

## COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

### ARTICLES OF ASSOCIATION OF ST IVES BID LTD

adopted by Special Resolution passed on 4<sup>th</sup> April 2014

#### Interpretation

1. In these regulations:

**Acceptance of Appointment Form** means the form as specified from time to time by the Board on which an individual makes declarations for the purposes of article 71;

the **Act** means the Companies Act as defined in Section 2 of the Companies Act 2006 namely:-

- (a) Parts 1 to 39 and Parts 45 to 47 of the Companies Act 2006; and
- (b) Part 2 of the Companies (Audit, Investigations and Community Enterprise) Act 2004.

the **Articles** means the articles of the Company;

**BID or Business Improvement District** has the same meaning as in Part IV of the Local Government Act 2003;

**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 the BID Levy Payers within the area of the BID;

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

**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;

the **Board** means the Board of Directors of the Company acting collectively;

**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;

**the Company** means the company intended to be regulated by these Articles of Association;

**Conflict** means a situation in which a director has or can have, a direct or indirect interest that conflicts or possibly may conflict, with the interests of the Company;

**Eligible Director** means a director who would be entitled to vote on the matter at a meeting of directors (but excluding in relation to the authorisation of a Conflict pursuant to Article 76, any director whose vote is not to be counted in respect of the particular matter);

**electronic form** has the meaning given in section 1168 of the Companies Act 2006;

**executed** includes any mode of execution;

**Local Authority** means local council's (including Parish Councils and Town Councils);

**Local Authority Person** means a person who is associated with a local authority for the purposes of Section 69 Local Government and Housing Act 1989 which includes a member of a local authority or an officer of a local authority or a person who has been a member of a local authority within the proceeding four years or a person who is both an employee of a company under the control of the local authority or a director or officer of that company;

**members** means all classes of Members collectively;

**Objects** means the objects of the Company as set out in Article 2;

**office** the registered office of the Company;

**Ordinary Resolution** has the meaning given in s.282 of the Companies Act 2006;

**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. 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 save for St Ives Town Council which shall be an automatic Public Sector Member;

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

the **seal** means the common seal of the Company;

**Secretary** means the secretary of the Company (if any) or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

**Special Resolution** has the meaning given by Section 283 of the Companies Act 2006;

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

**Voluntary Contributions** means contributions paid 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;

**the Voluntary Members** means those members of the company who are not BID Members but who make voluntary payments to the Company for the purposes of securing or procuring the objectives of the BID Proposal and the Company. 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;

**Voluntary Members' 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 terms of the annual subscription and basis upon which voluntary payments shall be made; and

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

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.

## Objects

2. The Objects for which the Company is established are to:

- (a) Deliver the BID Proposal;
- (b) devise and undertake town centre management of activities, which will promote the economic development and well-being of the people of St Ives and improve the environment of St Ives for the benefit of those who live or work in St Ives and those who visit St Ives;
- (c) promote St Ives town centre as a regional centre for shopping, commercial, residential, cultural, entertainment, leisure and tourism activities;
- (d) assist in developing existing, and attracting, new investment to St Ives from the public and private sectors and from any other appropriate source for the furtherance of the Objects;
- (e) establish and encourage partnership and co-ordination between those in the public and private sectors having an interest in St Ives and to co-ordinate and focus the efforts of such parties;
- (f) maintain and improve the quality and viability of the BID Area and to bring benefits to the businesses in the BID Area through collaboration where appropriate;
- (g) promote schemes to improve the environmental quality of the BID Area;
- (h) support redevelopment of property 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;
- (i) support the conservation, protection and improvement (where appropriate) of the physical and natural environment in the BID Area;
- (j) participate in and contribute to any appropriate forum to study and exchange ideas for town centre management, funding, planning and general improvement;
- (k) cause to be written, printed, published or otherwise reproduced, issued and circulated, in hard copy or in electronic form or otherwise, the Objects by means of the internet, guides, journals, exhibitions, meetings, lectures, seminars and broadcasts, newspapers, periodicals, books, leaflets, reports or other documents.
- (l) improve street management in the BID Area and raise the standards of appearance to ensure the BID Area is bright, clean and welcoming;
- (m) improve safety in the BID Area, working with appropriate Community Safety Partnerships and agencies where appropriate;
- (n) improve access to the BID Area and therefore make a difference to people's experience of working and visiting the area by making better use of existing facilities;
- (o) procure, promote or carry out any form of entertainment in the BID Area; and
- (p) develop marketing events to raise the profile of St Ives as a regional centre for retail and tourism.

