THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE

AND NOT HAVING A SHARE CAPITAL

ARTICLES of ASSOCIATION of

Events Arran

Revised Date:

Signed by:

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**Constitution of the company**

**1.** The model articles of association as prescribed in Schedule 2 to The Companies

(Model Articles) Regulations 2008 are excluded in respect of this company.

**Defined terms**

**2.** In these articles of association, unless the context requires otherwise:-

(a) “Act” means the Companies Act 2006;

(b) “charity” means a body which is either a “Scottish charity” within the meaning of

section 13 of the Charities and Trustee Investment (Scotland) Act 2005 or a

“charity” within the meaning of section 1 of the Charities Act 2006, providing (in

either case) that its objects are limited to charitable purposes;

(c) “charitable purpose” means a charitable purpose under section 7 of the Charities

and Trustee Investment (Scotland) Act 2005 which is also regarded as a charitable

purpose in relation to the application of the Taxes Acts;

(d) “electronic form” has the meaning given in section 1168 of the Act;

(e) “OSCR” means the Office of the Scottish Charity Regulator;

(f) “property” means any property, heritable or moveable, real or personal, wherever

situated; and

(g) “subsidiary” has the meaning given in section 1159 of the Act.

**3.** Any reference to a provision of any legislation (including any statutory instrument)

shall include any statutory modification or re-enactment of that provision in force

from time to time.

**Objects**

**4.** The company’s objects are:

4.1To encourage or undertake any event or project for the benefit of the community of the Isle of Arran, Scotland.

* 1. To organise or hold social events on the Isle of Arran.

4.3 To apply all money raised or received by the company to such events and

projects as may be sponsored according to Articles 4.1 or 4.2.

**5.** The company’s objects are restricted to those set out in article 4 (but subject to

article 6).

**6.** The company may (subject to first obtaining the consent of OSCR) add to, remove

or alter the statement of the company’s objects in article 4; on any occasion when it

does so, it must give notice to the registrar of companies and the amendment will

not be effective until that notice is registered on the register of companies.

**Powers**

**7.** In pursuance of the objects listed in article 4 (but not otherwise), the company shall have the following powers:-

(a) (i) To encourage or undertake any event or project for the benefit of the Isle of Arran, Scotland.

(ii) To organise or hold social events on the Isle of Arran.

(b) To carry on any other activities which further any of the above objects.

(c) To promote other companies whose activities may further one or more of the

above objects, or may generate income to support the activities of this

company, acquire and hold shares in such other companies and carry out, in

relation to any such company which is a subsidiary of this company, all such

functions as may be associated with a holding company.

(d) To acquire and take over the whole or any part of the undertaking and

liabilities of any body holding property or rights which are suitable for the

company’s activities.

(e) To purchase, take on lease, hire, or otherwise acquire, any property or rights

which are suitable for the company’s activities.

(f) To improve, manage, develop, or otherwise deal with, all or any part of the

property and rights of the company.

(g) To sell, let, hire out, license, or otherwise dispose of, all or any part of the

property and rights of the company.

(h) To lend money and give credit (with or without security) and to grant

guarantees and issue indemnities.

(i) To borrow money, and to give security in support of any such borrowings by

the company, in support of any obligations undertaken by the company or in

support of any guarantee issued by the company.

(j) To employ such staff as are considered appropriate for the proper conduct of

the company’s activities, and to make reasonable provision for the payment

of pension and/or other benefits for members of staff, ex-members of staff

and their dependants.

(k) To engage such consultants and advisers as are considered appropriate

from time to time.

(l) To effect insurance of all kinds (which may include officers’ liability

insurance).

(m) To invest any funds which are not immediately required for the company’s

activities in such investments as may be considered appropriate (and to

dispose of, and vary, such investments).

(n) To liaise with other voluntary sector bodies, local authorities, UK or Scottish

government departments and agencies, and other bodies, all with a view to

furthering the company’s objects.

(o) To establish and/or support any other charity, and to make donations for any

charitable purpose falling within the company’s objects.

(p) To take such steps as may be deemed appropriate for the purpose of raising

funds for the company’s activities.

