



# Companies Clauses Consolidation Act 1845

## 1845 CHAPTER 16

### *Proceedings of Directors*

And with respect to the Proceedings and Liabilities of the Directors, be it enacted as follows:

#### **XCII Meetings of Directors.**

The Directors shall hold Meetings at such Times as they shall appoint for the Purpose, and they may meet and adjourn as they think proper from Time to Time and from Place to Place; and at any Time any Two of the Directors may require the Secretary to call a Meeting of the Directors, and in order to constitute a Meeting of Directors there shall be present at the least the prescribed Quorum, and when no Quorum shall be prescribed there shall be present at least One Third of the Directors ; and all Questions at any such Meeting shall be determined by the Majority of Votes of the Directors present, and in case of an equal Division of Votes the Chairman shall have a Casting Vote in addition to his Vote as One of the Directors.

#### **XCIII Permanent Chairman of Directors.**

At the First Meeting of Directors held after the passing of the Special Act, and at the First Meeting of the Directors held after each annual Appointment of Directors, the Directors present at such Meeting shall choose One of the Directors to act as Chairman of the Directors for the Year following such Choice, and shall also, if they think fit, choose another Director to act as Deputy Chairman for the same Period ; and if the Chairman or Deputy Chairman die or resign, or cease to be a Director, or otherwise become disqualified to act, the Directors present at the Meeting next after the Occurrence of such Vacancy shall choose some other of the Directors to fill such Vacancy ; and every such Chairman or Deputy Chairman so elected as last aforesaid shall continue in Office so long only as the Person in whose Place he may be so elected would have been entitled to continue if such Death, Resignation, Removal, or Disqualification had not happened.

**XCIV Occasional Chairman of Directors.**

If at any Meeting of the Directors neither the Chairman nor Deputy Chairman be present, the Directors present shall choose some One of their Number to be Chairman of such Meeting.

**XCIV Committees of Directors. Powers of Committees.**

It shall be lawful for the Directors to appoint One or more Committees, consisting of such Number of Directors as they think fit, within the prescribed Limits, if any, and they may grant to such Committees respectively Power on behalf of the Company to do any Acts relating to the Affairs of the Company which the Directors could lawfully do, and which they shall from Time to Time think proper to intrust to them.

**XCVI Meetings of Committees.**

The said Committees may meet from Time to Time, and may adjourn from Place to Place, as they think proper for carrying into effect the Purposes of their Appointment; and no such Committee shall exercise the Powers intrusted to them except at a Meeting at which there shall be present the prescribed Quorum, or if no Quorum be prescribed then a Quorum to be fixed for that Purpose by the general Body of Directors ; and at all Meetings of the Committees One of the Members present shall be appointed Chairman; and all Questions at any Meeting of the Committee shall be determined by a Majority of Votes of the Members present, and in case of an equal Division of Votes the Chairman shall have a Casting Vote in addition to his Vote as a Member of the Committee.

**XCVII Contracts by Committee or Directors how to be entered into.**

The Power which may be granted to any such Committee to make Contracts, as well as the Power of the Directors to make Contracts on behalf of the Company, may lawfully be exercised as follows ; (that is to say,)

With respect to any Contract, which, if made between private Persons, would be by Law required to be in Writing, and under Seal, such Committee or the Directors may make such Contract on behalf of the Company in Writing, and under the Common Seal of the Company, and in the same Manner may vary or discharge the same :

With respect to any Contract which, if made between private " Persons, would be by Law required to be in Writing, and signed by the Parties to be charged therewith, then such Committee or the Directors may make such Contract on behalf of the Company in Writing, signed by such Committee or any Two of them, or any Two of the Directors, and in the same Manner may vary or discharge the same :

With respect to any Contract which, if made between private Persons, would by Law be valid although made by Parol only, and not reduced into Writing, such Committee or the Directors may make such Contract on behalf of the Company by Parol only without Writing, and in the same Manner may vary or discharge the same :

And all Contracts made according to the Provisions herein contained shall be effectual in Law, and shall be binding upon the Company and their Successors, and all other Parties thereto, their Heirs, Executors, or Administrators, as the Case may be; and on any Default in the Execution of any such Contract, either by the Company or any other

Party thereto, such Actions or Suits may be brought, either by or against the Company, as might be brought had the same Contracts been made between private Persons only.

**XCVIIProceedings to be entered in a Book, and to be Evidence.**

The Directors shall cause Notes, Minutes, or Copies, as the Case may require, of all Appointments made or Contracts entered into by the Directors, and of the Orders and Proceedings of all Meetings of the Company, and of the Directors and Committees of Directors, to be duly entered in Books to be from Time to Time provided for the Purpose, which shall be kept under the Superintendence of the Directors; and every such Entry shall be signed by the Chairman of such Meeting; and such Entry so signed shall be received as Evidence in all Courts, and before all Judges, Justices, and others, without Proof of such respective Meetings having been duly convened or held, or of the Persons making or entering such Orders or Proceedings being Shareholders or Directors or Members of Committee respectively, or of the Signature of the Chairman, or of the Fact of his having been Chairman, all of which last-mentioned Matters shall be presumed, until the contrary be proved.

**XCIX Informalities in Appointment of Directors not to invalidate Proceedings.**

All Acts done by any Meeting of the Directors, or of a Committee of Directors, or by any Person acting as a Director, shall notwithstanding it may be afterwards discovered that there was some Defect in the Appointment of any such Directors or Persons acting as aforesaid, or that they or any of them were or was disqualified, be as valid as if every such Person had been duly appointed and was qualified to be a Director.

**C Directors not to be personally liable. Indemnity of Directors.**

No Director, by being Party to or executing in his Capacity of Director any Contract or other Instrument on behalf of the Company, or otherwise lawfully executing any of the Powers given to the Directors, shall be subject to be sued or prosecuted, either individually or collectively, by any Person whomsoever; and the Bodies or Goods or Lands of the Directors shall not be liable to Execution of any legal Process by reason of any Contract or other Instrument so entered into, signed, or executed by them, or by reason of any other lawful Act done by them in the Execution of any of their Powers as Directors; and the Directors, their Heirs, Executors, and Administrators, shall be indemnified out of the Capital of the Company for all Payments made or Liability incurred in respect of any Acts done by them, and for all Losses, Costs, and Damages which they may incur in the Execution of the Powers granted to them; and the Directors for the Time being of the Company may apply the existing Funds and Capital of the Company for the Purposes of such Indemnity, and may, if necessary for that Purpose, make Calls of the Capital remaining unpaid, if any.