3. In furtherance of the Objects but not otherwise, the Company shall have the following powers:

- (i) to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments, to operate bank accounts in the name of the Company as well as to deposit with any local government authority capable of taking such deposits, the Company's funds or part thereof and to operate such an account held in the name of the Company;

- (ii) to raise funds and invite and receive contributions and in particular, but without limitation, to propose and promote in accordance with the legislation the imposition by any competent billing authority upon non-domestic rate payers within the BID Area and in addition to invite voluntary contributions from any source in each case in accordance with the legislation and any relevant statutory regulations and to exercise all the Company's powers for the renewal of such funding;
- (iii) subject to Articles 4 and 5 below, to employ and remunerate such staff and such self employed independent contractors as are necessary for the proper pursuit of the Objects;
- (iv) to enlist the support of and to co-operate with Local Government and other statutory authorities, voluntary and other organisations and individuals representative of any community or communities within the BID Area or otherwise likely to be affected by the furtherance or achievement of the Objects or who may be independently operating wholly or partly in furtherance of the Objects or similar purposes and to exchange information and advice with them;
- (v) to exercise all of the powers that are from time to time granted to or available to the Company by the legislation or as may be granted to it by any delegation of authority by any statutory or public body;
- (vi) to acquire assets and/or carry on any trade or business whatever which can in the opinion of the Board of Directors be advantageously carried on for the furtherance of the Objects;
- (vii) to purchase, lease, hire or otherwise acquire any real or personal property which the Company considers to be necessary for the furtherance of its Objects;
- (viii) to purchase or by any other means acquire and take options over any property whatever and any rights or privileges of any kind over or in respect of any property;
- (ix) to subscribe to, become a member of, or amalgamate, or co-operate with any other organisation, institution, society or body not formed or established for purposes of profit whose objects are wholly or in part similar to those of the Company and which by its constitution prohibits the distribution of its income and property amongst its members to an extent at least as is imposed on the Company under or by virtue of Article 4 and to purchase or otherwise acquire and undertake all such part of the property, assets, liabilities and engagements as may be lawfully acquired or undertaken by the Company of any such organisation, institution, society or body;
- (x) to improve, manage, construct, repair, develop, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company;
- (xi) to invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made;
- (xii) to establish and support or aid the establishment and support of any trusts, associations or institutions and to subscribe or guarantee money for purposes in any way connected with or calculated to further any of the Objects;
- (xiii) to borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future) and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it;
- (xiv) to draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments;

- (xv) to apply for promote and obtain any Act of Parliament, order or licence of the Department of Trade and Industry or other authority for enabling the Company to carry any of the Objects into effect, or for effecting any modification of the Company's constitution or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests and to oppose proceedings or applications which may directly or indirectly seem prejudice the Company's interests;
- (xvi) to subscribe for, take, purchase or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world and debentures, debenture stocks, bonds, obligations, securities issued or guaranteed by any government or authority, municipal, local or otherwise, in any part of the world;
- (xvii) to control, manage, finance, subsidise, co-ordinate or otherwise assist any company in which the Company has a direct or indirect financial interest and whose objects are wholly or in part similar to those of the company and which, by its constitution, prohibits the distribution of its income and property amongst its members to an extent at least as great as that in Article 4, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company;
- (xviii) to sell or otherwise dispose of the whole or any part of the business or property of the Company;
- (xix) to act as agents or brokers and as trustees for any persons, firm or company, and to undertake and perform sub-contracts;
- (xx) to remunerate any person, firm or company rendering services to the Company either by cash payment or otherwise as may be thought expedient;
- (xxi) to pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same;
- (xxii) to provide indemnity insurance to cover the liability of the directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty in relation to the Company provided that any such insurance shall not extend to any claim arising from any act or omission which the directors knew to be a breach of trust or duty or which was committed by the directors in reckless disregard of whether it was a breach of trust or a breach of duty or not and provided also that any insurance shall not extend to the costs of an unsuccessful defence to a criminal prosecution brought against the directors or any of them in their capacity as directors of the Company;
- (xxiii) to do all such things as may be deemed conducive to or facilitate the attainment of the Objects;

