

The Companies Act 2006
Company Limited by Guarantee
Articles of Association

of

The York BID Company Limited (**Company**)

Amended by Special Resolution on 13 June 2017

1. Definitions and Interpretation

In these Articles

"Act" means the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force;

"Articles" means the articles of association of the Company for the time being in force,

"BID" means the York city centre Business Improvement District, as provided for under the Local Government Act 2003,

"BID Area" means the area within which the Company operates the BID;

"BID Levy" means the charges to be levied and collected against the BID Levy Payers within the BID Area;

"BID Levy Payers" means those persons who are responsible for paying the BID Levy;

"BID Members" shall have meaning given to them in article 8;

"BID Proposal" means the plan voted for by the BID Members which sets out the objectives of the BID,

"Board" means the board of Directors acting collectively;

"clear days" in relation to a period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

"communication" has the same meaning as in the Electronic Communications Act 2000;

"Directors" the Directors of the Company from time to time;

"electronic communication " has the same meaning as in the Electronic Communications Act 2000;

"Executed" includes any mode of execution;

"Independent Business" means any BID Levy Payer whose business is not part of a multi-national or international company and operates fewer than 15 businesses of the same name in the United Kingdom;

"Independent Retail" means a retail business which is an Independent Business;

"Local Authorities" means local councils (including parish councils and town councils);

"Make It York" means Make It York Limited, a private limited company registered with number 09308493 being a wholly owned subsidiary of City of York Council having its registered office at 1 Museum Street, York, YO1 7DT;

"Members" means BID Members, Public Sector Members and Voluntary Members collectively;

"Memorandum" means the memorandum of association of the Company;

"Public Sector Members" means those Members of the Company consisting of Strategic Agencies or Local Authorities (including for these purposes Make It York) or such other bodies from the public sector as may be admitted as Members but who shall not be permitted voting rights in relation to any business conducted at general meeting;

"Regulations" means the Business Improvement Districts (England) Regulations 2004 (as may be amended from time to time);

"Strategic Agency" means any government body, public sector body or regional body within the United Kingdom;

"Small Business" means any BID Levy Payer with a rateable value below £12,500 as at the date of adoption of these Articles and thereafter as determined by resolution of the Members from time to time;

"United Kingdom" means Great Britain and Northern Ireland;

"Voluntary Contributions" means contributions made to the Company by Voluntary Members or BID Members to be used towards securing or procuring the BID Proposal and its objectives of the Company;

"Voluntary Member" means a Member who has made or committed to make a Voluntary Contribution and who has entered into a Voluntary Member's Agreement; and

"Voluntary Member's Agreement" means an agreement entered into between a Voluntary Member or and the Company which sets out the basis of Membership of the Company and sets out the terms of the annual subscription and/or basis upon which voluntary contributions shall be made.

2. In these Articles

- 2.1 Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the Company.
- 2.2 The headings in these Articles are for convenience only and shall be ignored in construing the language or meaning of these Articles.
- 2.3 Words importing the singular number only shall include the plural number and vice versa, words importing the masculine gender only shall include the feminine gender, and words importing persons shall include corporations.
- 2.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.