(q) To accept grants, donations and legacies of all kinds (and to accept any

reasonable conditions attaching to them).

(r) To oppose, or object to, any application or proceedings which may prejudice

the company’s interests.

(s) To enter into any arrangement with any organisation, government or authority

which may be advantageous for the purposes of the activities of the

company, and to enter into any arrangement for co-operation or mutual

assistance with any charity.

(t) To do anything which may be incidental or conducive to the furtherance of

any of the company’s objects.

**Restrictions on use of the company’s assets**

**8.** (a) The income and property of the company shall be applied solely

towards promoting the company’s objects.

(b) No part of the income or property of the company shall be paid or transferred

(directly or indirectly) to the members of the company, unless an agreed priced is paid for the property for which the company needs to dispose of.

(c) No director of the company shall be appointed as a paid employee of the

company; no director shall hold any office under the company for which a

salary or fee is payable.

(d) No benefit (whether in money or in kind) shall be given by the company to

any director except (i) repayment of out-of-pocket expenses or (ii)

reasonable payment in return for particular services (not being of a

management nature) actually rendered to the company.

**Liability of members**

**9.** Each member undertakes that if the company is wound up while he/she is a

member (or within one year after he/she ceases to be a member), he/she will

contribute - up to a maximum of £1 - to the assets of the company, to be applied

towards:

(a) payment of the company’s debts and liabilities contracted before he/she

ceases to be a member;

(b) payment of the costs, charges and expenses of winding up; and

(c) adjustment of the rights of the contributories among themselves.

**General structure**

**10.** The structure of the company consists of:-

(a) the MEMBERS - who have the right to attend any meeting of the company,

including the Regular Meetings, the Annual General Meeting and any

Extraordinary General Meeting, and have important powers under the

articles of association and the Act; in particular, the members elect people to

serve as directors and take decisions in relation to changes to the articles

themselves

(b) the DIRECTORS - who hold Regular Meetings during the period between

Annual General Meetings, and generally control and supervise the activities

of the company; in particular, the directors are responsible for monitoring the

financial position of the company.

**Qualifications for membership**

**11.** The members of the company shall consist of the subscribers to the memorandum of association and such other persons as are admitted to membership under articles 14 to 16.

**12.** Membership shall be open to any person who resides in the Isle of Arran, who has a particular interest in the Isle of Arran or whose normal place of work is on the island.

**13.** Employees of the company shall not be eligible for membership; a person who

becomes an employee of the company after admission to membership shall

automatically cease to be a member.

**Application for membership**

**14.** Any person who wishes to become a member must sign, and lodge with the

company, a written application for membership.

**15.** The directors may, at their discretion, refuse to admit any person to membership.

**16.** The directors shall consider each application for membership at the first meeting of directors which is held after receipt of the application; the directors shall, within a

reasonable time after the meeting, notify the applicant of their decision on the

application. If an application is lodged immediately before or during a Regular

Meeting (but not during a General Meeting), the directors present may, at the

discretion of the chair, consider the application at that meeting.

**Membership subscription**

**17.** No membership subscription shall be payable.

**Register of members**

**18.** The directors shall maintain a register of members, setting out the full name and

address of each member, the date on which he/she was admitted to membership,

and the date on which any person ceased to be a member.

**Withdrawal from membership**

**19.** Any person who wishes to withdraw from membership shall sign, and lodge with the company, a written notice to that effect; on receipt of the notice by the company, he/she shall cease to be a member. Any person who no longer meets any of the

qualifications for membership specified in Article 12 shall automatically cease to be

a member, even if no notice of withdrawal is submitted.

**Expulsion from membership**

**20.** Any person may be expelled from membership by special resolution (see article

33), providing the following procedures have been observed:-

(a) at least 21 days’ notice of the intention to propose the resolution must be

given to the member concerned, specifying the grounds for the proposed

expulsion

(b) the member concerned shall be entitled to be heard on the resolution at the

general meeting at which the resolution is proposed.

**Termination/transfer**

**21.** Membership shall cease on death.

**22.** A member may not transfer his/her membership to any other person.

**General Meetings**

**23.** The directors shall convene an Annual General Meeting in each year (but excluding the year in which the company is formed); the first Annual General Meeting shall be held not later than 18 months after the date of incorporation of the company.