AND so that:

None of the powers in any sub-clause of this Article shall be restrictively construed but the widest interpretation shall be given to each of such powers, and none of these powers shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other power or powers, or by reference to or inference from the name of the Company.

4. The income and property of the Company shall be applied solely towards the promotion of the Objects and no part shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit, to members of the Company, and no director shall be appointed to any office of the Company paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the Company.

5. Nothing in these Articles shall prevent any payment in good faith by the Company:
- (a) of reasonable and proper remuneration for any services rendered to the Company by any member, office or servant of the Company who is not a director;
  - (b) of reasonable and proper rent for premises or let by any member of the Company;
  - (c) to any director for reasonable out-of-pocket expenses;
  - (d) of the usual professional charges for business done by any director who is a solicitor, accountant or other person engaged in a profession, or by any partner of his or hers, when instructed by the Company to act in a professional capacity on its behalf, provided that at no time shall a majority of the directors benefit under this provision and that a director shall withdraw from any meeting at which his or her appointment or remuneration, or that of his or her partner, is under discussion; or
  - (e) of interest on money lent by any member of the Company or director at a reasonable and proper rate per annum not exceeding 2 per cent less than the published base lending rate of a clearing bank to be selected by the directors.

### **Members**

6. 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.
7. Non-domestic ratepayers who are responsible for paying the BID Levy will automatically become members of the Company upon the BID Proposal being voted in. No other incorporated body, society, organisation, person or company shall be admitted to membership of the Company unless an application for membership has first been delivered to the Board and approved by the directors.

8. An application for membership of the Company must:

- (a) Be in writing;
- (b) Be signed by the applicant;
- (c) Include a declaration that the applicant is or is not a Local Authority or a Local Authority Person and that the applicant will advise the Company of any change in such status; and
- (d) Include an undertaking that the applicant will not do anything or omit to do anything which the applicant knows or could reasonably anticipate would cause the Company to become a Regulated Company as defined in the Local Authorities (Companies) Order 1995

9. All members agree to be bound by the obligations on them as set out in the Memorandum and Articles of Association of the Company. When acting as members they shall act at all times in the best interest of the Company.

10. Membership shall not be transferable and shall cease on death or on the liquidation or dissolution of a corporate member.

- 11.1 Membership shall fall into four distinct classes, as follows:

- (a) Class A members shall be St Ives Chamber of Trade and Commerce or their successors and St Ives Tourism Association or their successors;
- (b) Class B members shall include all non-domestic ratepayers who are BID Levy Payers;
- (c) Class C members shall be any Voluntary Member. Any such members approved by the directors will be required to enter into a Voluntary Members' Agreement; and

