

ARTICLES OF ASSOCIATION

of

FLEET BUSINEES IMPROVEMENT DISTRICT (BID) COMPANY LTD

A PRIVATE COMPANY LIMITED BY GUARANTEE

AND INCORPORATED UNDER THE

Companies Act 2006

INCORPORATED ON: 4TH April 2017

ADOPTED BY SPECIAL RESOLUTION OF: 19 March 2018

Company Number: 10707923

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**ARTICLES OF ASSOCIATION OF FLEET BUSINESS IMPROVEMENT DISTRICT
(BID) COMPANY LIMITED**

**A PRIVATE COMPANY LIMITED BY GUARANTEE INCORPORATED UNDER THE
COMPANIES ACT 2006**

1. PRELIMINARY

- 1.1 The model articles of association for private companies limited by guarantee contained in Schedule 2 to the Companies (Model Articles) Regulations 2008 (SI 2008 No. 3229) (the "Model Articles") shall apply to the Company save in so far as they are excluded or modified hereby and such Model Articles and the articles set out below shall be the Articles of Association of the Company (the "Articles").
- 1.2 In these Articles, any reference to a provision of the Companies Act 2006 *shall be deemed to include a reference to any statutory modification or re-enactment* of that provision for the time being in force.
- 1.3 Model Articles 2, 7(2), 14, 19(5), 22(1) and 30(4) do not apply to the Company.
- 1.4 The headings used in these Articles are included for the sake of convenience only and shall be ignored in construing the language or meaning of these Articles.
- 1.5 In these Articles, unless the context otherwise requires, references to nouns in the plural form shall be deemed to include the singular and vice versa, references to one gender include all genders and references to persons include bodies corporate and unincorporated associations.

2. DEFINED TERMS

- 2.1 Model Article 1 shall be varied by the inclusion of the following definitions:

"appointor" has the meaning given in Article 10;

"Board" means the board of directors of the Company;

"Board Member" means a member of the Board from time to time of the Company;

"Company" means the Fleet Business Improvement District (BID) Company Limited registered with registration number 10707923;

"Objects" means the objects of the Company as set out in the Articles from time to time.

"secretary" means the secretary of the Company, if any, appointed in accordance with Article 9 or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary; and

"working day" means a day that is not a Saturday or Sunday, Christmas Day, Good Friday or any day that is a bank holiday under the Banking and Financial Dealings Act 1971 in the part of the United Kingdom where the Company is registered.

3. OBJECTS

3.1 The objects for which the Company is established ("the Objects") are, for all businesses within a defined area identified in the Fleet Business Improvement District (BID) Business Plan (the "Area of Benefit")

3.1.1 to initiate, develop and promote the business improvement district ("BID") in accordance with Part 4 of the Local Government Act 2003 (as the same may be consolidated, amended, modified or re-enacted from time to time) ("the Legislation") for the purpose of financing, constructing, managing and operating improvements to the Area of Benefit; and

3.1.2 to act as a BID body for the purposes of the Legislation and for the purposes of being the body responsible for the implementation of the BID proposals, any alteration proposals and any renewal proposals for the BID.

3.2 In furtherance of the Objects, but not otherwise, the Company may exercise the following powers:

- 3.2.1 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 or per pro the Company;
- 3.2.2 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 whether within or outside the Area of Benefit of an additional levy (howsoever described in the Legislation) 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;
- 3.2.3 subject to Article 3.2.14 below, to employ such staff as are necessary for the proper pursuit of the Objects and to make all reasonable and necessary provision for the payment of pensions and superannuation to staff and their dependants, 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 Area of Benefit 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; 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;
- 3.2.4 to conduct or commission the conducting of market research, canvassing, lobbying, advertising and promotion;
- 3.2.5 to acquire, alter or improve and (subject to such consents as may be required by law) to charge or otherwise dispose of property;