**24.** Not more than 15 months shall elapse between one Annual General Meeting and

the next.

**25.** The business of each Annual General Meeting shall include:-

(a) a report by the chair on the activities of the company

(b) consideration of the annual accounts of the company

(c) the election/re-election of directors, as referred to in articles 51 to 53.

**26.** The directors may convene an Extraordinary General Meeting at any time.

**27.** The directors must convene an Extraordinary General Meeting if there is a valid

requisition by members (under section 303 of the Act) or a requisition by a resigning

auditor (under section 518 of the Act).

**Notice of General Meetings**

**28.** At least 14 clear days’ notice must be given of an Annual General Meeting or

Extraordinary General Meeting.

**29.** The reference to “clear days” in article 28 shall be taken to mean that, in calculating the period of notice, the day after the notice is posted, (or, in the case of a notice sent by electronic means, the day after it was sent) and also the day of the meeting, should be excluded.

**30.** A notice calling a meeting shall specify the time and place of the meeting; it shall (a) indicate the general nature of the business to be dealt with at the meeting and

(b) if a special resolution (see article 33) (or a resolution requiring special notice under the Act) is to be proposed, shall also state that fact, giving the exact terms of the resolution.

**31.** A notice convening an Annual General Meeting shall specify that the meeting is to be an Annual General Meeting; any other General Meeting shall be called an

Extraordinary General Meeting.

**32.** Notice of every General Meeting shall be given

(a) on the Lamlash Events Facebook page.

**Special resolutions and ordinary resolutions**

**33.** For the purposes of these articles, a “special resolution” means a resolution passed by 75% or more of the votes cast on the resolution at an Annual General Meeting or Extraordinary General Meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with articles 28 to

**32.** for the avoidance of doubt, the reference to a 75% majority relates only to the

number of votes cast in favour of the resolution as compared with the number of

votes cast against the resolution, and accordingly no account shall be taken of

abstentions or members absent from the meeting.

**34.** In addition to the matters expressly referred to elsewhere in these articles, the

provisions of the Act allow the company, by special resolution,

(a) to alter its name.

(b) to alter any provision of these articles or adopt new articles of association.

**35.** For the purposes of these articles, an “ordinary resolution” means a resolution

passed by majority vote (taking account only of those votes cast in favour as

compared with those votes against), at an Annual General Meeting or Extraordinary

General Meeting, providing proper notice of the meeting has been given in

accordance with articles 28 to 32.

**Procedure at General Meetings**

**36.** No business shall be dealt with at any General Meeting unless a quorum is present; the quorum for a General Meeting shall be 3 individuals entitled to vote (each being a member or a proxy for a member).

**37.** If a quorum is not present within 15 minutes after the time at which a General

Meeting was due to commence - or if, during a meeting, a quorum ceases to be

present - the meeting shall stand adjourned to such time and place as may be fixed

by the chairperson of the meeting.

**38.** The chair of the company shall (if present and willing to act as chairperson) preside as chairperson of each General Meeting; if the chair is not present and willing to act as chairperson within 15 minutes after the time at which the meeting was due to commence, the directors present at the meeting shall elect from among themselves the person who will act as chairperson of that meeting.

**39.** The chairperson of a General Meeting may, with the consent of the meeting,

adjourn the meeting to such time and place as the chairperson may determine.

**40.** Every member shall have one vote, which (whether on a show of hands or on a

secret ballot) may be given either personally or by proxy.

**41.** Any member who wishes to appoint a proxy to vote on his/her behalf at any meeting (or adjourned meeting):

(a) shall lodge with the company a written instrument of proxy (in such form as

the directors require), signed by him/her; or

(b) shall send by electronic means to the company, at such electronic address as

may have been notified to the members by the company for that purpose, an

instrument of proxy (in such form as the directors require),

providing (in either case), the instrument of proxy is received by the company at the

relevant address not less than 48 hours before the time for holding the meeting (or,

as the case may be, adjourned meeting).

**42.** An instrument of proxy which does not conform with the provisions of article 41, or which is not lodged or sent in accordance with such provisions, shall be invalid.