- (d) Class D members shall be any such other corporate entity, partnership or unincorporated association (but not, for the avoidance of doubt, an individual) not included in Classes A – C inclusive with an interest in securing or procuring the objectives of the BID Proposal that the directors decide to co-opt as members.
- 11.2 Except as otherwise provided in these articles, A, B, C and D membership classes shall rank *pari passu* in all respects but shall constitute separate classes of membership.
- 11.3 Where a class of members together may exercise rights under these articles, including giving notice to the Company of a proposed appointment of a director pursuant to article 56 and/or article 71, and removal of a director under article 68(g), the relevant class of members must ensure that the requisite proportion of that class of members (as determined by that class or these articles as the case may be) is in favour of exercising the right (which can be so ensured by way of a vote at a class meeting), prior to it being duly exercised, save that this article is without prejudice to members' rights under the Act.
12. A member shall be removed as a member of the Company by a passing of a resolution by those members entitled to vote at a general meeting.
13. 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:
- a. 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 act in respect of the Company;
  - b. St Ives Chamber of Trade and Commerce may only nominate as its representative an executive member of the Chamber;
  - c. St Ives Tourism Association may only nominate as its representative an executive member of the Association.
14. A member may at any time withdraw from the Company by giving at least 3 months notice in writing duly signed to the Company and thereupon such member shall be deemed to have ceased to be a member from the date of the expiration of such notice.
15. A member shall automatically cease to be a member of the Company if:
- (a) any annual or other subscription or entrance fee has not been paid six months after it has become due;
  - (b) the directors resolve after giving the member concerned a proper opportunity to be heard, that it is not in the interests of the Company that membership should continue.
16. No refund shall be made of any annual or other subscription or entrance fee on the termination of membership for any reason.

#### **Local Authority Persons**

17. No Local Authority Person may be admitted to membership of the Company if, by virtue of such admission, more than 18% of the total voting rights of all the members having the right to vote at a general meeting of the Company will be held by members who are Local Authority Persons and cause the Company to be deemed to be a Regulated Company.

18. If for any reason the Local Authority Persons together have 18% or more of the total voting rights of all members having the right to vote at a general meeting, the number of votes that may be cast in aggregate by those Local Authority Persons shall be reduced (pro rata among them) and/or the number of votes that may be cast in aggregate by all other members shall be increased (pro rata among them) (as is most appropriate in the circumstances) so that the aggregate number of votes which may be cast by those Local Authority Persons shall represent 18% of the total number of votes which may be cast by all the members at the meeting.
19. No Local Authority Person may be appointed as proxy or representative or otherwise vote on behalf of any other non-local authority member.
20. No resolution for the variation of this Article or Article 60 shall be proposed at any general meeting unless there shall first have been obtained the written consent of all of the local authority members of the Company.

### **General Meetings**

21. The Company shall hold an annual general meeting each year in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it. Not more than fifteen months shall elapse between one annual general meeting of the Company and the next. The annual general meeting shall be held at such times and places as the directors shall appoint.
22. At the first general meeting, all of the Company's directors must retire from office, but may stand for re-election if they so wish.
23. So long as the Company holds its first annual general meeting within eighteen months of incorporation, it need not hold it in the year of incorporation or in the following year.
24. All general meetings other than annual general meetings shall be called extraordinary general meetings.
25. The directors may call general meetings.
26. On the requisition of members under the Companies Act 2006, the directors shall forthwith 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**

27. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution appointing a person as a director shall be called by at least twenty-one clear days notice. All other general meetings shall be called by at least fourteen clear days' notice.
28. 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; and
  - (b) in the case of any other meeting by a majority of not less than 90% of the total votes of members entitled to attend and vote at the meeting.
29. The notice for any general meeting shall be given to all the members and to the directors and auditors.
30. The notice of any general meeting 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.
31. The accidental omission to give notice of a meeting to any person entitled to receive notice, or the non-receipt of notice of a meeting by any such person, shall not invalidate the proceedings at that meeting.



### **Proceedings at general meetings**

32. No business shall be transacted at any meeting unless a quorum is present. Six persons entitled to vote upon the business to be transacted, each being a member or proxy for a member or a duly authorised representative of a corporation shall be a quorum.
33. If such 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.
34. 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 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.
35. 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.
36. The chairman may, with the consent of the 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.
37. 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 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
  - (d) a demand by a person as proxy for a member shall be the same as a demand by the member.
38. 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.
39. 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.
40. 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.
41. 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.

