

Love Hastings Limited
Memorandum and Articles of Association

Registered Number: 10573685

THE COMPANIES ACT 2006

Memorandum and Articles of Association

LOVE HASTINGS LIMITED

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

MEMORANDUM OF ASSOCIATION OF LOVE HASTINGS LIMITED

Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company.

Name of each subscriber

Authentication by each subscriber

1) Alan Matthews

2) Ian Noble

3) Patricia Michele Horwill

Dated

ARTICLES OF ASSOCIATION OF LOVE HASTINGS LIMITED

INTERPRETATION

Defined terms

1. In these Articles:, unless the context requires otherwise, the following terms shall have the following meanings

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|--------------------------------------|---|
| 1.1 "the Act" | means the Companies Act 2006 |
| 1.2 "AGM" | means an annual general meeting of the Company |
| 1.3 "Area of Benefit" | means the present Castle Ward polling district in Hastings situate in the County of East Sussex, England |
| 1.4 "the Articles" | means these Articles of Association of the Company |
| 1.5 "Beneficiary" | means a person to whom the Company may grant benefits in furtherance of the Objects |
| 1.6 "BID Levy" | means the BID levy (as defined in Section 41 of the Local Government Act 2003) levied and collected against the levy payers within the Business Improvement District |
| 1.7 "the Board" | means the board of Directors of the Company and (where appropriate) includes a Committee and the Directors acting by written resolution |
| 1.8 "Board Meeting" | means a meeting of the Board of Directors |
| 1.9 "Business Day" | means any day agreed by the Board |
| 1.10 "Business Improvement District" | means those areas of Hastings town centre in which the non-domestic ratepayers or some class of them are subject to the BID Levy from time to time |
| 1.11 "Chair" | means (subject to the context) either the person elected as chair of the Company or where the Chair of the Company is not present or has not taken the chair at a meeting means the person who is chairing a Board Meeting or General Meeting at the time |

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- 1.12 "Circulation Date" in relation to a written resolution, has the meaning given to it in the Companies Acts
- 1.13 "Clear Days" in relation to a period of notice means the 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
- 1.14 "Committee" means a committee of the Board exercising powers delegated to it by the Board
- 1.15 "Companies Acts" means the Companies Acts (as defined in Section 2 of the Act) insofar as they apply to the Company
- 1.16 "Companies House" means the office of the Registrar of Companies
- 1.17 "the Company" means the company intended to be regulated by the Articles
- 1.18 "Company Member" means a member for the time being of the Company
- 1.19 "Conflict of Interest" means any direct or indirect interest of a Director (whether personal, by virtue of a duty of loyalty to another organisation or otherwise) that conflicts or could conflict with the interests of the Company
- 1.20 "Director" means any director of the Company
- 1.21 "EGM" means an extraordinary general meeting of the Company
- 1.22 "Electronic Forms and Electronic means" have the meanings respectively given to them in Section 1168 of the Act
- 1.23 "executed" includes any mode of execution
- 1.24 "Financial Year" has the meaning given to it in the Section 390 of the Act
- 1.25 "General Meeting" means an AGM or an EGM
- 1.26 "Hard Copy Form" has the meaning given to it in the Act
- 1.27 "including" means "including without limitation" and "include" and "includes" are to be construed accordingly
- 1.28 "Levy Payers" means non domestic rate payers within the Business Improvement District who are required to pay a levy in accordance with S45/46 of the Local Government Act 2003 and the Business Improvement Districts (England) Regulations 2004

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- 1.29 “Local Authority” A body of one of the descriptions listed in Section 67(3) Local Government and Housing Act 1989 and includes a group of local authorities as referred to in Section 73(2) of that Act
- 1.30 “Local Authority Director “ means a Director who is a Local Authority person
- 1.31 “Local Authority Person” means a person who is associated with a local authority for the purpose of Section 69 of the Local Government and Housing Act 1989 which includes a member of the local authority or an officer of a local authority or a person who has been a member of a local authority within the preceding 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
- 1.32 “Member Organisation” has the meaning defined in Article 44.5
- 1.33 "the Memorandum" means the Memorandum of Association of the Company
- 1.34 “Nominated Representative” Means any individual nominated by a corporate member to act as a Director in accordance with Article 44.5 or any individual nominated by a corporate levy payer or voluntary levy payer to be a member in its place in accordance with Article 12.7
- 1.35 "the Objects" means the objects of the Company set out in Article 7
- 1.36 "Observers" means those persons (other than Directors) present under Article 20 at a Board Meeting
- 1.37 “paid” means paid or credited as paid
- 1.38 “participate” in relation to a Directors’ meeting, has the meaning given in Article 23
- 1.39 “Proxy Notice” has the meaning given in Article 47
- 1.40 "Registered Office" means the registered office of the Company
- 1.41 “Regulated Company” a company deemed to be a regulated company for the purposes of the Local Government and Housing Act 1989 and Local Authorities (Companies) order 1995 and any subsequent amendments to those
- 1.42 “Senior Officer” means any officer of the Company designated as such by the Board
- 1.43 "Secretary" means the secretary of the Company including a joint, assistant or deputy secretary

