

## **Items for NEC Meeting - 21 Feb 20**

### **Plus Company Limited by Guarantee**

I have been looking at this for HAWOG, the outdoor activities group I am involved with.

Seems relatively easy and well worthwhile.

Think Francis was looking at this a while ago, although I think from a slightly different angle. So we should also take into account his work.

As things stand the committee(s) could be liable for any debts or claims against the organisation or group which exceed assets. We are insured, but insurance may not always cover everything.

So committee members who don't want to lose their houses should take this seriously!

A company limited by guarantee (CLG) is a type of corporation often used for non-profit organisations and clubs. (as opposed to small businesses which are usually a private company limited by shares.)

A company limited by guarantee is a distinct legal entity from its owners, and is responsible for its own debts. The personal finances of the company's guarantors are protected (ie the committee). They will only be responsible for paying company debts up to the amount of their guarantees (usually very low, often £1).

All companies limited by guarantee must be registered with Companies House, the Registrar of Companies in the UK.

A company limited by guarantee must have at least one director and one guarantor. A sole individual may assume both positions, or there can be multiple directors and guarantors (so probably the committee). Information about all directors and guarantors will be available on public record.

Setting up a Company Limited by Guarantee is basically not expensive, less than £50. but we might need some advice to make sure we are doing it the right way.

HAWOG has about 200 members and one legal entity.

Plus has around 300 members and it is who knows how many legal entities. This is crazy.

Hope going to have a serious discussion at the Nat AGM. If we do decide to try and re-build as one organisation under one identity then we need to have a sensible structure.

Become one legal entity as national plus (ie whatever we decide to call it). Need to look into it but hope areas and groups could continue to have own bank accounts, etc. But they would be legally part of national plus. National plus would be a CLG so all committees would inherit that protection (as sub-committees of national).

We would probably need to pay for some advice to get this right. But we have loads of money and it would likely only be a few hundred.

Being a registered company and trademarking our name would also have advantages with respect to protecting our name – see below....

### **Companies Calling Themselves Plus Groups**

We have discussed at NEC a company calling themselves Plus Groups.

There's a display stands and graphics company using the website [www.plus-display.co.uk](http://www.plus-display.co.uk) who were advertising themselves as The Plus Group Limited, but do not seem to be doing so at the moment. They've got offices in Stoke on Trent and London.

I recall the discussion before was about an exhibitions company in Liverpool who had put up a temporary website saying they were going to rename themselves as Plus Groups. So not sure if actually the same company. We were going to contact them. But it looks like the re-naming never happened and now the temporary site seems to have disappeared.

However an American company called Plus Groups has appeared. Using [www.plusgroups.com](http://www.plusgroups.com) when we are [www.plusgroups.org.uk](http://www.plusgroups.org.uk)

This is Much more difficult. We have not trademarked our name (as far as I know). In UK we still have common law rights because it has been in use for many years. In the US this is not acknowledged unless “passing off”, ie in the same business and could be confused. Otherwise the rule in the US is the first to register the name gets it.

It is a problem as they are now ranking above our Plus Groups in search. And doing advertising. People may not find us or may be confused.

Although I'd like our advertising plus groups site to be on a different domain. See that discussion in my report and I hope we will get resolved at the National AGM.

Likely very little we can do. I've researched it and wary of writing to them. American companies can be extremely aggressive. There are cases where if a complaint is made against them and they have the rights – which it seems they clearly have – they have taken action against the complainer for threatening them without a basis.

Very likely that's why the Liverpool Plus Groups disappeared.

Don't want to take any risk of a huge bill we can't afford. And risk to us as committee members. Which brings me back to CLG – see above....

Jeff