**43.** A member shall not be entitled to appoint more than one proxy to attend on the

same occasion.

**44.** A proxy appointed to attend and vote at any meeting instead of a member shall

have the same right as the member who appointed him/her to speak at the meeting

and need not be a member of the company.

**45.** A vote given, or ballot demanded, by proxy shall be valid notwithstanding that the

authority of the person voting or demanding a ballot had terminated prior to the

giving of such vote or demanding of such ballot, unless notice of such termination

was received by the company (or, where sent by electronic means, was received by

the company at the address notified by the company to the members for the

purpose of electronic communications) before the commencement of the meeting or

adjourned meeting at which the vote was given or the ballot demanded.

**46.** If there are an equal number of votes for and against any resolution, the

chairperson of the meeting shall not be entitled to a casting vote.

**47.** A resolution put to the vote at a General Meeting shall be decided on a show of

hands unless a secret ballot is demanded by the chairperson [or by at least two

persons present in person at the meeting and entitled to vote (whether as members

or proxies for members)]; a secret ballot may be demanded either before the show

of hands takes place, or immediately after the result of the show of hands is

declared.

**48.** If a secret ballot is demanded, it shall be taken at the meeting and shall be

conducted in such a manner as the chairperson may direct; the result of the ballot

shall be declared at the meeting at which the ballot was demanded.

**Maximum number of directors**

**49.** The maximum number of directors shall be 10.

**Eligibility**

**50.** A person shall not be eligible for election/appointment as a director unless he/she is a member of the company. At least half the directors at any time shall be residents of the Isle of Arran.

**Election, retiral, re-election**

**51.** At each Annual General Meeting, the members may (subject to articles 49 & 50)

elect any member (providing he/she is willing to act) to be a director.

**52.** The directors may at any time appoint any member (providing he/she is willing to

act) to be a director (subject to articles 49 & 50).

**53.** At each Annual General Meeting, all of the directors shall retire from office - but

shall then be eligible for re-election. The election of directors may be by show of

hands, or if requested by a member, by secret ballot for each individual member

nominated. In the event of there being more than 10 nominations, the 10 members

receiving the greatest number of positive votes shall be elected.

**Termination of office**

**54.** A director shall automatically vacate office if:-

(a) he/she ceases to be a director through the operation of any provision of the

Act or becomes prohibited by law from being a director.

(b) he/she becomes debarred under any statutory provision from being a charity

trustee.

(c) he/she becomes incapable for medical reasons of fulfilling the duties of their office and such incapacity is expected to continue for a period of more than six months.

(d) he/she ceases to be a member of the company.

(e) he/she becomes an employee of the company.

(f) he/she resigns office by notice to the company.

(g) he/she is absent (without permission of the directors) from more than three

consecutive meetings of the directors, and the directors resolve to remove

them from office.

(h) he/she is removed from office by ordinary resolution (special notice having

been given) in pursuance of section 168 of the Act.

**Register of directors**

**55.** The directors shall maintain a register of directors, setting out full details of each

director, including the date on which he/she became a director, and also specifying

the date on which any person ceased to hold office as a director.

**Office bearers**

**56.** The directors shall elect from among themselves a chair and a treasurer, and such other office bearers (if any) as they consider appropriate.

**57.** All of the office bearers shall cease to hold office at the conclusion of each Annual General Meeting, but shall then be eligible for re-election.

**58.** A person elected to any office shall cease to hold that office if he/she ceases to be a director, or if he/she resigns from that office by written notice to that effect.

**Powers of directors**

**59.** Subject to the provisions of the Act, and these articles, and subject to any directions given by special resolution, the company and its assets and undertaking shall be managed by the directors, who may exercise all the powers of the company.

**60.** A meeting of the directors at which a quorum is present may exercise all powers

exercisable by the directors.

**Personal interests**

**61.** A director who has a personal interest in any transaction or other arrangement

which the company is proposing to enter into, must declare that interest at a

meeting of the directors; he/she will be debarred (in terms of article 73) from voting

on the question of whether or not the company should enter into that arrangement.