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- 1.44 "Specified" means specified in the Memorandum or Articles of Association of the Company
- 1.45 "Subsidiary" has the meaning given in Section 1159 of the Act
- 1.46 "Transfer" includes every description of disposition, payment, release or distribution, and the creation or extinction of an estate or interest in, or a right over, any property
- 1.47 "Voluntary Levy Payer" Any person who voluntarily pays the BID levy or any other sum of money to the Company.
- 1.48 "Working Group " means a body established by the Board to make recommendations to the Board but without decision-making powers
- 1.49 "Writing" Means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in Electronic Form or otherwise

2 In the Articles:

2.1 terms defined in the Act are to have the same meaning;

2.2 references to the singular include the plural and vice versa and to the masculine include the feminine and neuter and vice versa;

2.3 references to "organisations" or "persons" include corporate bodies, public bodies, unincorporated associations and partnerships;

2.4 references to legislation, regulations, determinations and directions include all amendments, replacements or re-enactments and references to legislation (where appropriate) include all regulations, determinations and directions made or given under it;

2.5 references to Articles are to those within the Articles; and

2.6 the headings are not to affect their interpretation.

3 For the avoidance of doubt the system of law governing the Memorandum and the Articles is the law of England and Wales

4 Name

The name of the Company is Love Hastings Ltd

5 Registered Office

The Registered Office of the Company will be situated in England and Wales.

6 Not for profit

The Company is not established or conducted for private gain.

OBJECTS, POWERS and LIMITATION OF LIABILITY

7 Objects

7.1 The objects of the company are to do all things required to operate a Business Improvement District in Hastings, as detailed in the Local Government Act 2003 and the Business Improvement Districts (England) Regulations (CI 2004/2443) including but not limited to

7.1.1 to promote Hastings as a thriving commercial centre and tourist destination

7.1.2 to encourage, promote, operate, manage and own facilities and services for the benefit of users of Hastings town centre including commercial and industrial users, their customers and other visitors to the town

7.1.3 to promote cooperation between different sectors operating within and using Hastings town centre

7.1.4 to collect and distribute statistics and information relating to the demography and performance of Hastings Town Centre including business crime reduction statistics and information

7.1.5 to publish, print, and distribute such guides, brochures, books, leaflets and advertising literature as may be beneficial or advantageous to any or all of the objects of the Company

7.1.6 to provide, encourage and promote such facilities and services as may be beneficial to the objects of the Company, including the provision of Christmas lighting, websites, public street furniture, public art, lighting generally, the planting of flowers, bushes and trees and car parking facilities, and to organise and operate any such transport policy as may be considered expedient

7.1.7 to undertake, sponsor or subsidise any cultural, educational, sporting or promotional event, performance or exhibition as may be beneficial to the objects of the Company

7.1.8 to undertake, sponsor or subsidise any crime reduction initiative as may be beneficial to the objects of the Company

7.1.9 to grant donations or awards for public purposes beneficial to Hastings town centre

7.1.10 to undertake any other activity or service which may be considered from time to time beneficial or conducive to all or any of the objects of the Company

8. Powers

The Company may do all such lawful things as may further the objects of the Company and, in particular, but, without limitation, may borrow or raise and secure the payment of money for any purpose including for the purposes of investment or of raising funds and in particular it has powers:

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Staff and Volunteers

8.1 to employ staff or engage consultants and advisers on such terms as the Board thinks fit and to provide pensions to staff, their relatives and dependents;

8.2 to recruit or assist in recruiting and managing voluntary workers, including paying their reasonable expenses;

Property

8.3 to purchase, lease, exchange, hire or otherwise acquire any real or personal property rights or privileges (including shared or contingent interests);

8.4 to construct, alter, improve, convert, maintain, equip, furnish and/or demolish any buildings, structures or property;

8.5 to sell, lease, licence, exchange, dispose of or otherwise deal with property;

8.6 to purchase or acquire either alone or jointly with employees or servants freehold or leasehold property for the provision of accommodation for such employees or servants to enable the Company to recruit or retain staff of suitable calibre and experience;

8.7 to provide accommodation for any other organisation on such terms as the Board decides;

Borrowing

8.8 to borrow and give security for loans;

Grants and Loans

8.9 to make grants, donations or loans, to give guarantees and to give security for those guarantees;

Fund Raising

8.10 to raise funds, to invite and receive contributions;

Trading

8.11 to trade in the course of carrying out the Objects and to charge for services;