3. Objects

The objects for which the Company is established are

- 3.1 to secure or procure the objectives and aspirations set out in the Company's BID Proposal;
 - 3.2 to provide, promote, facilitate or advance the BID Area as a better place to invest, work, do business, visit and live;
 - 3.3 to promote or advance directly or indirectly the regeneration and economic wellbeing of the BID Area;
 - 3.4 to improve, within the BID Area, directly or indirectly, environmental standards, reduce crime, increase investment, enhance investment performance;
 - 3.5 to promote schemes to improve the environmental quality of the BID Area;
 - 3.6 to support redevelopment of property within the BID Area so as to enhance the environment and where appropriate to preserve, repair and maintain (directly or indirectly) for the benefit of the general public buildings of historical, architectural, community or constructional interest in the BID Area;
 - 3.7 to support the conservation, protection and improvement (where appropriate) of the physical and natural environment in the BID Area; and
 - 3.8 to procure, promote or carry out any form of entertainment in the BID Area.
- 4.** In furtherance of the objects set out at article 3 but not further or otherwise the Company shall have the following powers:
- 4.1 to carry out any act which is within, conducive to or facilitated by Part 4 of the Local Government Act 2003 (as may be amended) or such regulations regulating the operation of BIDs as may be prescribed by the Secretary of State;
 - 4.2 to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Company may think necessary or convenient for the furtherance of its objects, and to construct, maintain and alter any buildings or erections necessary or convenient for the work of the Company;
 - 4.3 to sell, let, sub-let, lease, mortgage, dispose of or turn to account all or any of the property or assets of the Company as may be thought expedient and to accept surrenders of leases and tenancies and to make allowances to and arrangements with tenants, as may be deemed expedient in the interests of the Company;
 - 4.4 to undertake and execute any charitable trusts which may lawfully be undertaken by the Company, and to hold and administer any property or funds subject to any such trust;
 - 4.5 subject to such consents as may be required by law, to borrow or raise money for the purposes of the Company on such terms and on such security as may be thought fit;
 - 4.6 to invest the moneys of the Company not immediately required for its purposes in or upon such investments, securities and property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided;
 - 4.7 either alone or jointly with any other person or body of persons to promote or approve any Act of Parliament, Royal Charter or other measure with a view to the attainment of the objects of the Company, or any of them, and to oppose any Bills, proceedings or applications which seem calculated to prejudice the attainment of the objects of the Company, or any of them,

and for all or any of the purposes aforesaid to petition Parliament, to promote deputations and generally take such steps and proceedings as may be deemed expedient;

- 4.8 to produce, edit, print, publish, sell, hire or otherwise deal in journals, newspapers, magazines, periodicals, brochures, pamphlets and other literature, and to disseminate by means of cinema and other exhibitions, television or radio broadcasting or otherwise information of such matters as appertain and relate and are ancillary to the Bid Proposal or that may in any way further the objects of the Company, and to establish, support, or co-operate with any other charitable organisation whose aim is to publicise or promote the Bid Proposal in a manner approved by the Company;
- 4.9 to take any gift of property, whether subject to any special trust or not, for any of the objects of the Company, and to take steps by personal or written appeals, public meetings, exhibitions, displays, competitions, or otherwise, as may be from time to time deemed expedient for procuring contributions, donations and annual or other subscriptions to the funds of the Company;
- 4.10 to establish and/or support or aid any establishment and any charitable association or institution and to subscribe and guarantee money or covenant money for charitable purposes in any way connected with the purposes of the Company;
- 4.11 to affiliate or co-operate with any other organised charitable body or any other BID Company in the United Kingdom, Europe, or elsewhere, having objects similar to those of the Company, with a view to furthering the objects of the Company, and to amalgamate with any charitable company having objects similar to those of the Company;
- 4.12 to make such rules and regulations for the management and administration of the Company and for matters connected therewith as the Company in its discretion think fit from time to time to so add amend vary revoke or replace any such rules and regulations but so that nothing in this sub-clause shall be deemed to authorise any application of any part of the investments and property held by or on behalf of the Company or the income thereof otherwise than in conformity with the Articles;
- 4.13 to appoint and constitute such committees, boards or bodies (whether advisory or not) as the Company may consider desirable for the better management and administration of the Company and to make amend vary revoke and replace rules and regulations for the purpose of defining their functions powers and organisation and also (if the Company shall think fit) to pay an honorarium or fee or salary to defray expenses incurred by any member of such committee board or body appointed as aforesaid;
- 4.14 to apply for and take out, purchase or otherwise acquire, any patents, patent rights, brevets d'invention, inventions, licences, conversions, trade marks, or secret processes, which may further the objects of the Company, and to grant licences to use the same;
- 4.15 to cause the Company to be registered or otherwise incorporated in accordance with the laws of any foreign country where the Company's work is or is to be carried on;
- 4.16 to pay all or any expenses incurred in connection with the promotion and incorporation of the Company, and to remunerate any person, firms or company rendering services to the Company, either by cash payment or otherwise; and
- 4.17 to do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

PROVIDED THAT

- 4.17.1 In case the Company shall take or hold any property which may be subject to any trust, the Company shall only deal with or invest in the same in such manner as allowed by law, having regard to such trust

- 4.17.2 In case the Company shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales, the Company shall not sell, mortgage, charge or lease the same without such authority, approval or consent as may be required by law, and as regards any such property the governing body of the Company shall be chargeable for any such property that may come into their hands and shall be answerable and accountable for their own acts, receipt, neglects and defaults, and for the due administration of such property in the same manner and to the same extent as they would as such governing body have been if no incorporation had been effected

