WELSH STATUTORY INSTRUMENTS

2004 No. 675 (W.64)

LANDLORD AND TENANT, WALES

The RTM Companies (Memorandum and Articles of Association) (Wales) Regulations 2004

Made - - - -	*9th March 2004*
Coming into force - -	*31st March 2004*

The National Assembly for Wales, in exercise of the powers conferred on the Secretary of State by section 26(3) of the Welsh Language Act 1993(**1**) which are now exercisable by virtue of the National Assembly for Wales (Transfer of Functions) Order 1999(**2**) so far as exercisable in relation to Wales and the powers given to it by sections 74(2), (4) and (6) and 178(1) of the Commonhold and Leasehold Reform Act 2002(**3**), hereby makes the following Regulations:

Name, commencement and application

1.—(1) These Regulations are called the RTM Companies (Memorandum and Articles of Association) (Wales) Regulations 2004 and shall come into force on 31st March 2004.

(2) These Regulations apply to RTM companies(**4**) in relation to premises(**5**) in Wales.

Form and content of memorandum and articles of association of RTM companies

2.—(1) Subject to paragraph (4) the memorandum of association of a RTM company shall take the form, and include the provisions, set out in Part 1 of Schedule 1 to these Regulations.

(2) Subject to paragraph (4) the articles of association of a RTM company shall take the form, and include the provisions, set out in Part 2 of Schedule 1.

(3) Subject to paragraph (4) the provisions referred to in paragraphs (1) and (2) shall have effect for a RTM company whether or not they are adopted by the company.

(4) Where a RTM company wishes to have either its memorandum of association or its articles of association, or both, in Welsh, those documents shall take the form, and include the provisions respectively set out in Parts 1 and 2 of Schedule 2.

(**1**) 1993 c. 38.
(**2**) S.I.1999/672.
(**3**) 2002 c. 15. For the definition of "the appropriate national authority" *see* section 179(1).
(**4**) For the definition of "RTM company" *see* sections 71(1) and 73 of the Commonhold and Leasehold Reform Act 2002.
(**5**) For the premises relevant to RTM companies, *see* section 72 of, and Schedule 6 to, the Commonhold and Leasehold Reform Act 2002.

(5) Where —

(a) a RTM company has adopted a memorandum of association and articles of association before the coming into force of these Regulations; and

(b) the memorandum and the articles, or either of them, do not comply, as to content, with the requirements of paragraphs (1) and (2) or, in the case of Welsh language documents, paragraph (4),

the memorandum and articles will be treated, on and after the coming into force of these Regulations, as including such of the provisions set out in the Schedule as are required to secure compliance with those requirements (whether in addition to or, as the circumstances require, in substitution for their original content).

Signed on behalf of the National Assembly for Wales under section 66(1) of the Government of Wales Act 1998(**6**)

John Marek
The Deputy Presiding Officer of the National Assembly

9th March 2004

(**6**) 1998 c. 38.

SCHEDULE 1 Regulation 2

MEMORANDUM AND ARTICLES OF ASSOCIATION OF RTM COMPANIES

PART 1

MEMORANDUM OF ASSOCIATION

COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION OF

[NAME]

[CWMNI RTM CYFYNGEDIG] : [RTM COMPANY LIMITED]

1. The name of the company is [*name*] [RTM Company Limited] [Cwmni RTM Cyfyngedig] (the "Company").

2. The registered office of the Company will be situated in [*England and Wales*][*Wales* ***(a)***].

3. The objects for which the Company is established are to acquire and exercise in accordance with the Commonhold and Leasehold Reform Act 2002 ("the 2002 Act") the right to manage the premises known as [*name and address*] ("the Premises"). These objects shall not be restrictively construed but the widest interpretation shall be given to them.

4. In furtherance of the objects, but not otherwise, the Company shall have power to do all such things as may be authorised or required to be done by a RTM company by and under the 2002 Act, and in particular (but without derogation from the generality of the foregoing) -

(a) to prepare, make, pursue or withdraw a claim to acquire the right to manage the Premises;

(b) to exercise management functions under leases of the whole or any part of the Premises in accordance with sections 96 and 97 of the 2002 Act;

(c) to exercise functions in relation to the grant of approvals under long leases of the whole or any part of the Premises in accordance with sections 98 and 99 of the 2002 Act;

(d) in accordance with sections 100 and 101 of the 2002 Act, to monitor, keep under review, report to the landlord, and procure or enforce the performance by any person of the terms of any covenant, undertaking, duty or obligation in any way connected with or affecting the Premises or any of its occupants;

(e) to negotiate for and make applications for the variation of leases pursuant to Part 4 of the Landlord and Tenant Act 1987 ("the 1987 Act");