Publicity

8.12 to hold, conduct or promote meetings, conferences, lectures, exhibitions or training courses and to disseminate information to publicise the work of the Company and other organisations operating in similar fields;

8.13 to promote or carry out research and publish the results of it;

Contracts

8.14 to co-operate with and enter into contracts with any person;

Bank or building society accounts

8.15 subject to Article 6, to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments and to operate bank or building society accounts in the name of the Company;

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Investments

8.16 to invest the money of the Company in any investments, shares, securities or property (real or personal) of any nature (including investments involving liability and those not producing income) and in any location that the Board decides;

8.17 to exercise powers in relation to the delegation of investment management and the appointment of agents, nominees and custodians;

Insurance

8.18 to insure the assets of the Company to such amount and on such terms as the Board decides, to pay premiums out of income or capital and to use any insurance proceeds as the Board decides (without necessarily having to restore the asset);

8.19 to insure and to indemnify its employees and voluntary workers from and against all risks incurred in the proper performance of their duties;

8.20 to take out insurance to protect the Company and those who use premises owned by or let or hired to the Company;

8.21 to take out indemnity insurance to cover the liability of the Directors and officers of the Company who are not Directors for negligence, default, breach of duty or breach of trust in relation to the Company;

Other Organisations

8.22 to establish, promote, assist or support (financially or otherwise) any trusts, companies, industrial and provident societies, associations or institutions which have purposes which include any one or more of the Objects;

8.23 to co-operate or join with any charity, voluntary body or public or statutory authority or any other organisation in any location whatsoever in furthering the Objects or allied purposes, to exchange information and advice and to undertake joint activities with them;

8.24 to affiliate, register, subscribe to or join any organisation;

8.25 to act as agent or trustee for any organisation;

Reserves

8.26 to accumulate income in order to set aside funds for special purposes or as reserves against future expenditure;

Formation expenses

8.27 to pay the costs of forming the Company and of complying with all relevant registration requirements

General

8.28 to engage in any activity that is incidental and conducive for the furtherance of the Company's objects.

9 Equal opportunities

In the furtherance of the Objects the Company shall at all times actively promote and take into consideration the principles of equality of opportunity, access and education.

10. Limitation of Liability

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

10.1.1 payment of the Company's debts and liabilities contracted before he or she ceased to be a Member

10.1.2 payment of the costs, charges and expenses of winding up

10.1.3 adjustment of the rights of the contributories among themselves

10.2 Upon winding up or dissolution of the Company, all sums carried to the credit of the BID revenue account/s or BID operating account of the Company as maintained in accordance with the Act shall be applied in accordance with arrangements made under the Act

10.3 If upon a winding up or dissolution of the Company, there remains any property whatsoever after the satisfaction of all its debts and liabilities (including without limitation the costs of winding up the Company's affairs) it shall not be distributed to the Members of the Company but be distributed as follows:-

10.3.1 by transfer to one or more other bodies within the Area of Benefit established for purposes within, the same as or similar to the Objects described in Article 7 directly for the Objects or for purposes within or similar to the Objects

10.4 In the case of any non-cash such property, it 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.

10.5 For the purposes of this Article, "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.

APPLICATION OF FUNDS

11. General

The income and property of the Company must be applied solely towards promoting the Objects

11.1 Benefits to Company Members

For the avoidance of doubt nothing in Article 11 is to prevent the following payments to Company Members:

Rent

11.1.1 payment of reasonable and proper rent for premises let to the Company by a Company Member;

Interest on organisation's loans

11.1.2 payment of reasonable and proper interest on money lent by any Company Member (or other person with the right to appoint Company Members);

Supply of Goods or Services

11.1.3 reasonable payments to a Company Member (or other person with the right to appoint Company Members) in return for goods and/or services supplied to the Company pursuant to a written contract;

Out of Pocket Expenses

11.1.4 the payment of reasonable and proper out of pocket expenses as determined from time to time by the Directors to those Company Members who are engaged by the Company as volunteers in the work of the Company or in work which is directly funded (in whole or in part) by the Company and which are actually incurred by them in carrying out their work as volunteers; and

Benefits to Company Members

11.1.5 the grant of a benefit to a Company Member who is a Beneficiary in furtherance of the Objects;

Employment of Company Members

11.1.6 the reasonable remuneration of or grant of a benefit to a Company Member in respect of his employment by the Company provided that at no time shall the majority of the Company Members be employed by the Company;

Funding to an Organisation which employs a Company Member

11.1.7 the payment of a grant to an organisation or body which employs a Company Member for the purpose of meeting his/her employment costs provided that at no time shall a majority of the Company Members be in employment which is solely or mainly funded by the Company.

