provided that the registered holder shall observe these Articles of Association at all times. The Company may receive the peppercorn on the selling holder's behalf and give a good receipt therefor.

7. If any shareholder dies or becomes bankrupt, and the shares of which such shareholder was the registered holder at the date of such death or bankruptcy are not transferred to the person becoming entitled in consequence of such death or bankruptcy to the said lease referred to in Article 5 hereof, then the Directors may give notice in writing to the Personal Representative or the Trustee in Bankruptcy or other person or persons who have the right to transfer such shares requiring them to transfer such shares in accordance with the provisions of these Articles in which event the provisions of these Articles shall apply but no person shall be entitled before being registered as a member in respect of the shares so passing or being transferred to him or her to exercise any right conferred by membership in relationship to meetings of the Company.

NOTICE OF GENERAL MEETINGS

8. Every notice convening a General Meeting shall comply with the provisions of Section 136 (2) of the Companies Act 1948 as to giving information to Members in regard to their right to appoint proxies; and notices of and other communications relating to any General Meeting which any Member is entitled to receive shall be sent to the Accountants for the time being of the Company.

9. Clause 54 in Part I of Table A shall be read and construed as if the words "Meeting shall be dissolved" were substituted for the words "Members present shall be a quorum".

DIRECTORS

10. Unless and until otherwise determined by the Company in General Meeting the number of Directors shall not be less than two nor more than six, the following being the first Directors of the Company that is to say:- Sidney Francis Billson and Francis Dante Nicholas Campailla.

11. The qualification of a Director shall be the holding of 21 shares of the Company, provided that no qualification shall be required for the first Directors named in Article 10. A Director may act before acquiring his or her qualification where a qualification is necessary but he or she shall acquire his or her qualification within 2 months of being appointed a Director.

12. Clause 79 in Part I of Table A shall be read and construed as if the proviso to such Clause were omitted therefrom.

13. A Director may vote as a Director in regard to any contract or arrangement in which he or she is interested or upon any matter arising thereout, and if he or she shall so vote his or her vote shall be counted and he or she shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration; and Clause 84 in Part I of Table A shall be modified accordingly.

14. At the first general meeting of the Company (whether annual or extraordinary) all the Directors shall retire from office and at every annual general meeting thereafter one third of the Directors for the time being or, if their number is not three or a multiple of three then the number nearest one third shall retire from office.

DISQUALIFICATION OF DIRECTORS

15. In addition to the provisions of Regulation 88 of Table A the office of a Director shall be vacated –

if the Director ceases to be a Lessee under a Lease referred to in Article 5.

PROVIDED nevertheless that this provision shall not apply to the first Directors named in Article 10.

DIRECTORS' POWERS OF MANAGEMENT

16. That regulation 80 of Table A Part I shall not apply to the Company and in lieu thereof the following provisions shall have effect:-

(A) That the management of the said Trafalgar Court Development and of the general affairs of the Company shall be vested in the Directors who may exercise all such powers and do all such acts and things as the Company is, by its Memorandum of Association or otherwise, authorised to exercise and do and are not hereby or by statute directed or required to be exercised or done by the Company in General Meeting.

(B) That without prejudice to the generality of the foregoing, the Directors may decide (i) what works ought to be carried out or what steps should be taken in order to comply with the Company's obligations under the said Lease dated the 9th day of September 1963 (ii) engage or employ such professional advisers, agents, contractors, workmen and others for the purposes aforesaid and upon such terms as to remunerations as the Directors may think fit.

(C) That the Directors shall cause to be incorporated in the annual accounts of the Company, or attached thereto in a separate document, full particulars of all sums disbursed by the Company in or in relation to the maintenance, repair, redecoration and upkeep of the said Trafalgar Court Development, such particulars to show the name and address of the person, firm or company engaged or employed, the date of such engagement or employment, the nature of the services carried out and the amount paid in each case.

(D) That if and for so long as the freehold reversion in the premises described in Clause 3(a) of the Company's Memorandum of Association is vested in the Company and that if and for so long as the leases of the individual maisonettes therein are held only by Members of the Company, notwithstanding the provisions of such leases, no ground or other rent in respect of such maisonettes shall be charged to any Member or payable in respect of any such maisonettes.

(E) That it shall not be within the power of the Directors to sell or otherwise dispose of the freehold interest in the said premises except with the authority of a resolution passed by a majority of not less than 45 of the Members for the time being of the Company.

17.

RESERVE FUND

17.1 That, in order to facilitate the performance by the Company of its obligations with respect to the repair, maintenance, redecoration, renewal, rebuilding and upkeep of the Trafalgar Court Development (as defined in the Company's Memorandum of Association) and its other obligations under the Lease of the Trafalgar Court Development dated the 9th day of September 1963 and made between G.T. Crouch Investments Ltd. of one part and the Company of the other part, and for the general purposes of the Company, each Member shall pay to the Company without deduction such annual sum as follows and known as the 'Reserve Fund'.