**62.** For the purposes of the preceding article, a director shall be deemed to have a

personal interest in an arrangement if any partner or other close relative of his/hers

**or** any firm of which he/she is a partner **or** any limited company of which he/she is a

substantial shareholder or director (or any other party who/which is deemed to be

connected with him/her for the purposes of the Act), has a personal interest in that

arrangement.

**63.** Provided

(a) he/she has declared his/her interest

(b) he/she has not voted on the question of whether or not the company should

enter into the relevant arrangement and

(c) the requirements of article 65 are complied with,

a director will not be debarred from entering into an arrangement with the company

in which he/she has a personal interest (or is deemed to have a personal interest

under article 62) and may retain any personal benefit which he/she gains from his/

her participation in that arrangement.

**64.** No director may serve as an employee (full time or part time) of the company, and no director may be given any remuneration by the company for carrying out his/her

duties as a director.

**65.** Where a director provides services to the company or might benefit from any

remuneration paid to a connected party for such services, then

(a) the maximum amount of the remuneration must be specified in a written

agreement and must be reasonable.

(b) the directors must be satisfied that it would be in the interests of the

company to enter into the arrangement (taking account of that maximum

amount).

**66.** The directors may be paid travelling and other expenses reasonably incurred by

them in connection with their attendance at Regular Meetings of the directors,

General Meetings or meetings of committees, or otherwise in connection with the

carrying-out of their duties. Travelling expenses may only be paid from the address

in the Isle of Arran that qualifies the director to be a member of the company.

**Procedure at Regular Meetings**

**67.** Regular Meetings of the directors will be held at intervals not exceeding 6 months between General Meetings. Any director may call a meeting of the directors or request the secretary to call a meeting of the directors.

**68.** Questions arising at a meeting of the directors shall be decided by a majority of

votes by directors; if an equality of votes arises, the chairperson of the meeting shall

have a casting vote.

**69.** No business shall be dealt with at a meeting of the directors unless a quorum is

present; the quorum for meetings of the directors shall be 3 directors.

**70.** If at any time the number of directors in office falls below the number fixed as the

quorum, the remaining director(s) may act only for the purpose of filling vacancies

or of calling a General Meeting.

**71.** Unless he/she is unwilling to do so, the chair of the company shall preside as

chairperson at every meeting of the directors at which he/she is present; if the chair

is unwilling to act as chairperson or is not present within 15 minutes after the time

when the meeting was due to commence, the directors present shall elect from

among themselves the person who will act as chairperson of the meeting.

**72.** Any member and any other person whom the directors reasonably consider

appropriate, may attend and speak at any Regular Meeting; for the avoidance of

doubt, any such person, not being a director, who attends a Regular Meeting shall

not be entitled to vote.

**73.** A director shall not vote at a Regular Meeting (or at a meeting of a committee) on

any resolution concerning a matter in which he/she has a personal interest which

conflicts (or may conflict) with the interests of the company; he/she must withdraw

from the meeting while an item of that nature is being dealt with.

**74.** For the purposes of article 73, a person shall be deemed to have a personal interest in a particular matter if any partner or other close relative of his/hers **or** any firm of which he/she is a partner **or** any limited company of which he/she is a substantial shareholder or director, has a personal interest in that matter.

**75.** A director shall not be counted in the quorum present at a meeting in relation to a

resolution on which he/she is not entitled to vote.

**76.** The company may, by ordinary resolution, suspend or relax to any extent – either

generally or in relation to any particular matter – the provisions of articles 73 to 75.

**Conduct of directors**

**77.** Each of the directors shall, in exercising his/her functions as a director of the

company, act in the interests of the company; and, in particular, must

(a) seek, in good faith, to ensure that the company acts in a manner which is in

accordance with its objects;

(b) act with the care and diligence which it is reasonable to expect of a person

who is managing the affairs of another person;

(c) in circumstances giving rise to the possibility of a conflict of interest between

the company and any other party

(i) put the interests of the company before that of the other party, in taking decisions as a director, and

(ii) where any other duty prevents him/her from doing so, disclose the conflicting interest to the company and refrain from participating in any discussions or decisions involving the other directors with regard to the matter in question;

(d) ensure that the company complies with any direction, requirement, notice or

duty imposed on it by the Charities and Trustee Investment (Scotland) Act 2005.