- 3.2.6 to establish and support any wholly owned subsidiary of the Company for the purpose of carrying on all or any part of the Objects;
- 3.2.7 subject to such consents as may be required by law to borrow or raise money for the furtherance of the Objects in such manner and on such security as the Company may think fit and to sell, dispose, let, mortgage or charge and to grant licences, options, rights and privileges in respect of the undertaking and all or any of the real or personal property and assets, present or future of the Company;
- 3.2.8 to invest and deal with the monies of the Company not immediately required for the furtherance of the Objects in or upon such investments, securities or property as may be thought fit subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and to hold or otherwise deal with any investment made;
- 3.2.9 to carry out all or any of the Objects and to do all or any of the above acts, matters or things and to exercise all or any of the above powers in any part of the world and either as principals, agents, trustees or otherwise and either alone or in conjunction with others and either by or through sub-contractors, agents, trustees or otherwise;
- 3.2.10 to act as agent or broker for any person, firm, organisation or company and to undertake and perform any form of contract;
- 3.2.11 to carry on any trading operation which may be carried on in conjunction with the Objects and enter into agreements for all or any of the following purposes that is to say:
 - 3.2.11.1 the supply by the Company to any person of any goods or materials;
 - 3.2.11.2 the provision by the Company to any person of any administrative, professional or technical services;
 - 3.2.11.3 the use by any person of any vehicle, plant or apparatus belonging to or facilities under the control of the Company and the placing at the disposal of any person, the services

of any person employed in connection with the item in question provided in each case the Company shall before doing so have regard to whether any exercise of its powers under this paragraph will be likely to:

- (a) concern surplus capacity,
- (b) profitably exploit surplus capacity, and
- (c) benefit the Area of Benefit,

and will not detract or derogate from the purpose of the BID arrangements as set by the Legislation and generally;

3.2.12 to indemnify every Board Member or other officer or auditor of the Company out of the assets of the Company against liability incurred by him or her in that capacity in defending any proceedings whether civil or criminal, in which judgment is given in his or her favour or in which he or she is acquitted or in connection with any application in which relief is granted to him or her by any court from any liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company;

3.2.13 to pay out of the funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company including, subject to Article 5 below, any professional costs;

3.2.14 to do all such other lawful things as are necessary or conducive for the achievement of the Objects.

3.3 Subject to the provisions of article 3.4 below, the income and property of the Company shall be applied solely towards the promotion of its Objects as set forth in these Articles and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit, to Members of the Company and no Members of the Board of directors shall be appointed to any office of the Company paid by salary or fees, or, save as hereinafter provided, receive any remuneration or other benefit in money or money's worth from the Company other than in respect of reasonable and proper expenses for any services rendered to the Company.

3.4 Provided that nothing herein shall prevent any payment in good faith by the Company:

- 3.4.1 of reasonable and proper management charges;
- 3.4.2 of all usual and proper professional or other charges to any Member of the board of directors who is a Solicitor, Accountant or otherwise engaged in a profession for work done by him or his firm in connection with the discharge of the Objects of the Company;
- 3.4.3 of reasonable and proper remuneration to any Member, officer or servant of the Company (not save as herein provided being a Member of its Board) for any services rendered to the Company;
- 3.4.4 of reasonable and proper remuneration to any Member of the Board appointed as chief executive of the Company for any services rendered by him to the Company;
- 3.4.5 of interest on money lent by any Member of the Board at a rate not exceeding 2% per annum over the rate at which deposits in sterling of an amount equivalent to the amount of any loan are, at the date of such loan available on the London Interbank Market for a period of 12 months to the Company's bankers;
- 3.4.6 of reasonable and proper rent for premises and property demised or let by any Member of the Company, or of its Board;
- 3.4.7 to any Member of its Board for reasonable and proper out of pocket expenses; and
- 3.4.8 of premiums on the indemnity insurance referred to in Article 3.2.12

4. LIABILITY OF MEMBERS

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

- 4.1 payment of the Company's debts and liabilities contracted before he ceases to be a Member;

- 4.2 payment of the costs, charges and expenses of winding up; and
- 4.3 adjustment of the rights of the contributories among themselves.