11.2 Benefits to Directors

The Company may make the following payments or grant the following benefits to Directors:-

Out of pocket expenses

11.2.1 the reimbursement of reasonable and proper out-of-pocket expenses as determined annually by the Directors (including travel and dependants' care costs) actually incurred in enabling them to carry out their duties as Directors;

11.2.2 the payment of reasonable and proper out of pocket expenses as determined annually by the Directors to those Directors who are engaged by the Company as volunteers in the work of the Company or in work which is directly funded by the Company and which are actually incurred by them in carrying out their work as volunteers

Indemnity

11.2.3 an indemnity in respect of any liabilities incurred in running the Company (including the costs of a successful defence to criminal proceedings

11.2.4 the benefit of indemnity insurance under Article 8.21

Interest and Rent

11.2.5 payment of reasonable and proper interest on money lent by any Director to the Company;

11.2.6 a reasonable rent or hiring fee for property let or hired by any Director to the Company;

Professional Fees

11.2.7 the usual professional charges for business done by any Director who is a solicitor, accountant or other professional or by his firm when instructed by the Company to act in a professional capacity on its behalf;

MEMBERS

BECOMING AND CEASING TO BE A MEMBER

12 Becoming a Member

12.1 The subscribers to the Memorandum are the first Members of the Company. Such other persons as are admitted to membership in accordance with the Articles shall be members of the Company

12.2 Every person who wishes to become a member shall deliver to the Company an application for membership in such form (and containing such information) as the Directors require and executed by him or her

12.3 No person shall be admitted to membership of the Company unless an application for membership has first been delivered to, and approved by, the Directors

12.4 An application for membership must be in Writing, signed by the applicant and include a declaration

12.4.1 as to whether the person is a Local Authority Person and that the applicant will advise the Company of any change in such status

12.4.2 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

12.4.3 That the applicant agrees to be bound by the obligations on them as set out the Articles and that when acting as Members they shall act at all times in the best interests of the Company

12.5 Membership shall fall into four classes and shall have the associated rights as follows

12.5.1 Class A Members – Business Levy Payers or their Nominated Representatives who shall be entitled to attend, vote and speak at General Meetings

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12.5.2 Class B Members – East Sussex County Council and Hastings Borough Council only who shall be entitled to attend, vote and speak at General Meetings

12.5.3 Class C Members - Voluntary Levy Payers or their Nominated Representatives who shall be entitled to attend and speak at General Meetings but shall not be entitled to vote

12.5.4 Class D Members – Sussex Police, Hastings Society and any other person who does not fall within Classes A, B or C and who is approved as a Member at the absolute discretion of the Directors. Class D Members shall be entitled to attend and speak at General Meetings but shall not be entitled to vote

12.6 A member shall not be permitted to be a Member in more than one class and a member who qualifies as a Class B Member may only be a member of that class

12.7 If a Levy Payer or Voluntary Levy Payer has chosen a Nominated Representative to be a member of the Company in its place that Levy Payer or Voluntary Levy Payer may not also be a member of the Company. East Sussex County Council, Hastings Borough Council and Sussex Police must be members of the Company themselves and may not choose a Nominated Representative to be a Member of the Company in their place

13 Termination of Membership

13.1 Membership shall not be transferrable in any circumstances

13.2 Membership is terminated if

13.2.1 The member gives three months' notice in Writing to the Directors and such member shall be deemed to have ceased to be a member from the date of expiration of such a notice

13.2.2 The Member dies or ceases to exist

13.2.3 The member is no longer entitled to be a member in accordance with the Articles

13.2.4 Otherwise in accordance with the Articles or

13.2.5 At a meeting of the Directors a resolution is passed resolving that the Member be expelled on the ground that his or her continued membership is detrimental to the interests of the Company. Such a resolution may not be passed unless the member in question has been given at least fourteen Clear Days' notice that the resolution is to be proposed, specifying the circumstances alleged to justify expulsion and has been afforded a reasonable opportunity of being heard by or of making written representations to the Directors. A Member expelled by such a resolution will remain liable to pay the BID levy and any other amounts owed to the Company

13.3 A Member shall automatically cease to be a member of the Company if the BID levy or other amount owed to the Company by that Member has not been paid six months after it has become due

13.4 No refund shall be made of the BID Levy on the termination of the membership for any reason

14 Local Authority Persons

14.1 No Local Authority Person may be admitted to membership of the Company if by virtue of such admission more than 19.9% 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 as a Regulated Company.