5. Not for Distribution

The income and property of the Company wheresoever derived, shall be applied solely towards the promotion of the objects of the Company and no portion thereof shall be paid or transferred directly or indirectly by way of dividend or bonus or otherwise howsoever by way of profit to the members of the Company PROVIDED THAT nothing herein shall prevent any payment in good faith by the Company of;

- 5.1 interest on money lent to the Company by any member of the Company at a rate per annum not exceeding a reasonable and proper commercial rate;
- 5.2 reasonable and proper rent for premises demised or let to the company by any member of the Company; and
- 5.3 reasonable and proper remuneration to any member, officer or servant of the Company in return for any services actually rendered to the Company.

6. Guarantee

The liability of each Member is limited to £1, being the amount that each Member undertakes to contribute to the assets of the Company in the event of its being wound up while he is a Member or within one year after he ceases to be a Member, for:-

- 6.1 payment of the Company's debts and liabilities contracted before he ceases to be a Member;
- 6.2 payment of the costs, charges and expenses of the winding up; and
- 6.3 adjustment of the rights of the contributories among themselves.

7. Winding Up

If upon the winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members, but shall be given or transferred to some other institution or institutions in the United Kingdom having objects similar to the objects of the Company, and which shall prohibit the distribution of its or their income and property amongst its or their members to an extent at least as great as is imposed on the Company under or by virtue of article 5, such institution or institutions to be determined by the members of the Company at or before the time of dissolution, and if and so far as effect cannot be given to this provision, then to some other charitable object.

8. Members

The subscribers to the Memorandum and such other persons as are admitted to Membership in accordance with the Articles shall be Members.

9. Membership of the Company shall be determined as follows

BID Members those BID Levy Payers who have provided written confirmation to the Company that they are BID Levy Payers and wish to be formally admitted as BID Members;

and

Public Sector Members those members of the Company consisting of Strategic Agencies or Local Authorities (including for these purposes Make It York) or such other bodies from the public sector as may be admitted as members, and

Voluntary Members those persons who have applied for Membership to the Board, in such format as the Directors shall require, and who have entered into a Voluntary Member's Agreement.

10. A BID Member may be removed as a Member of the Company by:-
 - 10.1 the passing of a resolution of the Members; or
 - 10.2 the Board, in circumstances where a BID Member has failed to pay any BID Levy that has become due and payable.
11. A Voluntary Member may be removed as a Member of the Company by the Board if it is in material breach of the Voluntary Member's Agreement to which it is a party.
12. Any body corporate, partnership, Strategic Agency, Local Authority or unincorporated association admitted as a Member of the Company shall nominate an individual to act as a representative of such body in respect of the Company from time to time and the Member shall have the right to remove such individual and upon his removal nominate another person in his place. The representative nominated from time to time shall exercise all rights as a Member provided that where such a body acts through a representative the body shall first deposit a letter of appointment of authority with the Company before such representatives shall have authority to so act.
13. A Member may at any time withdraw from the Company by giving at least seven clear days' notice in writing to the Company.
14. No Member shall be entitled to attend or vote at a general meeting of the Company if any fees, subscription or levies (including for the avoidance of doubt the BID Levy) that have become due and payable by it to the Company have not been paid in full and cleared funds at least 24 hours prior to the commencement of the general meeting.
15. **General Meetings**
 - 15.1 All general meetings other than annual general meetings shall be called extraordinary general meetings.
 - 15.2 The Board may call a general meeting at any time and, on the requisition of Members pursuant to the provisions of the Act, shall convene an extraordinary general meeting for a date not later than 28 days after receipt of the requisition. If there are not within the United Kingdom sufficient Directors to call a general meeting any Member may call a general meeting.
16. **Notice of general meetings**
 - 16.1 An annual general meeting shall be called by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the Members having a right to attend and vote being a majority together holding not less than ninety-five per cent of the total voting rights at the meeting of all the Members.
 - 16.2 The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

16.3 The notice shall be given to all the Members, Directors and the auditors of the Company, and shall provide such details of all special resolutions to be proposed at the general meeting.

17. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

18. Proceedings at general meetings

18.1 No business shall be transacted at any meeting unless a quorum is present, such quorum to consist of 2 Members (or their nominated representative), save that, if and so long as the Company has only one Member, one Member present in person or by proxy shall be a quorum.

18.2 If a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Directors may determine.

18.3 The chairman, if any, of the Board or in his absence some other Director nominated by the Directors shall preside as chairman of the meeting, but if neither the chairman nor such other Director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he shall be chairman.

18.4 If no Director is willing to act as chairman, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present and entitled to vote shall choose one of their number to be chairman.

18.5 A Director shall, notwithstanding that he is not a Member, be entitled to attend and speak at any general meeting.

18.6 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted Otherwise it shall not be necessary to give any such notice.

18.7 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded Subject to the provisions of the Act, a poll may be demanded;

18.7.1 by the chairman; or

18.7.2 by at least two Members having the right to vote at the meeting; or

18.7.3 by a Member or Members representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting,

and a demand by a person as proxy for a Member shall be the same as a demand by the Member.

18.8 Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried, unanimously or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

- 18.9 The demand for a poll, may before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 18.10 A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be Members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 18.11 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.
- 18.12 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded if a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 18.13 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 18.14 A resolution in writing executed by or on behalf of each Member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more Members.

19. **Votes of Members**

- 19.1 Subject to articles 14 and 18.10 on a show of hands every Member (or their nominated representative) present in person shall have one vote. On a poll every Member (or their nominated representative) present in person or by proxy shall have one vote.
- 19.2 A Member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bones or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or such other place as is specified in accordance with the Articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
- 19.3 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
- 19.4 The appointment of a proxy shall be executed by or on behalf of the appointer and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve)

[] Limited

I/We [] of [], being a member/members of the above-named company, hereby appoint [] of [], or failing him, [] of [], as my/our proxy to vote in my/our name[s] and on my/our behalf the

annual/extraordinary general meeting of the company to be held on [], and at any adjournment thereof

Signed on []

- 19.5 Where it is desired to afford Members an opportunity of instructing the proxy how he shall act the appointment of a proxy shall **be** in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve)

I/We [] of [], being a Member/Members of the above-named company, hereby appoint [] of [], or failing him, [] of [], as my/our proxy to vote in my/our name[s] and on my/our behalf the annual/extraordinary general meeting of the company to be held on [], and at any adjournment thereof

Signed on []

This form is to be used in respect of the resolutions mentioned below as follows

Resolution No 1 [] for [] against

Resolution No 2 [] for [] against

Strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting

Signed this [] day of [].

- 19.6 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

- 19.7 In the case of an instrument in writing being deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote

- 19.8 In the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications

19.8.1 in the notice convening the meeting; or

19.8.2 in any instrument of proxy sent out by the Company in relation to the meeting; or

19.8.3 in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting;

19.8.4 be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;

19.8.5 in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or

19.8.6 where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any Director

and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid In this article and the next, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.

- 19.9 A vote given or poll demanded by a proxy or by the duly authorised representative of a body corporate, Local Authority or Strategic Agency shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited or, where the appointment of the proxy was contained in an electronic communication, at the address at which such appointment was duly received before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

20. Number of Directors

- 20.1 Unless otherwise determined by ordinary resolution, the minimum number of Directors (other than alternate Directors) shall be not less than three and there shall be no maximum save that if there is only one Member of the Company for the time being the minimum number of Directors shall be one

- 20.2 The Board shall include Directors representing the following sectors or member types up to the numbers specified below,

20.2.1 Independent Retail – 2 Directors

20.2.2 Retail – 2 Directors

20.2.3 Culture/Education – 1 Director

20.2.4 Professional – 2 Directors

20.2.5 Hospitality - 2 Directors

20.2.6 City of York Council Elected Members - 2 Directors

20.2.7 Make It York - 2 Directors

A Director is required to be a duly authorised representative of a BID Member unless the Board in their absolute discretion shall determine that a proposed Director can properly represent a relevant sector of BID Members.

- 20.3 The Board may invite such other individuals as they may feel fit to attend board meetings

provided that for the avoidance of doubt such representatives shall perform only an observatory and advisory role to the boards and shall be elected by the Directors (and such other committees or sub-committee of the Company) and shall not be permitted to vote at board meetings nor become a director.