5. PROCEEDINGS OF DIRECTORS

- 5.1 The maximum and minimum number of directors may be determined from time to time by ordinary resolution. Subject to and in default of any such determination there shall be no maximum number of directors and the minimum number of directors shall be one. Whenever the minimum number of directors is one, the general rule about decision-making by the directors does not apply, and the sole director may take decisions without regard to any of the provisions of the Articles (including Model Article 11(2)) relating to directors' decision-making.
- 5.2 Subject to Article 7.3, notwithstanding the fact that a proposed decision of the directors concerns or relates to any matter in which a director has, or may have, directly or indirectly, any kind of interest whatsoever, that director may participate in the decision-making process for both quorum and voting purposes.
- 5.3 If the directors propose to exercise their power under section 175(4)(b) of the Companies Act 2006 to authorise a director's conflict of interest, the director facing the conflict is not to be counted as participating in the decision to authorise the conflict for quorum or voting purposes.
- 5.4 Subject to the provisions of the Companies Act 2006, and provided that (if required to do so by the said Act) he has declared to the directors the nature and extent of any direct or indirect interest of his, a director, notwithstanding his office:
 - 5.4.1 may be a party to or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
 - 5.4.2 may be a director or other officer or an employee of, or a party to any transaction or arrangement with, or otherwise interested in, any subsidiary of the Company or body corporate in which the Company is interested; and

5.4.3 is not accountable to the Company for any remuneration or other benefits 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 transaction or arrangement is liable to be avoided on the ground of any such remuneration, benefit or interest.

6. UNANIMOUS DECISIONS

6.1 Model Article 8(2) is amended by the deletion of the words "copies of which have been signed by each eligible director" and the substitution of the following "where each eligible director has signed one or more copies of it" in its place. Model Article 8(2) shall be read accordingly.

7. APPOINTMENT OF DIRECTORS

7.1 Save for persons who are deemed to have been appointed as the first directors of the Company on incorporation pursuant to section 16(6) of the 2006 Act, no person who is not a Member of the Company is eligible to hold office as a director.

7.2 Any Member of the Company who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:

7.2.1 by ordinary resolution; or

7.2.2 by a decision of the directors.

8. TERMINATION OF DIRECTOR'S APPOINTMENT

8.1 In addition to the events terminating a director's appointment set out in Model Article 18, a person ceases to be a director:

8.1.1 as soon as that person has for more than six consecutive months been absent without permission of the directors from meetings of directors held during that period and the directors make a decision to vacate that person's office;

8.1.2 he ceases to be a Member.

9. **SECRETARY**

- 9.1 The directors may appoint a secretary to the Company for such period, for such remuneration and upon such conditions as they think fit; and any secretary so appointed by the directors may be removed by them.

10. **ALTERNATE DIRECTORS**

10.1

- 10.1.1 Any director (the "appointor") may appoint as an alternate any other director, or any other person approved by a decision of the directors, to:

10.1.1.1 exercise that director's powers; and

10.1.1.2 carry out that director's responsibilities,

in relation to the taking of decisions by the directors in the absence of the alternate's appointor.

- 10.1.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors. The notice must:

10.1.2.1 identify the proposed alternate; and

10.1.2.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of his appointor.

10.2

- 10.2.1 An alternate director has the same rights to participate in any directors' meeting or decision of the directors reached in accordance with Model Article 8, as the alternate's appointor.

- 10.2.2 Except as these Articles specify otherwise, alternate directors:

10.2.2.1 are deemed for all purposes to be directors;

10.2.2.2 are liable for their own acts or omissions;

- 10.2.2.3 are subject to the same restrictions as their appointors; and
 - 10.2.2.4 are not deemed to be agents of or for their appointors.
- 10.2.3 A person who is an alternate director but not a director:
 - 10.2.3.1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating);
 - 10.2.3.2 may sign or otherwise signify his agreement in writing to a written resolution in accordance with Model Article 8 (but only if that person's appointor has not signed or otherwise signified his agreement to such written resolution); and
 - 10.2.3.3 no alternate may be counted as more than one director for such purposes.
- 10.2.4 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the remuneration payable to that alternate's appointor as the appointor may direct by notice in writing made to the Company.
- 10.2.5 Model Article 20 is modified by the deletion of each of the references to "directors" and the replacement of each such reference with "directors and/or any alternate directors".
- 10.3 An alternate director's appointment as an alternate terminates:
 - 10.3.1 when his appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - 10.3.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor would result in the termination of the appointor's office as director;
 - 10.3.3 on the death of his appointor; or

10.3.4 when his appointor's appointment as a director terminates.

