**[Name of Company] Limited (the “Company”)**

**Company Number [ ]**

**Written Resolutions of the Director(s) of the Company (the “Resolutions”)**

The Resolutions were passed on the date that all of the director(s) of the Company signed these Resolutions below.

These Resolutions refer to a proposed dividend of £[AMOUNT] per ordinary share at a total cost of £[AMOUNT] to be paid [immediately/[*insert date*]] to the member(s) whose names appeared on the Company's register of members on the Circulation Date (as defined in the Members Written Resolution) (the “**Dividend**”).

# Documents Considered

## The directors carefully considered each of the following documents;

## the draft written resolution of the member(s) of the Company to approve the Dividend (the “**Member Written Resolution**”);

## the statutory [audited] accounts of the Company for the period ended [*insert date of accounts*] (the “**Annual Accounts**”); and

## the management accounts of the Company for the period ended [*insert date of management accounts*] (the “**Management Accounts**”),

## the Annual Accounts and the Management Account being together, the “**Accounts**”

# Requirements for a dividend

## The director(s) noted and considered the following requirements for the payment of a dividend:

## that the Company's articles of association allowed the Company to declare a dividend by ordinary resolution in accordance with the terms of the articles of association;

## that, in order to declare a dividend the Company must have sufficient profits available for the purpose (being its accumulated, realised profits, so far as not previously utilised by distribution or capitalisation, less its accumulated realised losses, so far as not previously written off in a reduction or reorganisation of capital duly made) (the “**Distributable Profits**”);

## that in determining the amount of the Company's Distributable Profits, the director(s) were required, in the first place, to have regard to the Annual Accounts and if the Annual Accounts did not show sufficient Distributable Profits to justify the dividend, the director(s) were under a duty to satisfy themselves that the Dividend could be supported by interim accounts which were sufficient to enable a reasonable judgment to be made as to the availability of Distributable Profits as further set out in the 2006 Act;

## that, if a dividend could not be supported as set out above, the dividend would be unlawful, with the result that any shareholder receiving such dividend who knows, or has reasonable grounds to believe, that the dividend contravenes the statutory rules is liable to repay it (or that part of it which is unlawful);

## that even if the statutory tests were satisfied, the payment of the dividend would be unlawful if it was paid out of capital or if it was reasonably foreseeable, having regard to the whole of the Company's business, and the actual and contingent liabilities inherent in the business, that the dividend would cause the Company to be unable to pay its debts as they fell due; and

## that any director who was party to the decision to pay an unlawful dividend was exposing himself to potential personal liability for breach of duty in respect of that unlawful payment.

# Proposed dividend

## The director(s) noted and carefully considered the following aspects of the proposed Dividend:

## that the Accounts showed sufficient Distributable Reserves to justify the Dividend;

## that no distributions had been paid since the date of the Accounts or that any such distributions did not reduce the Distributable Reserves below the level of the Dividend; and

## the profitability of the Company since the date of the Accounts and whether the Company's Distributable Profits had been reduced as a result of trading since the date of the Accounts; and

## the effect the Dividend would have on the Company's ability to pay its debts as they fell due, having regard to the entirety of the Company's business and the actual and contingent liabilities (present and future) inherent in the Company’s business.

# Resolution

Having considered the Accounts and the Member Written Resolution, together with their duties under section 172(1) of the 2006 Act, the director(s) of the Company **RESOLVED THAT**:

## the Dividend was in the best interests of the member(s) of the Company;

## the Member Written Resolution be approved;

## any director or the secretary be authorised to circulate the Member Written Resolution to the member(s) of the Company for their signature and to the Company’s auditors (if applicable);

## subject to the Member Written Resolution being passed any director or the secretary be authorised to sign a print of the Member Written Resolution to indicate that it has been passed;

## subject to the Member Written Resolution being passed:

### the Dividend be approved; and

### any director or the secretary be authorised to take all other steps necessary to ensure payment of the Dividend.

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| --- | --- |
| ......................................................................... | ....................... |
| [Name of Director] | (Date) |

[REPEAT AS NECESSARY FOR ALL DIRECTORS]

**[Name of Company] Limited (the “Company”)**

**Company Number [ ]**

**Written Resolution of the Member(s) of the Company (the “Resolution”)**

The following resolution is proposed by the director(s) of the Company as an ordinary resolution and is first circulated to the member(s) of the Company on [*Insert Date the Director’s Resolution was passed*] (the “**Circulation Date**”).

**RESOLUTION**

**THAT** a dividend of £[AMOUNT] per ordinary share at a total cost of £[AMOUNT] to be paid [immediately/[*insert date*]] to the member(s) whose names appear on the Company's register of members on the Circulation Date.

**Please read the notes set out below before signing or taking any action on this resolution.**

We, being all the member(s) of the Company on the Circulation Date, hereby irrevocably agree to the Resolution.

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| --- | --- |
| ......................................................................... | ....................... |
| [Name of Shareholder] | (Date) |

[REPEAT AS NECESSARY FOR ALL SHAREHOLDERS]

**NOTES**

**INFORMATION REQUIRED TO COMPLY WITH SECTION 291(4) COMPANIES ACT 2006**

1. Eligible members are members who would have been entitled to vote on the Resolution on the Circulation Date.
2. The procedure for signifying agreement by an eligible member to the written resolution is as follows:
3. A member signifies his agreement to the proposed Resolution when the Company receives from him (or someone acting on his behalf) an authenticated document which both identifies the written resolution to which it relates and indicates his agreement to the written resolution.
4. The document must be sent to the Company in hard copy form or in electronic form in one of the following ways:

### by delivery in person or by hand to the registered office of the Company;

### by attaching a scanned copy of the signed document in pdf (portable document format) to an e-mail and sending it to one of the directors of the Company, who must acknowledge receipt and acceptance of such email; or

### by post to the registered office of the Company.

1. A member’s agreement to the Resolution, once signified, may not be revoked.
2. A written resolution is passed when the required majority of eligible members have signified their agreement to it.
3. If you do not agree to the Resolutions, you do not need to do anything; you will not be deemed to agree if you fail to reply.
4. The period for agreeing to the written resolutions is the period of 28 days beginning with the Circulation Date. If sufficient agreement has not been received for the Resolution to pass at this time, it will lapse.
5. If you are signing this document on behalf of a member of the Company under a power of attorney or other authority, please send a copy of the relevant power of attorney or authority when returning this document.

**[Name of Company] Limited (the “Company”)**

**Company Number [ ]**

**Print of Written Resolution of the Member(s) of the Company (the “Resolution”)**

**Passed on [*Insert Date*]**

The following resolution which was proposed by the director(s) of the Company as an ordinary resolution, was duly passed in writing as an ordinary resolution on the date set out above.

**RESOLUTION**

**THAT** a dividend of £[AMOUNT] per ordinary share at a total cost of £[AMOUNT] to be paid [immediately/[*insert date*]] to the member(s) whose names appear on the Company's register of members on the Circulation Date.

|  |  |
| --- | --- |
| ......................................................................... |  |
| **Director**  For and on behalf of the Company |  |