

# The Companies Acts 1985 and 1989

## Company Limited by Guarantee

### Articles of Association

#### Heart of London Business Alliance

#### Interpretation

1 In these regulations:

the **Act** means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force

the **Articles** means the articles of the company

the **Board** means the Board of Directors of the company acting collectively

the **BID** means the Heart of London business improvement district as set up under the Regulations

the **BID Area** means the area within which the company operates the BID

the **BID Levy** means the charge to be levied and collected against non domestic ratepayers within the area of the BID

the **BID Members** means those members of the company who are non-domestic ratepayers responsible for paying the BID Levy

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

**Clear Days** in relation to the 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** means the same as in the Electronic Communications Act 2000

**Electronic Communication** means the same as in the Electronic Communications Act 2000

**Executed** includes any mode of execution of a deed or document

**Office** means the registered office of the company

**Local Authority Representative** means an individual representing Westminster City Council

**Local Authorities** means local councils (including Parish Councils and Town Councils)

**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 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 meetings

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

**Representatives** means the Local Authority Representative and any representative from any Strategic Agency collectively

the **Seal** means the common seal of the company

**Secretary** means the secretary of the company or any other person appointed to perform the duties of the secretary of the company, including a joint, assistant or deputy secretary

**Strategic Agencies or Agency** means any government body, public sector body or regional body within the UK

the **Subscribers** means those Members consisting of Burford Group and Land Securities PLC

the **United Kingdom** means Great Britain and Northern Ireland

the **Voluntary Members** means those members of the company who make Voluntary Contributions to the company for the purposes of securing or procuring the objectives of the BID Proposal and the objectives of the company

the **Voluntary Membership Agreement** means an Agreement to be entered into between a Voluntary Member and the company which sets out the basis of membership of the company and sets out the basis upon which voluntary payments shall be made

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.

## Members

2 The subscribers to the Memorandum of Association of the company and such other persons as are admitted to membership in accordance with the Articles shall be members of the company.

3 Membership of the company shall be determined as follows:-

**BID Members** – prior to membership such members shall be required to provide written confirmation to the company confirming that they wish to be admitted as a member of the company whereupon they shall be formally admitted as BID Members

and

**Voluntary Members** – prior to membership such members shall be required to submit an application for membership to the Board in such form as the directors shall require. Such group or person shall not be admitted as a Voluntary Member unless first approved by the directors. Voluntary Members shall be required to enter into a Voluntary Membership Agreement as a condition of membership.

and

**Public Sector Members** - prior to membership such members shall be required to submit an application for membership to the Board in such form as the directors shall require. Such group or person shall not be admitted as a Public Sector Member unless first approved by the directors.

- 4 A member shall be removed as a member of the company by the passing of a resolution by 75% (seventy five per cent) or more of the members at a general meeting (approving a members removal) by those members entitled to vote at a general meeting if:
- (a) a complaint in writing ("Complaint") shall have been sent to the Members about conduct detrimental to the interests of the company not less than 28 (twenty eight) days before and excluding the date of the said general meeting;
  - (b) the Complaint shall have contained details of the conduct complained of;
  - (c) the Member the subject of the Complaint shall have been given the opportunity to answer the Complaint and justify why their company membership should not be terminated; and
  - (d) at the said general meeting Members shall have considered evidence which shall have supported the Complaint and any evidence presented by the Members who is the subject of the complaint.
- 5 Any corporate body, 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 shall exercise all rights as a member provided that where such a body acts through a representative such body shall first deposit a letter of appointment of authority with the company before such representatives shall have authority to act in respect of the company.
- 6 At no time shall Local Authority Representatives be permitted to be a member or director of the company where the total number of members or directors made up of Local Authority Representatives will account for 20% (twenty per cent) or more of the overall number of members for the company so as to ensure that the company shall not be under the control of a Local Authority and/or regulated, or subject to the influence of a Local Authority.
- 7 A Member may at any time withdraw from the company by giving at least 28 (twenty eight) Clear Days' notice to the company provided that if such notice is served by a BID Member then it will only be effective on the basis that the BID Member is moving from its premises located within the BID Area to premises outside the BID Area. Membership shall not be transferable.

### **General meetings**

- 8 All general meetings other than annual general meetings shall be called extraordinary general meetings. A general meeting shall be held at least once every 15 (fifteen) months from the last date that a general meeting was held.
- 9 The directors may call general meetings and, on the requisition of Members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any Member of the company may call a general meeting.

### **Notice of general meetings**

- 10 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called by at least 21 (twenty one) Clear Days' notice. All other extraordinary general meetings shall be called by at least 14 (fourteen) Clear Days' notice but a general meeting may be called by shorter notice if it is so agreed:
- (a) in the case of an annual general meeting, by all the Members entitled to attend and vote thereat; and

- (b) in the case of any other meeting by a majority in number of the Members having a right to attend and vote being a majority together holding not less than 95% (ninety-five) per cent of the total voting rights at the meeting of all the Members.