**Delegation to sub-committees**

**78.** The directors may delegate any of their powers to any sub-committee consisting of one or more directors and such other persons (if any) as the directors may

determine; they may also delegate to the chair of the company (or the holder of any

other post) such of their powers as they may consider appropriate.

**79.** Any delegation of powers under article 78 may be made subject to such conditions as the directors may impose and may be revoked or altered.

**80.** The rules of procedure for any sub-committee shall be as prescribed by the

directors.

**Operation of bank accounts**

**81.** The signatures of two out of the signatories appointed by the directors shall be

required in relation to all operations (other than lodgement of funds) on the bank

and building society accounts held by the company; at least one out of the two

signatures must be the signature of a director.

**Company Secretary**

**82.** The directors shall (notwithstanding the provisions of the Act) appoint a company

secretary on the basis that the term of the appointment, the remuneration (if any)

payable to the company secretary and the conditions of appointment shall be as

determined by the directors. The company secretary may be removed by them at

any time.

**Minutes**

**83.** The directors shall ensure that minutes are made of all proceedings at General

Meetings, Regular Meetings and meetings of committees; a minute of any meeting

shall include the names of those present, and (as far as possible) shall be signed by

the chairperson of the meeting.

**Accounting records and annual accounts**

**84.** The directors shall ensure that proper accounting records are maintained in

accordance with all applicable statutory requirements.

**85.** The directors shall prepare annual accounts, complying with all relevant statutory

requirements; if an audit is required under any statutory provisions or if they

otherwise think fit, they shall ensure that an audit of such accounts is carried out by

a qualified auditor.

**86.** No member shall (unless he/she is a director) have any right of inspecting any

accounting or other records, or any document of the company, except as conferred

by statute or as authorised by the directors or as authorised by ordinary resolution

of the company.

**Notices**

**87.** Any notice which requires to be given to a member under these articles shall be

given either in writing or by electronic means; such a notice may be given

personally to the member *or* be sent by post in a pre-paid envelope addressed to

the member at the address last intimated by him/her to the company *or* (in the case

of a member who has notified the company of an address to be used for the

purpose of electronic communications) may be given to the member by electronic

means.

**88.** Any notice, if sent by post, shall be deemed to have been given at the expiry of 24 hours after posting; for the purpose of proving that any notice was given, it shall be sufficient to prove that the envelope containing the notice was properly addressed

and posted.

**89.** Any notice sent by electronic means shall be deemed to have been given at the

expiry of 24 hours after it is sent; for the purpose of proving that any notice sent by

electronic means was indeed sent, it shall be sufficient to provide any of the

evidence referred to in the relevant guidance issued from time to time by the

Chartered Institute of Secretaries and Administrators.

**Winding-up**

**90.** If on the winding-up of the company any property remains after satisfaction of all the company’s debts and liabilities, such property shall be transferred to such body or bodies (whether incorporated or unincorporated) as may be determined by the

members of the company at or before the time of dissolution (or, failing such

determination, by such court as may have or acquire jurisdiction), to be used solely

for a charitable purpose or charitable purposes.

**91.** To the extent that effect cannot be given to article 90, the relevant property shall be applied to some charitable purpose or purposes.

**Indemnity**

**92.** Every director or other officer or auditor of the company shall be indemnified (to the extent permitted by sections 232, 234, 235, 532 and 533 of the Act) out of the

assets of the company against any loss or liability which he/she may sustain or

incur in connection with the execution of the duties of his/her office; that may

include, without prejudice to that generality, (but only to the extent permitted by

those sections of the Act), any liability incurred by him/her in defending any

proceedings (whether civil or criminal) in which judgement is given in his/her favour

or in which he/she is acquitted **or** any liability in connection with an application in

which relief is granted to him/her by the court from liability for negligence, default or

breach of trust in relation to the affairs of the company.

**93.** The Company shall be entitled to purchase and maintain for any director insurance against any loss or liability which any director or other officer of the company may sustain or incur in connection with the execution of the duties of his/her office, and such insurance may extend to liabilities of the nature referred to in section 232(2) of the Act (negligence etc. of a director).