14.2 If for any reason the Local Authority Persons together have 20% 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 such that the aggregate number of votes which may be cast by the Local Authority Persons shall represent 19.9% of the total number of votes which may be cast by all the members at the meeting. The votes of which Local Authority Persons are to be disregarded for this purpose shall be agreed between the Local Authority Persons and in default of agreement shall be determined by lot

14.3 No Local Authority Person may be appointed as proxy or representative or otherwise vote on behalf of any other non-Local Authority members of the Company

14.4 No resolution for the variations of Article 14, 32.15 or 32.16 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

DIRECTORS

POWERS AND RESPONSIBILITIES

15. Directors' general authority

Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

16. Local Authority Directors

The number of Local Authority Directors shall be limited to a maximum of two. Local Authority Directors shall only be allow a vote at directors meetings provided their total vote does not exceed those percentages as detailed in articles 14.1 and 14.2

17 Members' reserve power

17.1 The Members may, by special resolution, direct the Directors to take, or refrain from taking, specific action

17.2 No such special resolution invalidates anything that the Directors have done before the passing of the resolution

18 Chair

The Directors may appoint one of their number to be the Chair of the Directors for such term of office as they determine and may at any time remove him or her from office.

19 Directors may delegate

19.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles

19.1.1 to such person or Committee or Working Group

19.1.2 by such means including by power of attorney

19.1.3 to such extent

19.1.4 in relation to such matters or territories and

19.1.5 on such terms and conditions as they think fit,

19.2 The Directors may revoke any delegation in whole or in part or alter its terms and conditions

20 Committees and Working Groups

20.1 The Board may establish Working Groups consisting of those persons whom the Directors decide. A Working Group may not take decisions on behalf of the Board but may consider issues in depth with a view to making recommendations to the Board

20.2 The members of a Committee or a Working Group shall be appointed by the Board but the Board may give a Committee or a Working Group the right to co-opt individuals to its membership. The Directors shall determine the chair of each Committee or Working Group

20.3 Each member of a Committee or Working Group (including the chair) shall hold office from the date of his or her appointment until the term of office for which he or she has been appointed expires or until he or she resigns or is removed by the Directors from the Committee or Working Group.

20.4 The Board shall determine the quorum for each Committee and Working Group it establishes.

20.5 The Board shall specify the financial limits within which any Committee may function. A Working Group can have no authority to incur expenditure. Every Committee or Working Group shall report its proceedings and decisions to the Board as the Board determines.

20.6 Committees to which Directors delegate any of their powers must be led by at least one Director and follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors

20.7 The Board may make rules of procedure for all or any Committees or Working Groups which prevail over rules derived from the Articles if they are not consistent with them

21 Observers

21.1 The Directors may allow Persons who are not Directors to attend Board Meetings as Observers on whatever terms they decide.

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21.2 The Directors may exclude Observers from any part of a Meeting where the Directors consider the business is private.

21.3 The Directors must exclude an Observer from any Directors' meeting at which a possible personal benefit to him or her is being considered.

DECISION MAKING BY DIRECTORS

22 Directors to take decisions collectively

Any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 28

23 Calling a Directors' meeting

23.1 Any Director (and the Secretary, if any, at the request of a Director) may call a Directors' meeting

23.2 A Directors' meeting must be called by at least seven Clear Days' notice unless

23.2.1 all the Directors agree; or

23.2.2 urgent circumstances require shorter notice

23.3 Notice of Directors' meetings must be given to each Director and the Observers

23.4 Every notice calling a Directors' meeting must specify

23.4.1 the place, day and time of the meeting : and

23.4.2 if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they shall communicate with each other during the meeting

23.5 Notice of Directors' meetings shall be in Writing

23.6 Notice of Directors' meetings may be sent by Electronic Means to an Address provided by the Director for the purpose

23.7 Directors' meetings shall take place at least four times per year

24 Participation in Directors' meetings

24.1 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when

24.1.1 the meeting has been called and takes place in accordance with the Articles, and

24.1.2 they can each communicate to the others any information or opinions they have on any particular item of business

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24.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other

24.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is

25 Quorum for Directors' meetings

25.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting

25.2 The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors but it must never be less than five and unless otherwise fixed, it is five with the following restrictions in accordance with clauses 14.1 and 14.2

- (i) The five directors who constitute a quorum shall not entitle a Local Authority Director, if they so attend, to a vote.
- (ii) A single Local Authority Director shall only be permitted a vote at such meetings when the total number of non Local Authority Directors is six.
- (iii) A local Authority Director vote will, if necessary, be calculated in accordance with clause 32.16.