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.

The notice shall be given to all the Members and to the directors and auditors and shall provide details of all special, extraordinary and elective resolutions to be proposed at the general meeting.

- 11 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.

### **Proceedings at general meetings**

- 12 No business shall be transacted at any meeting unless a quorum is present. Such quorum to consist of the following persons entitled to vote upon the business transacted each being a member or proxy for a member or duly authorised representative of a corporation shall be a quorum consisting of 4 (four) Members (made up of BID Members or Voluntary Members) who shall be entitled to vote in relation to all business conducted at general meetings and extraordinary general meetings.
- 13 All Members shall be entitled to attend such meetings and receive notice of the said meetings.
- 14 If such a quorum is not present within 30 (thirty) minutes 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.
- 15 The chairman, if any, of the board of directors 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 15 (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.
- 16 If no director is willing to act as chairman, or if no director is present within 15 (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.
- 17 A director shall, notwithstanding that he is not a Member, be entitled to attend and speak at any general meeting.
- 18 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 14 (fourteen) days or more, at least 7 (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.
- 19 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:
  - (a) by the chairman; or

- (b) by at least 2 (two) members having the right to vote at the meeting; or
- (c) 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.

- 20 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.
- 21 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.
- 22 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.
- 23 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.
- 24 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 30 (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.
- 25 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 7 (seven) Clear Days' notice shall be given specifying the time and place at which the poll is to be taken.
- 26 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.

### **Votes of Members**

- 27 On a show of hands every BID Member and Voluntary Member present in person shall have 1 (one) vote. On a poll every Member present in person or by proxy shall have 1 (one) vote.
- 28 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 bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis 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 at such other place as is specified in accordance with the Articles for the deposit of instruments of proxy, not less than 48 (forty eight) 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.

29 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.

30 The appointment of a proxy shall be executed by or on behalf of the appointor 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) -

"\*\* PLC/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 at the annual/extraordinary general meeting of the company to be held on \*\* , and at any adjournment thereof.

Signed on \*\* ."

31 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) -

"\*\* PLC/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 at the annual/extraordinary general meeting of the company, to be held on \*\* , and at any adjournment thereof.

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 \*\* ."

32 The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:-

(a) 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 or in any instrument of proxy sent out by the company in relation to the meeting not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;

(b) in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving Electronic Communications:

(i) in the notice convening the meeting, or

(ii) in any instrument of proxy sent out by the company in relation to the meeting, or

- (iii) in any invitation contained in an Electronic Communication to appoint a proxy issued by the company in relation to the meeting,
- (c) be received at such address not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;
- (d) in the case of a poll taken more than 48 (forty eight) hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 (twenty four) hours before the time appointed for the taking of the poll; or
- (e) where the poll is not taken forthwith but is taken not more than 48 (forty eight) 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 regulation and the next, "address", in relation to Electronic Communications, includes any number or address used for the purposes of such Communications.

- 33 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation 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.

#### **Number of directors**

- 34 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall be not less than 2 (two).

#### **Alternate directors**

- 35 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.
- 36 An alternate director shall be entitled to receive notice of all meetings 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.
- 37 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.
- 38 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.

- 39 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 appointing him.

### **Powers of directors**

- 40 Subject to the provisions of the Act, the Memorandum and 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 Memorandum or 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. The powers given by this regulation shall not be limited by any special power given to the directors by the Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
- 41 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.

### **Delegation of directors' powers**

- 42 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 own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with 2 (two) or more Members shall be governed by the Articles regulating the proceedings of directors so far as they are capable of applying.

### **Appointment and retirement of directors**

- 43 The Subscribers shall have the right, for so long as they remain members, to appoint one director each to the Board. Subject to paragraph 52 of these Articles, such appointee may only be removed or replaced from the Board from time to time by the company causing him/her to be appointed by written notice to the Secretary (accompanied by a form of resignation from the resigning director and a notice of consent to act by the person to be appointed). Those directors subject to this paragraph 43, and paragraph 52 shall hold office for life.
- 44 At the first annual general meeting all the directors shall retire from office, and at every subsequent annual general meeting one-third of the directors who are subject to retirement by rotation or, if their number is not three or a multiple of 3 (three), the number nearest to one-third shall retire from office; but, if there is only 1 (one) director who is subject to retirement by rotation, he shall retire.
- 45 Subject to the provisions of the Act, the directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- 46 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.
- 47 No person other than a director retiring by rotation shall be appointed or reappointed a director at any general meeting unless:
- (a) he is recommended by the directors; or

- (b) not less than 14 (fourteen) nor more than 35 (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.
- 48 Not less than 7 (seven) nor more than 28 (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.
- 49 Subject as aforesaid, the company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director and may also determine the rotation in which any additional directors are to retire.
- 50 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the Articles as the maximum number of directors. A director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the directors who are to retire by rotation at the meeting. If not reappointed at such annual general meeting, he shall vacate office at the conclusion thereof.
- 51 Subject as aforesaid, 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.