11. TERMINATION OF MEMBERSHIP

11.1 A Member may withdraw from membership of the Company by giving notice to the Company in writing; and upon receipt by the Company of such notice, that Member's membership is terminated immediately.

12. WRITTEN RESOLUTION OF MEMBERS

12.1

12.1.1 Subject to Article 12.1.2 a written resolution of Members passed in accordance with Part 13 of the Companies Act 2006 is as valid and effectual as a resolution passed at a general meeting of the Company

12.1.2 The following may not be passed as a written resolution and may only be passed at a general meeting:

12.1.2.1 a resolution under section 168 of the Companies Act 2006 for the removal of a director before the expiration of his period of office; and

12.1.2.2 a resolution under section 510 of the Companies Act 2006 for the removal of an auditor before the expiration of his period of office.

12.2 On a written resolution every Member has one vote.

13. NOTICE OF GENERAL MEETINGS

13.1 Every notice convening a general meeting of the Company must comply with the provisions of:

13.1.1 section 311 of the Companies Act 2006 as to the provision of information regarding the time, date and place of the meeting and the general nature of the business to be dealt with at the meeting; and

- 13.1.2 section 325(1) of the Companies Act 2006 as to the giving of information to Members regarding their right to appoint proxies.
- 13.2 Every notice of, or other communication relating to, any general meeting which any Member is entitled to receive must be sent to each of the directors and to the auditors (if any) for the time being of the Company.
14. **QUORUM AT GENERAL MEETINGS**
- 14.1 If and for so long as the Company has one Member only who is entitled to vote on the business to be transacted at a general meeting, that Member present at the meeting in person or by proxy or, in the event that the Member is a corporation, by corporate representative, is a quorum.
- 14.2 If and for so long as the Company has two or more Members entitled to vote on the business to be transacted at a general meeting, two of such Members, each of whom is present at the meeting in person or by proxy or, in the event that any Member present is a corporation, by corporate representative, are a quorum.
- 14.3 Model Article 27(1) is modified by the addition of a second sentence as follows:
- "If, at the adjourned general meeting, a quorum is not present within half an hour from the time appointed therefor or, alternatively, a quorum ceases to be present, the adjourned meeting shall be dissolved."
15. **VOTING AT GENERAL MEETINGS**
- 15.1 On a vote on a resolution at a general meeting on a show of hands or on a poll, every Member present in person, by proxy or (being a corporation) by corporate representative has one vote.
- 15.2 Polls must be taken at the general meeting at which they are demanded and in such manner as the chairman directs.
- 15.3 No Member shall be entitled to vote at any general meeting unless any monies then payable by him/her to the Company shall have been paid.

15.4 No objection shall be raised to the qualification of any voter except at the meeting or the 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 formal and conclusive.

15.5 Any Member which is an organisation may by resolution of its committee or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the organisation which he represents as the organisation could exercise if it were an individual Member of the Company.

16. **DELIVERY OF PROXY VOTES**

16.1 Model Article 31(1) is modified, such that a "proxy notice" (as defined in Model Article 31(1)) and any authentication of it demanded by the directors must be received at an address specified by the Company in the proxy notice not less than 48 hours before the time for holding the meeting or adjourned meeting at which the proxy appointed pursuant to the proxy notice proposes to vote; and any proxy notice received at such address less than 48 hours before the time for holding the meeting or adjourned meeting shall be invalid.

17. **COMMUNICATIONS**

17.1 Subject to the provisions of the Companies Act 2006, a document or information may be sent or supplied by the Company to a person by being made available on a website.

17.2 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 sent to him or an address to which notices may be sent by electronic means is entitled to have notices sent to him at that address, but otherwise no such Member is entitled to receive any notices from the Company.

17.3

- 17.3.1 If the Company sends or supplies notices or other documents by first class post and the Company proves that such notices or other documents were properly addressed, prepaid and posted, the intended recipient is deemed to have received such notices or other documents 48 hours after posting.
- 17.3.2 If the Company sends or supplies notices or other documents by electronic means and the Company proves that such notices or other documents were properly addressed, the intended recipient is deemed to have received such notices or other documents 24 hours after they were sent or supplied
- 17.3.3 If the Company sends or supplies notices or other documents by means of a website, the intended recipient is deemed to have received such notices or other documents when such notices or other documents first appeared on the website or, if later, when the intended recipient first received notice of the fact that such notices or other documents were available on the website.
- 17.3.4 For the purposes of this Article 17.3, no account shall be taken of any part of a day that is not a working day.