17.2 Definitions in this Article:

Reserve Fund means a fund held in the Fund Account which the Company has set up and maintains containing the aggregate of the unexpended Reserve Fund Contributions

Reserve Fund Account means the interest bearing account in which the Reserve Fund is held, to be opened with a reputable bank in the name of the Company and held on trust for the Members for the time being who contribute towards the Reserve Fund

Reserve Fund Services relates to those items of expenditures arising from 17.1 above which are expected to occur at intervals of more than one year during the unexpired term of the said Lease

Accounting Year means the 12 month period on which the Company calculates its accounts and organises its financial activities

Reserve Fund Contribution means the total contribution in each Accounting Year towards the Reserve Fund payable by the Members, to be determined by the Members in General Meeting to be a fair and reasonable contribution towards Reserve Fund Services having regard to the repair, maintenance, redecoration, renewal, rebuilding, and upkeep of the Trafalgar Court Development and such other expenditure as may be approved by the Members from time to time (including any VAT charged on such sums to the extent that the Company is not able to obtain a credit for such VAT from HM Revenue & Customs), PROVIDED THAT no such Reserve Fund Contribution shall be payable for that year in the event that no such Reserve Fund Contribution is so agreed and the balance of unexpended and uncommitted funds in the Reserve Fund Account is in excess of 1% of the rebuild/reinstatement value of the Trafalgar Court Development as determined for the purpose of the buildings insurance in place in respect of the Trafalgar Court Development at the time the Reserve Fund Contribution is demanded

Member's Proportion the same proportion which each Member contributes towards the costs of the Company as a service charge under the terms of the lease of the Member's flat in the said Trafalgar Court Development

Certificate a statement certified by the Directors of the Company or its accountants and provided along with the annual accounts of the Company of its costs and expenses in providing the Reserve Fund Services for the relevant period, such statement to show the name and address of the person, firm or company engaged or employed, the date of such engagement, the nature of the services carried out, and the amount paid in each case.

Members' Payments to the Company

17.3 Each Member shall pay to the Company:

17.3.1 The Member's Proportion of the Reserve Fund Contribution in advance on demand (such demand to coincide with demands for service charges under the terms

of the leases of flats in the Trafalgar Court Development, or on such other dates and in such other instalments as the Company may reasonably specify from time to time).

17.3.2 The Member's Proportion of the Reserve Fund Contribution must be made in cleared funds by the due date into the Reserve Fund Account.

17.3.3 The Member must not make any deductions or set-off from any payments due to the Company.

Company's Obligations

17.4 Subject to payment by the Members of the Reserve Fund Contribution, the Company will provide the Reserve Fund Services in a manner which the Company reasonably considers appropriate, but only to the extent that the costs are reasonably incurred; and where they are incurred only if and to the extent that the services or works are of a reasonable standard.

17.5 All interest earned in the Fund Account will be applied to the Reserve Fund for the benefit of the Lessees of the Trafalgar Court Development from time to time.

17.6 The Company will produce the Certificate to the Members as soon as reasonably practicable after the end of each Accounting Year.

17.7 In the event of there being no Member recorded in the Register of Members in respect of any maisonette or flat in the Trafalgar Court Development at any time, the other Members will each pay a fair proportion of the Company's expenses in respect of that maisonette or flat, and any successor in title shall be required to make good that sum as a condition of membership of the Company.

17.8 The Company shall not without first obtaining the approval of the Members in General Meeting carry out any set of works or enter into any contract for the provision of services in relation to the said Trafalgar Court Development the cost of which may reasonably be expected on completion to exceed £13,000 or 10% of the balance of funds in the Reserve Fund account whichever is greater

Estimating/Revising the Member's Proportion

17.9 The Company will provide the Members with a statement of the closing balance of Reserve Fund at the end of each Accounting Year.

17.10 If any sums standing to the credit of the Reserve Fund prove to be insufficient to meet the cost of expected expenditures from the said Fund, the Company may recover the Member's Proportion of the shortfall from each Member on 28 days' written demand.

17.11 If funds standing to the credit of the Service Charge Account under the terms of the Leases of the said Trafalgar Court Development are considered by the Directors to be insufficient to meet the cost of the expected expenditure from that account, the Directors may at their sole discretion transfer the funds necessary to make good that deficit from the Reserve Fund Account.

17.12 The end of any Member's lease term, however it ends, will not prejudice the Company's entitlement to demand, nor the Member's liability to pay, the Member's Proportion of the Reserve Fund Contribution for the Accounting Year then current and will not require the Company to reimburse or repay any of the Member's Proportion of the Reserve Fund Contribution made in prior Accounting Years (the Member acknowledging that the Reserve Fund is held and administered on trust for the benefit of the Members from time to time).

Assignment

17.13 The Company will not be required to make any apportionment of the Member's Proportion of the Reserve Fund Contribution on a permitted assignment of the Member's interest in their lease and will be entitled to deal only with the Member in whom any lease is vested from time to time (from the date of assignment and disregarding any gap between the date of assignment and any subsequent registration of that assignment).

17.14 Prior to the completion of any permitted assignment of a Member's interest in their lease and/or prior to any underletting the Member shall pay to the Company the full amount of the Member's Proportion of any Reserve Fund Contributions demanded but not paid at the date of the completion of the assignment.

17.15 The Company will cease to be liable to perform and observe the Reserve Fund Services on and from the date of any assignment of the immediate reversion of its Lease PROVIDED ALWAYS (and without prejudice to any other sums paid by the lessees of the Trafalgar Court Development and held on account by the Company from time to time) that on the date of assignment any party who was formerly the landlord and held the Fund Account shall have transferred the Reserve Fund plus all accrued interest to the party who is then entitled to the immediate reversion to the Lease.

Reserve Fund Disputes

17.16 If there is any disagreement between the parties relating to or at any time arising out of these Reserve Fund provisions (including without limitation the amount of the Reserve Fund or its operation) either party may require that it is resolved by means of alternative dispute resolution (ADR).

17.17 If the parties cannot agree on a mediator to determine the dispute either party may apply to the President for the time being of the Royal Institution of Chartered Surveyors to nominate a suitable person.

17.18 Each party shall pay its own costs of referring a dispute to ADR including costs connected with the appointment of the mediator, albeit that the Lessees will each pay a proportion to satisfy the Company's relevant costs.