#### **Disqualification and removal of directors**

- 52 The office of a director shall be vacated if:
- (a) 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
  - (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - (c) he is, or may be, suffering from mental disorder and either:
    - (i) 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
    - (ii) 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;
- or
- (d) he resigns his office by notice to the company; or

- (e) he shall for more than 6 (six) 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.

### **Directors' expenses**

- 53 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.

### **Directors' appointments and interests**

- 54 Subject to the provisions of the Act, the directors may appoint 1 (one) or more of their number to the office of managing director or to any other executive office under the company and may enter into an agreement or arrangement with any director for his employment by the company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the company. A managing director, a Subscriber and a director holding any other executive office shall not be subject to retirement by rotation.

- 55 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:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise interested;
- (b) 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
- (c) 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 of any such interest or benefit.

- 56 For the purposes of paragraph 55 above:

- (a) 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
- (b) 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.

### **Proceedings of directors – The Board**

- 57 Subject to the provisions of the Articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors ("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. In the case of an equality of votes, the chairman shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.

- 58 The Board shall consist of the minimum number of directors representative of the following sectors:-
- 2 (two) Voluntary Members
- 1(one) BID Member
- provided that no more than 49% (forty nine per cent)of the Board shall be made up of BID Members.
- 59 Subject to paragraph 58 above (and provided that the minimum number of directors as specified therein sit on the Board) a Local Authority Representative shall also be permitted to be a director and sit on the Board and be entitled to vote at Board meetings provided that such representative shall not be counted as part of the quorum required pursuant to paragraph 58 above.
- 60 A Strategic Agency Representative shall also be entitled to sit on the Board provided that for the avoidance of doubts such representatives shall perform only an advisory role to the Board (and such other committees or sub-committees of the Company) and shall not be permitted to vote at Board meetings nor become a director.
- 61 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 2 (two). A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
- 62 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.
- 63 The directors may appoint 1 (one) of their number (being either a BID Member or Voluntary Member) 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 5 (five) minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.
- 64 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.
- 65 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 1 (one) or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity. Digital signatures and faxed signatures will suffice for the purpose of this Article.
- 66 Save as otherwise provided by the Articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the company unless his interest or duty arises only because the case falls within 1 (one) or more of the following paragraphs:

- (a) the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the company or any of its subsidiaries;
- (b) the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the company or any of its subsidiaries for which the director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
- (c) his interest arises by virtue of his subscribing or agreeing to subscribe for any debentures of the company or any of its subsidiaries, or by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such debentures by the company or any of its subsidiaries for subscription, purchase or exchange;
- (d) the resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes.

For the purposes of this paragraph, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this regulation becomes binding on the company), connected with a director shall be treated as an interest of the director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

- 67 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.
- 68 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.
- 69 Where proposals are under consideration concerning the appointment of 2 (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.
- 70 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.
- 71 Without prejudice to the generality of paragraph 57 amongst the functions of the Board shall be to:
  - (a) define and ensure compliance with the objectives of the Company including, without limitation to the objects;
  - (b) establish policies and plans to meet those objectives;
  - (c) approve each year's budget and accounts prior to publication;
  - (d) establish and oversee a framework for delegation and control to employees, officer committee and sub-committees;
  - (e) agree policies and make decisions on all matters that create a significant financial risk to the company;

- (f) monitor the company's performance in relation to these plan, budgets, controls and decisions;
- (g) appoint (and if necessary remove) the chief executive and any senior staff;
- (h) from time to time as they see fit, to arrange meetings to which the BID Members, and/or Voluntary Members and/or Public Sector Members be invited.

### **Secretary**

72 Subject to the provisions of the Act, the Secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them.

### **Minutes**

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

- (a) of all appointments of officers made by the directors; and
- (b) 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.

74 All minutes must be authenticated and kept in accordance with the requirements of the Act. Copies of such minutes shall be distributed to the directors as soon as reasonable practicable after the Board meeting.

### **The seal**

75 The Seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the Seal is affixed and unless otherwise so determined it shall be signed by a director and by the Secretary or by a second director.

### **Accounts**

76 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.

### **Notices**

77 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.

78 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.

- 79 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.
- 80 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 (fort eight) 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 (forty eight) hours after the time it was sent.

#### **Changes to the Memorandum and Articles**

- 81 The special rights belonging to the Subscribers shall not be varied without the sanction of a majority of the Members (being those Members entitled to vote at general meetings) such sanction to be evidenced by a written consent to the proposed variation contained in a document signed by a majority in number of the Members (or several documents in like form each signed by one or more Members).

#### **Indemnity**

- 82 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 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.