(f) to do such other things and to perform such other functions in relation to the Premises or any leases of the whole or any part of the Premises as may be agreed from time to time with the landlord or landlords or any other parties to the leases, as the case may be;

(g) to provide and maintain services and amenities of every description in relation to the Premises; to maintain, repair, renew, redecorate, repaint and clean the Premises; and to cultivate, maintain, landscape and plant any land, gardens and grounds comprised in the Premises;

(h) to enter into contracts with builders, decorators, cleaners, tenants, contractors, gardeners, or any other person; to consult and retain any professional advisers and to employ any staff and managing or other agents; and to pay, reward or remunerate in any way any person supplying goods or services to the Company;

(i) to make any appropriate or consequential agreements or arrangements for the right to manage the Premises

(a) *See* the Companies Act 1985 sections 2(1) and (2) and 710B.

to cease to be exercisable by the Company;

(j) to issue and receive any notice, counter-notice, consent or other communication and to enter into any correspondence concerning or in any way affecting the Premises, the management of the Premises, the occupants of the Premises, the Company, any of its activities, or any of its members;

(k) to commence, pursue, defend or participate in any application to, or other proceeding before, any court or tribunal of any description;

(l) to insure the Premises or any other property of the Company or in which it has an interest against damage or destruction and such other risks as may be considered necessary, appropriate or desirable and to insure the Company and its directors, officers or auditors against public liability and any other risks which it may consider prudent or desirable to insure against;

(m) to collect in or receive monies from any person on account of service charges, administration charges and other charges in relation to the Premises and, where required by law to do so, to hold, invest and deal with the monies in accordance with the provisions of the 1987 Act and any regulations or orders made under that Act from time to time;

(n) to establish, undertake and execute any trusts which may lawfully be, or which are required by law to be, established, undertaken or executed by the Company;

(o) to establish and maintain capital reserves, management funds and any form of sinking fund in order to pay, or contribute towards, all fees, costs, and other expenses incurred in the implementation of the Company's objects;

(p) to invest any money of the Company in the United Kingdom by depositing it at interest with any financial institution with which a trust fund of service charge contributions might be held in accordance with the 1987 Act; or to invest it in such other manner (including the purchase of securities and other investments) as the Company in general meeting may authorise from time to time; and to hold, sell or otherwise dispose of any such investments;

(q) subject to any limitations or conditions imposed by the Company in general meeting from time to time, to lend and advance money or give credit on any terms, with or without security to any person; to enter into guarantees, contracts of indemnity and suretyship of all kinds; to receive money on deposit or loan upon any terms; and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person;

(r) subject to any limitations or conditions imposed by the Company in general meeting from time to time, to borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or part of the Company's property or assets (whether present or future) and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it;

(s) to operate bank accounts and to draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, debentures and other negotiable or transferable instruments;

(t) to pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person to pay such expenses;

(u) with the consent of the Company in general meeting, to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been directors of, or who are or have been employed by, or who are serving or have served the Company and to the spouses, surviving spouses, children and other relatives and dependants of such persons; to make payments towards insurance; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any such persons and of their spouses, surviving spouses, children and other relatives and dependants;

(v) to monitor and determine for the purpose of voting, or for any other purpose, the physical dimensions of the Premises and any part or parts of the Premises and to take or obtain any appropriate measurements;

(w) to enter into any agreements or arrangements with any government or authority (central, municipal, local, or otherwise) that may seem conducive to the attainment of the Company's objects, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable, and to carry out, exercise, and comply with any such charters, decrees, rights, privileges and concessions;

(x) to do all things specified for the time being in the articles of association of the Company;

(y) to do or procure or arrange for the doing of all or any of the things or matters mentioned above in any part

of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others; and

(z) to do all such other lawful things as may be incidental or conducive to the pursuit or attainment of the Company's objects.

5. The income of the Company, from wherever derived, shall be applied solely in promoting the Company's objects, and, save on a winding up of the Company, no distribution shall be made to its members in cash or otherwise.

6. The liability of the members is limited.

7. Every member of the Company undertakes to contribute such amount as may be required, not exceeding £1, to the assets of the Company in the event of the Company being wound up while they are a member, or within one year after ceasing to be a member, for payment of the debts and liabilities of the Company contracted before he or she ceases to be a member, and of the costs, charges, and expenses of winding up the Company, and for the adjustment of the rights of the contributories among themselves.

8. If, on the winding up of the Company, there remains any surplus after the satisfaction of all its debts and liabilities, the surplus shall be paid to or distributed among the members of the Company.

9. In this Memorandum, references to an Act include any statutory modification or re-enactment of the Act for the time being in force.

We, the subscribers to this memorandum of association, wish to be formed into a company pursuant to this memorandum.

Names and addresses of subscribers:

Dated:

Witness to the above signatures:

Name of witness:

Address of witness: