

## SCHEDULES

### SCHEDULE 4

Section 11.

#### CONSTITUTION AND PROCEEDINGS OF PUBLICLY-OWNED COMPANIES THAT ARE PRIVATE COMPANIES

##### *Private companies*

- 1 This Schedule applies to any publicly-owned company that is a private company within the meaning of the Companies Acts 1948 to 1980 (in this Schedule referred to as "a relevant company").

##### *Meetings*

- 2 Notwithstanding anything in section 134 of the Companies Act 1948, or the company's articles of association, the Corporation may call a meeting of a relevant company, and there shall be deemed to be a quorum present at any meeting of such a company at which the Corporation is represented.
- 3 (1) The provisions of this paragraph apply in respect of any relevant company all of whose securities are held by the Corporation.
- (2) The obligation of the company under the Companies Act 1948, or under the company's articles of association or otherwise, to hold an annual meeting may be discharged by the holding of a meeting of the Corporation summoned and held in such manner, and after such notice, as may be determined by the Corporation in regulating their procedure.
- (3) Any power of the company which is by the Companies Act 1948, or by the company's articles of association or otherwise, required to be exercised by the company in general meeting (including a power required to be so exercised by special resolution, extraordinary resolution or a resolution requiring special notice), may be exercised by the Corporation at a meeting summoned and held as aforesaid.
- (4) Where any power is exercised by the company in a case where, apart from this paragraph, special notice would be required and a copy of the notice would have to be sent to any person, the company shall give notice in writing to that person not less than twenty-eight days before exercising that power.
- (5) Section 143 of the Companies Act 1948 (which provides for the registration of certain resolutions and agreements) shall apply to any resolution of the company which, but for this paragraph, would be a resolution to which that section applied.
- (6) Section 14(7) of the Companies Act 1967 (which entitles auditors of a company to attend and be heard at general meetings of the company and to receive notice thereof) shall apply to meetings of the Corporation held for the purpose of exercising their powers under this paragraph with respect to the affairs of the company.

### *Directors*

- 4 Any provision in the memorandum or articles of association of a relevant company requiring a director to hold a specified share qualification shall not have effect in the case of a relevant company.
- 5 The power conferred on a company by section 184 of the Companies Act 1948 to remove a director before the expiration of his period of office notwithstanding anything in its articles of association or in any agreement between it and him, shall, in the case of a relevant company, be extended so as to be exercisable notwithstanding anything in any agreement between the company and any person other than the director, and the proviso to subsection (1) of that section (which contains a saving for directors of private companies holding office for life on 18th July 1945) shall not apply to directors of relevant companies.

### *Alteration of memorandum*

- 6 A relevant company shall not, without the consent in writing of the Secretary of State, so alter the provisions of its memorandum of association or, as the case may be, charter of incorporation or other charter as to increase the activities which it is authorised to carry on.
- 7 The power conferred by subsection (1) of section 23 of the Companies Act 1948 (which provides that a company may alter by special resolution any conditions contained in its memorandum which could lawfully have been contained in articles of association instead of in the memorandum) shall, in the case of a relevant company, be exercisable notwithstanding the provisions of subsection (2) of that section (which provides that that section shall not apply where the memorandum itself provides for, or prohibits, the alteration of all or any of the said conditions and shall not authorise any variation or abrogation of the special rights of any class of members).

### *Reduction of capital*

- 8 The power conferred by section 66 of the Companies Act 1948 on a company to reduce its share capital may, in the case of a relevant company, be exercised by ordinary resolution, and any reduction so made shall not be subject to confirmation by the court, and in any such case—
- (a) section 69 of the Companies Act 1948 shall apply with the modification that, for any reference to an order of the court confirming the reduction of the share capital of a company, there shall be substituted a reference to a copy of the resolution of the company for reducing its share capital, and, for the reference to a minute approved by the court showing the particulars mentioned in that section, there shall be substituted a reference to a minute showing those particulars to the satisfaction of the registrar of companies ;
  - (b) section 69(3) and (4) of the Companies Act 1948 shall not apply, but notice of the registration of the resolution by the registrar of companies shall be published in the London and Edinburgh Gazettes and the registrar shall certify under his hand the registration of the resolution, and his certificate shall be conclusive evidence that the share capital of the company is such as is stated in the resolution ; and
  - (c) sections 67, 68, 70 and 71 of the Companies Act 1948 shall not apply.

*Number of members*

- 9 No petition shall be presented for the winding up of a relevant company on the ground that the number of its members is less than the number required by law, nor shall any person be liable on that ground as a member of the company for the payment of any of its debts.
- 10 In this Schedule " special resolution ", " extraordinary resolution " and " special notice " have the same meanings as in the Companies Act 1948.