42. 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.
43. 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**

44. Subject to Articles 17 and 18 on a show of hands every member present in person shall have one vote. On a poll every member present in person or by proxy shall have one vote. In the case of an equality of votes, whether on a show of hands or a poll, the chairman shall have a second or casting vote.
45. 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 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.
46. 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.
47. 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) -

"[Name of Member]

I/We, [Name of Member], of [Member Address], being a member/members of the above-named company, hereby appoint [Name of Appointee] of [Appointee Address], or failing him, [Name of Reserve Appointee] of [Reserve Appointee Address], 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 [Date of Meeting], and at any adjournment thereof.

Signed on [Date of Appointment]."

48. 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) -

"[Name of Member]

I/We, [Name of Member], of [Member Address], being a member/members of the above-named company, hereby appoint [Name of Appointee] of [Appointee Address], or failing him, [Name of Reserve Appointee] of [Reserve Appointee Address], 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 [Date of Meeting], 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 \*\*                      ."

49. 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 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 form, where an address has been specified for the purpose of receiving an electronic form of communication:
    - (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 form to appoint a proxy issued by the company in relation to the meeting,
  - (c) 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;
  - (d) 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
  - (e) 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 regulation and the next, "address", in relation to an electronic form of communication, includes any number or address used for the purposes of such communications.

50. 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 electronic form, 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.

#### **Amendments to Resolutions**

51. An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

- (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and
- (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

52. A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

53. If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

**Number and appointment of directors**

54. No person shall act as a director who is under the age of 18.

55. The directors of the Company must be members of the Company or the duly appointed representatives of members of the Company

56. The number of directors shall be subject to a maximum of 9 and will be appointed as follows:

- (a) Class A members shall by notice in writing to the Company be entitled to appoint up to two directors, and shall further be entitled to remove and replace such directors, subject to:
  - (i) Article 57;
  - (ii) Article 68(g)
  - (iii) St Ives Chamber of Trade and Commerce may only nominate as a director an executive member of the Chamber;
  - (iv) St Ives Tourism Association may only nominate as a director an executive member of the Association

If this right causes the total number of Class A directors to exceed two, the appointment of Class A directors will be by election.

- (b) (i) Class B members shall together by notice in writing to the Company be entitled to appoint up to six directors, and shall further be entitled to remove and replace such directors, subject to:
  - (i) Article 57;
  - (ii) Article 68(g)

If this right causes the total number of Class B directors to exceed six, the appointment of Class B directors will be by election.

(ii) In the event that no director is appointed by the Class C members per article 56(c) below, the Class B members shall be entitled to appoint one further director in accordance with the provisions of article 56(b)(i) above, such director holding the post for one term only, after which the Class C members' right to appoint a director pursuant to article 56(c) may be exercised.

- (c) Class C members shall together have the right to appoint a maximum of one director. If this right causes the total number of Class C directors to exceed one, the appointment of Class C director shall be by election.
- (d) Elections of directors under Article 56 if necessary shall be held at the annual general meeting and in accordance with these Articles and such other rules as may be prescribed from time to time by the directors and elections shall be determined by a show of hands.

57. No Local Authority Person shall be appointed as a director of the Company if by virtue of such appointment the local authority directors will together constitute 20% or more of the total number of directors of the Company and cause the Company to be deemed to be a Regulated Company.

58. If for any reason the local authority directors together constitute 20% or more of the total number of directors, the number of votes that may be cast in aggregate by those local authority directors shall be reduced (pro rata among them) and/or the number of votes that may be cast in aggregate by all other directors shall be increased (pro rata among them) (as is most appropriate in the circumstances) so that the aggregate number of votes which may be cast by the local authority directors shall represent 19.9% of the total number of votes which may be cast by all the directors of the Company.
59. No local authority director may be appointed as alternate director or otherwise vote on behalf of any other non-local authority director.
60. No person may be appointed or remain a member or director of the Company or be authorised to act as a local authority's representative at a general meeting of the Company or at meetings of the Company which include a general meeting if such person is disqualified from membership of a local authority (otherwise than by being employed by a local authority or by a company which is under the control of a local authority).
61. The Board shall be entitled to invite any organisation or body to send a representative to attend and speak at meetings of the Board provided that the representative shall not be permitted to vote at the meeting nor become a director.
62. The maximum number of non-voting representatives permitted to attend meetings of the Board at any one time shall be at the discretion of the chairman of the Board.