- 20.4 Subject as provided for in article 20.5 below, the Directors shall be appointed in accordance with articles 24.1 - 24.5 (inclusive).

- 20.5 Notwithstanding anything to the contrary contained in these Articles each of City of York Council and Make it York shall be entitled to appoint, by notice in writing addressed to the Company, and maintain in office, one Director and to remove any such Director and to appoint a replacement and no Director so appointed shall be required to retire by rotation.

21. Alternate Directors

- 21.1 Any Director (other than an alternate Director) may appoint any other Director, or any other person approved by resolution of the Directors and willing to act, to be an alternate Director and may remove from office an alternate Director so appointed by him.

- 21.2 An alternate Director shall be entitled to receive notice of all meeting of Directors and of all meetings of committees of Directors of which his appointor is a Member, to attend and vote at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate Director but it shall not be necessary to give notice of such a meeting to an alternate Director who is absent from the United Kingdom.
- 21.3 An alternate Director shall cease to be an alternate Director if his appointor ceases to be a Director, but, if a Director retires by rotation or otherwise but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his reappointment.
- 21.4 Any appointment or removal of an alternate Director shall be by notice to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Directors.
- 21.5 Save as otherwise provided in the Articles, an alternate Director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointment him.

22. Powers of Directors

- 22.1 Subject to the provisions of the Act, the Articles and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. A meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.
- 22.2 Subject to establishing a prudent reserve to cover bad debts and contingencies, the Directors may not reduce the overall amount proposed to be spent under the BID Proposal unless approved by a special resolution of the Members.
- 22.3 The Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

23. Delegation of Directors' powers

The Directors may delegate any of their powers to any committee consisting of one or more Directors. They may also delegate to any managing director or any Director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of their powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more Directors shall be governed by the Articles regulating the proceedings of Directors so far as they are capable of applying.

24. Appointment and retirement of Directors

- 24.1 Subject to article 20.5, at each annual general meeting of the Company any Director then in office:-
- 24.1.1 who has been appointed by the Board in accordance with Article 24.6; or
- 24.1.2 for whom it is the second annual general meeting following the annual general meeting at which he was elected or last re-elected

shall retire from office but shall be eligible for re-appointment.

- 24.2 A Director who retires at an annual general meeting may, if willing to act, be reappointed. If he is not reappointed he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.
- 24.3 If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.
- 24.4 No person other than a Director retiring by rotation shall be appointed or reappointed a Director at any general meeting unless
- 24.4.1 he is recommended by the Directors; or
- 24.4.2 not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a Member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Company's register of Directors together with notice executed by that person of his willingness to be appointed or reappointed.
- 24.5 Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a Director retiring by rotation at the meeting) who is recommended by the Directors for appointment or reappointment as a Director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment or reappointment as a Director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the Company's register of Directors.
- 24.6 Subject as aforesaid, the Board may by resolution appoint any person who is willing to act to be a Director either to fill a vacancy or as an additional Director provided that such Director shall resign at the next Annual General Meeting, but provided further that such Director shall be eligible for re-appointment at such meeting.

25. Disqualification and removal of Directors

- 25.1 The office of a Director shall be vacated if -
- 25.1.1 he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director; or
- 25.1.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- 25.1.3 he is, or may be, suffering from mental disorder and either:
- (a) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or
- (b) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other

person to exercise powers with respect to his property or affairs;

- 25.1.4 he resigns his office by notice to the Company;
- 25.1.5 he ceases to be a duly authorised representative of a BID Member or, in the opinion of the Board is unable to properly represent the groups of BID Members he was elected to represent.
- 25.1.6 he shall for more than twelve consecutive months have been absent without permission of the Directors from meetings of Directors held during that period and the Directors resolve that his office be vacated.

26. Remuneration of Directors

The Directors shall not be entitled to any remuneration by virtue of their office.

27. Directors' expenses

The Directors may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors or general meetings or separate meetings of the holders of debentures of the Company or otherwise in connection with the discharge of their duties.

28. Directors' appointments and interests

28.1 Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:-

- 28.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
- 28.1.2 may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
- 28.1.3 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground on any such interest or benefit.

28.2 For the purposes of article 28.1

- 28.2.1 a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- 28.2.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

29. Proceedings of Directors — The Board

29.1 Subject to the provisions of the Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the secretary (if any) of the Company at the request of a Director shall, call a meeting of the Board It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. A Director who is also an alternate Director shall be entitled in

the absence of his appointer to a separate vote on behalf of his appointer in addition to his own vote.

- 29.2 The quorum for the transaction of the business of the Board may be fixed by the Directors and unless so fixed at any other number shall be 3 A person who holds office only as an alternate Director shall, if his appointor is not present, be counted in the quorum.
- 29.3 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting.
- 29.4 Subject to Article 29.13 the Directors may appoint one of their number to be the chairman of the board of Directors and may at any time remove him from that office. Unless he is unwilling to do so, the Director so appointed shall preside at every meeting of Directors at which he is present but if there is no Director holding that office, or if the Director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be chairman of the meeting and for the purposes of this provision Article 29.13 shall not apply. In the case of an equality of votes at a meeting of the Board, the chairman shall have a second or casting vote.
- 29.5 All acts done by a meeting of Directors, or of a committee of Directors, or by a person acting as a Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.
- 29.6 A resolution in writing signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the like form each signed by one or more of the Directors, but a resolution signed by an alternate Director need not also be signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director in that capacity.
- 29.7 Subject to article 28.1 and provided he shall have disclosed his interest as required by the Act, a Director may vote at any meeting of the board or at any committee of the board on any resolution notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest If such Director shall vote on any such resolution as aforesaid, his vote shall be counted, and in relation to any such resolution as aforesaid, he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.
- 29.8 A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
- 29.9 The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a Director from voting at a meeting of Directors or of a committee of Directors.
- 29.10 Where proposals are under consideration concerning the appointment of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each Director separately and (provided he is not for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
- 29.11 If a question arises at a meeting of Directors or of a committee of Directors as to the right of a

Director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive.

29.12 Amongst the functions of the Board shall be to:

29.12.1 define and ensure compliance with the objectives of the Company, including, without limitation the objectives as contained in the BID Proposal;

29.12.2 establish policies and plans to meet those objectives;

29.12.3 approve each year's budget prior to publication;

29.12.4 establish and oversee a framework for delegation and control to employees, officer committees and sub-committees (as appropriate);

29.12.5 agree policies and make decisions on all matters that create a significant financial risk to the Company;

29.12.6 monitor the Company's performance in relation to these plans, budgets, controls and decisions;

29.12.7 appoint (and if necessary remove) the any staff; and

29.12.8 from time to time as they see fit (or if required by the Regulations) arrange meetings to which the BID Members and/or Voluntary Members and/or Public Sector Members be invited.

29.13 Any person appointed as Chairman by the Directors pursuant to Article 29.4 shall (unless there is no one who has served the requisite period or no one who has served the requisite period who is willing to act) have been a member of the Board for a minimum of 12 continuous months prior to his appointment.

30. Secretary

Subject to the provisions of the Act, the Directors may appoint a secretary for such term, as such remuneration and upon such conditions as they may think fit, and any secretary may be removed by them,

31. Minutes

The Directors shall cause minutes to be made in books kept for the purpose -

31.1 of all appointments of officers made by the Directors; and

31.2 of all proceedings at meetings of the Company and of the Directors, and of committees of Directors, including the names of the Directors present at each such meeting.

32. Accounts

No Member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the Directors or by ordinary resolution of the Company.

33. Notices

- 33.1 Any notice to be given to or by any person pursuant to the Articles (other than a notice calling a meeting of the Directors) shall be in writing or shall be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice. In this regulation, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.
- 33.2 The Company may give any notice to a Member either personally or by sending it by post in a prepaid envelope addressed to the Member at his registered address or by leaving it at that address or by giving it using electronic communications to an address for the time being notified to the Company by the Member. A Member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him, or an address to which notices may be sent using electronic communications, shall be entitled to have notices given to him at that address, but otherwise no such Member shall be entitled to receive any notice from the Company. In this regulation and the next, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.
- 33.3 A Member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 33.4 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted or, in the case of a notice contained in an electronic communication, at the expiration of 48 hours after the time it was sent.

34. Indemnity

Subject to the provisions of the Act but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the Court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

35. Changes to the Articles

Any changes to the Articles shall require the passing of a special resolution by those Members entitled to vote at a general meeting.