25.3 If the total number of Directors for the time being is less than the quorum required the Directors must not take any decision other than a decision

25.3.1 to appoint further Directors; or

25.3.2 to call a General Meeting so as to enable the members to appoint further Directors

25.4 In accordance with Article 21 Observers may attend and speak at Directors' meetings but shall not be included in the quorum and shall not be entitled to vote on any matter

26 Chairing of Directors' meetings

The Chair, if any, or in his or her absence another Director nominated by the Directors present shall preside as Chair of each Directors' meeting

27 Decision making at a meeting

27.1 Questions arising at a Directors' meeting shall be decided by a majority of votes

27.2 In all proceedings of Directors each Director must not have more than one vote

27.3 In the case of equality of votes, the Chair shall have a second or casting vote (unless the Chair is a Local Authority Person and the second or casting vote would cause the company to be deemed a Regulated Company)

28 Decisions without a meeting

28.1 The Directors may take a unanimous decision without a Directors' meeting by indicating to each other by any means, including without limitation by Electronic Means, that they share a common view on a matter. Such a decision may, but need not, take the form of a resolution in Writing, copies of which have been signed by each Director or to which each Director has otherwise indicated agreement in Writing

28.2 A decision which is made in accordance with Article 28.1 shall be as valid and effectual as if it had been passed at a meeting duly convened and held, provided the following conditions are complied with:-

28.2.1 approval from each Director must be received by one person being either such person as all the Directors have nominated in advance for that purpose or such other person as volunteers if necessary ("the Recipient"), which person may, for the avoidance of doubt, be one of the Directors

28.2.2 following receipt of responses from all of the Directors, the Recipient must communicate to all of the Directors by any means whether the resolution has been formally approved by the Directors in accordance with Article 28.2

28.2.3 the date of the decision shall be the date of the communication from the Recipient confirming formal approval

28.2.4 the Recipient must prepare a minute of the decision in accordance with Article 55

29 Conflicts of Interest

29.1 Whenever a Director finds himself or herself in a situation that is reasonably likely to give rise to a Conflict of Interest, he or she must declare his or her interest to the Directors unless, or except to the extent that, the other Directors are or ought reasonably to be aware of it already

29.2 For the avoidance of doubt Article 29.1 shall not apply to a Conflict of Interest arising under Section 175 of the Act by reason of a Director being a Levy Payer or the director or employee of a Levy Payer and any such Conflict of Interest is hereby authorised and Article 29.4 need not be followed

29.3 If any question arises as to whether a Director has a Conflict of Interest, the question shall be decided by a majority decision of the other Directors

29.4 Whenever a matter is to be discussed at a meeting or decided in accordance with Article 28 and a Director has a Conflict of Interest in respect of that matter then, subject to Article 29 he or she must

29.4.1 remain only for such part of the meeting as in the view of the other Directors is necessary to inform the debate

29.4.2 not be counted in the quorum for that part of the meeting and

29.4.3 withdrew during the vote and have no vote on the matter

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29.5 When a Director has a Conflict of Interest which he or she has declared to the Directors, he or she shall not be in breach of his or her duties to the Company by withholding confidential information from the Company if to disclose it would result in a breach of any other duty or obligation of confidence owed by him or her

30 Directors' powers to authorise a Conflict of Interest

30.1 The Directors may authorise any Conflict of Interest proposed to them by any Director which would, if not authorised, involve a Director breaching his or her duty under Sections 175 or 177 of the Act, provided

30.1.1 in relation to the decision to authorise a Conflict of Interest, the conflicted Director must comply with Article 29.4

30.1.2 in authorising a Conflict of Interest, the Directors can decide the manner in which the Conflict of Interest may be dealt with and, for the avoidance of doubt, they can decide that the Director with a Conflict of Interest can participate in a vote on the matter and can be counted in the quorum

30.1.3 the decision to authorise a Conflict of Interest can impose such terms as the Directors think fit and is subject always to their right to vary or terminate the authorisation: and

30.2 If a matter, or office, employment or position, has been authorised by the Directors in accordance with Article 30.1 then, even if he or she has been authorised to remain at the meeting by the other Directors, the Director may absent himself or herself from meetings of the Directors at which anything relating to that matter, or that office, employment or position, will or may be discussed

30.3 A Director shall not be accountable to the Company for any benefit which he or she derives from any matter, or from office, employment or position, which has been authorised by the Directors in accordance with Article 30.1

31 Register of Directors' interests

The Directors shall cause a Register of Directors' interests to be kept. A Director must declare the nature and extent of any interest, direct or indirect, which he or she has in proposed transaction or arrangement with the Company or in any transaction or arrangement entered into by the Company which has not previously been declared in accordance with Section 175 of the Act

APPOINTMENT AND RETIREMENT OF DIRECTORS

32 Methods of appointing Directors

32.1 Directors are to be appointed in the manner set out in the Articles.

32.2 The first Directors shall be those persons notified in the statement delivered to the Registrar of Companies

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32.3 Each First Director shall retire from office as follows:

32.3.1 one half of the first Directors shall retire at the start of the first AGM. For the avoidance of doubt all first Directors who by virtue of their Membership classification shall be entitled to attend and speak in General Meetings but shall not be entitled to vote in General Meetings shall retire at the start of the first AGM

32.3.2 the remaining first Directors shall retire at the start of the second AGM

32.4 Subject to Article 32.3 The Directors shall determine amongst themselves which of their number are to retire in which year and in the absence of agreement shall draw lots.