#### **Powers of directors**

63. 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. 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.
64. 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.
65. In addition to all powers expressly conferred upon them and without detracting from the generality of their powers under these Articles the directors shall have the following powers, namely:
- (a) to expend the funds of the Company in such manner as they shall consider most beneficial for the achievement of the Objects of the Company and to invest all or any of those funds in the name of the Company as they see fit and to direct the sale or transfer of any such investments and to expend the proceeds of any such sale in furtherance of the Objects of the Company; and
  - (b) to enter into contracts on behalf of the Company.
66. 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 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 two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.

## **Disqualification and removal of directors**

67. In every notice for an Annual General Meeting, the Board shall set out its requirements, skills, qualities and experience which it needs from its directors. The notice shall state the extent to which and how those requirements are met by those directors continuing in office and those retiring and intending to re-offer themselves for election. In exercising their powers to nominate, appoint, reappoint, elect, re-elect, approve and dismiss Board members, both the members and the directors shall seek to ensure that the Board is representative of the local community and users of the services offered by the Company and also comprises persons with a broad range of skills and who are likely to contribute to the success of the Company.
68. 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
    - 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;
  - (d) he resigns his office by notice to the Company; or
  - (e) he shall for more than three 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; or
  - (f) he is a Class A or D director and he ceases to be an executive member of the St Ives Chamber of Trade and Commerce, an executive member of the St Ives Tourism Association or the nominated representative of the Class D body respectively; or
  - (g) the members of the class which appointed the director according to Article 56 so resolve, by way of simple majority, in their absolute discretion.
69. Directors shall not be required to retire by rotation.
70. Directors shall serve a term in that office and remain as a director for a period of one year from the date of their election, save for their first term in that office which shall be for a period of 6 months. At the end of such period they shall step down from their office but may then stand for re-election as a director.
71. No person shall be appointed or reappointed as a director at any general meeting unless:
- (a) that person is recommended by the members for appointment or reappointment as a director at the meeting; and
  - (b) not less than twenty-eight clear days before the date appointed for the meeting a member qualified to vote has given notice to the Company of the intention to propose that person for appointment or reappointment together with a signed notice executed by that person of his or her willingness to be appointed or reappointed and an Acceptance of Appointment Form signed by that person.
72. Not less than twenty-one clear days before the date appointed for holding a general meeting notice shall be given to everyone entitled to receive notice of the meeting of:
- (a) any person who is recommended by a member for appointment or reappointment as a director at the meeting; and
  - (b) any person in respect of whom notice of intention has been proposed has been duly given under Article 71(a).

73. Any notice under Article 71 or 72 relating to the appointment (but not the reappointment) of a director must state the particulars which would be required to be included in the Company's register of directors if the person concerned were appointed or reappointed as a director.
74. The Company (by ordinary resolution) or the directors may appoint a person who is willing to act as a director either to fill a vacancy (a vacancy existing if there is an insufficient number of directors on the Board to constitute a quorum under article 79) provided that the appointment does not cause the Company to be deemed to be a Regulated Company. A director so appointed shall hold office only until the next following annual general meeting.

#### **Directors' expenses**

75. The directors may be paid all reasonable 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 otherwise in connection with the discharge of their duties, but shall otherwise be paid no remuneration.

#### **Directors' conflict of interests**

76. (a) The directors may, in accordance with the requirements set out in this article, authorise any Conflict proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest.

(b) Any authorisation under this article 76 shall be effective only if:

(i) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;

(ii) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and

(iii) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

(c) Any authorisation of a Conflict under this article 76 may (whether at the time of giving the authorisation or subsequently):

(i) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;

(ii) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;

(iii) provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;

(iv) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;

(v) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he shall not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and

(vi) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.