18. WINDING UP

- 18.1 Upon winding up or dissolution of the Company, all sums earned to the credit of the BID revenue accounts or BID operating accounts of the Company as maintained in accordance with the Legislation shall be applied in accordance with arrangements made under the Legislation
- 18.2 If upon a winding up or dissolution of the Company, there remains after:
- 18.2.1 arrangements made in accordance with Article 18.1 (and the Company's complete compliance with the Legislation in respect of any property whatsoever), and
- 18.2.2 the satisfaction of all the Company's debts and liabilities (including without limitation the costs of winding up the Company's affairs) any property whatsoever the same shall subject to the proviso stated below, be distributed among those donors and grant making bodies

who have made voluntary financial contributions to the Company for BID purposes in the 12 months prior to the termination of the last chargeable period prior to the date of a distribution under this paragraph as a class ("Class A") and all persons who were liable in respect of BID levy imposed by the Company in the chargeable period last elapsed prior to the date of distribution under this paragraph as a class ("Class B") such distribution in the case of Class A, being made as nearly as practicable pro rata to each such contributor's total contribution in the period (not exceeding 12 months) prior to the commencement of a winding up of the Company and in the case of Class B, such distribution similarly being made pro rata amongst such contributors as are within the Area of Benefit at any date specified for such purpose by the Officer unless in each case in the opinion of the Officer the cost of making a distribution to contributors or any class of contributors in accordance with the foregoing procedures, would be disproportionate to the benefit in which case any distribution shall be made as the Officer thinks fit provided that it shall be paid or distributed among the Members of the Company only to the extent such persons fall within Class A or Class B aforesaid and not in their capacity as Members of the Company. In the case of any non-cash, such property shall either be realised for cash or where the cost of such realisation would, in the opinion of the Officer, be disproportionate to the benefit and in the case of any other property whatsoever not capable of distribution in accordance with the foregoing provisions, it shall be given or transferred to some other not for profit company or organisation having objects similar to the Objects or otherwise of benefit to the Area of Benefit (but not to a Member) and which shall prevent the distribution of its or their income and property among its or their Members to an extent at least as great as is imposed on the Company under or by virtue of this Article 18, such company or organisations to be determined by the Directors of the Company and to be approved by the Members of the Company at or before the time of dissolution.

For the purposes of this Article 18.2, "the Officer" shall mean the Board or any administrator, liquidator, receiver or other legally competent

person appointed to conduct the winding up, dissolution or striking off of the Company.

19. RULES

19.1

19.1.1 The directors may make such rules as they consider necessary or convenient for the proper conduct and management of the Company and for the purposes of prescribing the classes of and conditions of membership. In particular, and without prejudice to the generality of the foregoing, the directors may make rules regulating:

19.1.1.1 the admission and classification of Members of the Company, and the rights and privileges of such Members, the conditions of membership and the terms on which Members may resign or have their membership terminated and the entrance fees, subscriptions and other fees or payments to be made by Members;

19.1.1.2 the conduct of Members of the Company in relation to one another, and to the Company's officers and employees;

19.1.1.3 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;

19.1.1.4 the procedure at general meetings and meetings of the directors and committees of the Company (in so far as such procedure is not governed by these Articles); and

19.1.1.5 any and all other matters as are commonly the subject matter of company rules.

- 19.1.2 The directors must adopt such means as they consider sufficient to bring to the notice of Members of the Company all rules made under this Article.
 - 19.1.3 Any rules made by the directors under this Article will be valid and binding as against all Members of the Company for so long as such rules are in force.
 - 19.1.4 The Company in general meeting may alter or repeal any rules made by the directors in accordance with this Article.
- 19.2 Nothing in this Article permits the directors of the Company to make any rules which are inconsistent with or affect or repeal anything in these Articles or in any resolution passed by Members of the Company or agreement to which Chapter 3 of Part 3 of the Companies Act 2006 applies.