32.5 As soon as is practicable after incorporation the Board shall appoint further Directors so that there shall be up to a maximum of 17 Directors and not fewer than 11 Directors of whom less than 2 may constitute Local Authority Directors. Directors may be appointed and removed in accordance with Articles 32 and 33

32.6 The Directors must be individuals who are either members of the Company or Nominated Representatives of members of the Company in accordance with Article 12.7

32.7 The appointment of a Director shall not take effect until he or she has signed the prescribed Companies House form. The appointment of any person as a Director who has not done so within one month or appointment is to lapse unless the Board resolves that there is good cause for the delay.

32.8 The Levy Payers shall have the right to nominate up to a maximum of 13 Directors (each an A Director) ensuring, as far as possible that within that number there is at least one Director representing each of the following

32.8.1 a retail Levy Payer operating from a premises in excess of 200 square meters in size

32.8.2 a retail levy payer operating from a premises 200 square meters or less in size that is owned or managed by persons living in or near the Hastings area

32.8.3 an independent retail Levy Payer that is not part of a wider chain

32.8.4 a Levy Payer operating in the hospitality sector

32.8.5 a Levy Payer operating in the evening economy

32.8.6 a Levy Payer that is an educational establishment

32.8.7 a Levy Payer that is a tenant or representative of a tenant of Priors Meadow Shopping Centre

32.8.8 a Levy Payer operating in the White Rock area of the town centre

32.8.9 a Levy Payer operating in the Upper Queens Road area of the town centre

32.8.10 a Levy Payer operating in the America Ground area of the town centre

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32.8.11 a Levy Payer operating in the Wellington Place/Castle Street area of the town centre; and
at least two Directors representing Levy Payers operating in the business services sector

32.9 If 13 or fewer nominations under Article 32.8 are received by the Company then all those nominated shall be appointed as A Directors with effect from the next meeting of Directors and the outgoing A Directors shall retire at such meeting

32.10 If more than 13 nominations under Article 32.8 are received by the Company then Hastings Borough Council in conjunction with the returning officer shall conduct such a ballot at such time and place as shall be notified to the Levy Payers and each Levy Payer shall be entitled to vote for their preferred candidate in each category by secret ballot in accordance with such rules as the Directors shall determine. Hastings Borough Council in conjunction with the returning officer shall notify the Company of the outcome of any such ballot and the successful candidates shall be appointed as Levy Payer Directors with effect from the next meeting of the Directors and the outgoing Levy Payer Directors shall retire at such meeting

32.11 Each A Director will be appointed for a period not exceeding 36 months and the Company shall invite nominations for replacement Levy Payer Directors in accordance with Article 32.8 and if required, a ballot under Article 32.10 shall take place before the end of such a term. If willing to act, nothing shall prevent an A Director remaining in office for a subsequent term if nominated and/or elected in accordance with his process and there shall be no limit to the number of terms an A Director may serve in office

32.12 For the avoidance of doubt, an outgoing A Director may only remain a Member of the Company if he or she is still entitled to be a Member in accordance with the Articles

32.13 The individual holding the post of Manager of the Company or Chief Executive Officer of the Company shall not be a Director of the Company.

32.14 Each Class B Member shall have the right to appoint maximum of one Director (Local Authority Director) and to remove the B Director appointed by it, or the B Director appointed pursuant to Article 32.18 to fill a vacancy in the office of the B Director which it is entitled to fill pursuant to this Article 32.14 Any appointment or removal shall be made by notice in Writing to the Company and shall take effect when received or at such later time as shall be specified in such notice. B Directors shall cease to be Directors immediately if the Member appointing the B Director ceases to be a Member

32.15 No Local Authority Person shall be appointed as a Director if by virtue of such appointment the Local Authority (B) Directors will together constitute 20% or more of the total number of Directors and cause the Company to be a Regulated Company. In the event that a Director becomes a Local Authority Person and Local Authority Directors then comprise 20% or more of the voting at any meeting where such a vote is called as a whole that Local Authority Director vote shall be amended as per article 32.16.

32.16 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 such 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 cast by all Directors. The votes of which Local Authority Directors are to be disregarded for this purpose shall be agreed between all the Local Authority Directors and in default of agreement shall be determined by lot

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32.17 The Company, by ordinary resolution, or the Directors may appoint a person who is willing to act to be a Director to fill a vacancy or as an additional Director provided that the appointment does not cause the Company to be deemed to be a Regulated Company or cause the number of Directors to exceed the maximum number of Directors prescribed by or determined in accordance with Article 32.5 If a Director so appointed is appointed to fill a vacancy of an A Director the Director so appointed shall be an A Director . An A Director so appointed shall hold office only until the next nomination and/or election process is held in accordance with Articles 32.8 and 32.10