(d) Where the directors authorise a Conflict, the Interested Director shall be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.

(e) The directors may revoke or vary such authorisation at any time, but this shall not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.

(f) A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

(g) 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:

- (i) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
- (ii) 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
- (iii) 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.

77. For the purposes of Article 76:

- (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**

78. 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 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.

79. The quorum for the transaction of the business of the Board shall be four. A person who holds office only as an alternate director shall, if his appointer is not present, be counted in the quorum.

80. 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.



81. 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.
82. 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.
83. 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 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.
84. Subject to section 175 of the Act and Articles 76, 77 and 79 and provided he shall have complied with any terms or conditions imposed by the directors and 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.
85. 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.
86. 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.
87. Without prejudice to the generality of Article 63 amongst the functions of the Board shall be to:
- (a) define and ensure compliance with the objectives of the Company;
  - (b) establish policies and plans to meet those objectives;
  - (c) approve each year's budget prior to publication;
  - (d) establish and oversee a framework for delegation and control to employees, officer committees and sub-committees (as appropriate).
  - (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 plans, budgets, controls and decisions;
  - (g) appoint (and if necessary remove) the BID manager and any senior staff;
  - (h) from time to time as they see fit (or if required by the Regulations) arrange meetings to which the BID Members, and Voluntary Members and Public Sector Members be invited.
88. The directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decisions taken by the directors.

### **Secretary**

89. Subject to the provisions of the Act, if the Company (by ordinary resolution) chooses to appoint a secretary, 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**

90. 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.

### **The seal**

91. 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**

92. Every member shall be entitled during normal business hours to inspect and take copies of the Company's statutory accounts on giving not less than 24 hours written notice to the Company Secretary. The Company may make a reasonable charge for any copies taken by such member but otherwise shall not charge for facilities requested under this Article.

### **Notice**

93. 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 an electronic form of communication to an address for the time being notified for that purpose to the person giving the notice. In this regulation, "address", in relation to an electronic form of communication, includes any number or address used for the purposes of such communications.
94. 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 an electronic form of communication 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 an electronic form, 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 an electronic form of communication, includes any number or address used for the purposes of such communications.
95. 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.
96. 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 form of 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 form of communication, at the expiration of 48 hours after the time it was sent.

### **Indemnity**

97. 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.

### **Changes to the Memorandum of Articles**

98. Any changes to the Memorandum or Articles of Association shall require the passing of a special resolution by those members entitled to vote at a general meeting.

## **Members Liability**

99. The liability of the members is limited to £1.
100. Every member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the Company contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound.
101. 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 members of the Company, but shall be given or transferred to some other institution or institutions in the UK having objects similar to 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 4, 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.

## **Rules**

102. The directors may from time to time make such rules as they may deem necessary or expedient or convenient for the proper conduct and management of the Company and for the purposes of prescribing classes of and conditions of membership, and in particular but without prejudice to the generality of the foregoing, they may by such rules regulate:
- (a) the admission and classification of members of the Company (including the admission of organisations to membership) and the rights and privileges of such members, and the conditions of membership and the terms on which members may resign or have their membership terminated;
  - (b) ethical standards to be observed by directors and officers of the Company on Company business;
  - (c) the conduct of members of the Company in relation to one another and to the Company's employees;
  - (d) the setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes;
  - (e) the procedure at general meetings and meetings of the directors and committees of the directors insofar as such procedure is not regulated by these Articles; and
  - (f) generally, all such matters as are commonly the subject matter of company rules.
103. The Company in general meetings shall have power to alter, add to or repeal the rules and the directors shall adopt such means as they think sufficient to bring to the notice of members of the Company all such rules, which shall be binding on all members of the Company.
104. No rule made under Article 102 shall be inconsistent with, or shall affect or repeal anything contained in the Memorandum of Association of the Company or these Articles.

## **Exclusion of Model Articles**

105. The model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles are excluded from these Articles.