32.18 In any case where, as a result of death, the Company has no Members and no Directors, the personal representatives of the last Member to have died have the right by notice in Writing to appoint a person to be a Member

32.19 For the purposes of Article 32.18 where two or more Members die which render it uncertain who was the last to die, a younger Member is deemed to have survived an older Member

33 Termination of Director's appointment

33.1 A person ceases to be a Director when that person

33.1.1 dies;

33.1.2 ceases to be a Director under the Act or is prohibited by law from being a Director;

33.1.3 becomes incapable of managing and administering his own affairs because of mental disorder illness or injury;

33.1.4 is declared bankrupt or makes any arrangement or composition with his creditors;

33.1.5 is in the opinion of the Board guilty of conduct detrimental to the interests of the Company and the Board resolves by a two thirds majority of the Directors present and voting that he should be removed provided that the Director concerned has first been given an opportunity to put his case and to justify why he should not be removed as a Director;

33.1.6 is absent without good reason from three consecutive Board Meetings held no more frequently than once per quarter and the Board resolves (by a two thirds majority of the Directors present and voting) that he should cease to be a Director;

33.1.7 is detained in prison unless the Board resolves (by a two thirds majority of the Directors present and voting) that he should continue as a Director;

33.1.8 ceases to be a Company Member:

33.1.9 resigns by written notice:

33.1.10 is a B (Local Authority) Director and his or her appointment ceases in accordance with Article 32.14:

33.1.11 becomes a Local Authority Director and his or her appointment ceases pursuant to Article 32.15

34 Directors' remuneration

34.1 Directors may undertake any services for the Company that the Directors decide

34.2 No Director shall be entitled to any remuneration from the Company for their services to the Company as Directors but shall be entitled to such remuneration as the Directors determine for any other service which they undertake for the Company

35 Directors' expenses

35.1 The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at

35.1.1 Meetings of Directors or committees of Directors

35.1.2 General meetings

35.1.3 Separate meetings of any class of members or of the holders of any debentures of the Company

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company

ORGANISATION OF GENERAL MEETINGS

36 General meetings

36.1 Unless determined otherwise by the Directors the Company shall hold an AGM each year. The first AGM will be held no later than eighteen months after the Company starts trading and thereafter, the Company shall hold an AGM between 1st May and 15th May each year

36.2 The Directors may call a General Meeting at any time

36.3 The Directors must call a General Meeting if required to do so by the members under the Companies Acts

37 Notice of General meetings

37.1 Every General Meeting must be called by at least 14 Clear Days' notice.

37.2 A General Meeting may be called by shorter notice if this is agreed:

36.2.1 for an AGM by all of the Company Members entitled to attend and vote; and

36.2.2 for an EGM by a majority in number of the Company Members who may attend and vote at that meeting

38 Contents of notice

38.1 The notice must specify:-

38.1.1 the time, date and place of the General Meeting;

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38.1.2 the general nature of the business to be transacted; and

38.1.3 in the case of an AGM, that it is the AGM.

38.2 Subject to the Act no business may be transacted at a General Meeting except that specified in the notice convening the meeting.

38.3 If a special resolution is to be proposed, the notice must include the proposed resolution and specify that it is proposed as a special resolution

38.4 In every notice calling a meeting of the Company there must appear with reasonable prominence a statement informing the member of his or her rights to appoint another person as his or her proxy at a General Meeting

39 Service of notice

39.1 Notice of a General Meeting must be given to all of the Company Members, the Directors, the Observers and to the Company's auditors (if any) and in addition notice of AGM's must also be given to every Levy Payer

39.2 Notice of a General Meeting may also be posted in such places as the Board decides in order to bring it to the attention of such other persons who in the reasonable opinion of the Board have an interest in the work of the Company.

39.3 The accidental omission to give notice of a General Meeting to, or the non-receipt of notice of a General Meeting by, any person entitled to receive notice will not invalidate the proceedings at that General Meeting.

40 Attendance and speaking at General Meetings

40.1 A person is able to exercise the right to speak at an AGM or General meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting

40.2 A person is able to exercise the right to vote at an AGM or General meeting when

40.2.1 that person is able to vote during the meeting on resolutions put to the vote at the meeting; and

40.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting

40.3 The Directors may make whatever arrangements they consider appropriate to enable those attending an AGM or General Meeting to exercise their rights to speak or vote at it

41 Quorum for general meetings

41.1 No business (other than the appointment of the Chair of the meeting) may be transacted at any General Meeting unless a quorum is present

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41.2 Two persons entitled to vote on the business to be transacted (each being a Member, proxy for a member or an authorized representative of a member) or 5% of the total membership whichever is the greater, shall be a quorum

41.3 A Company Member may be part of the quorum at a General Meeting if he or she can understand, comment and vote on the proceedings through telephone, video conferencing or other communications equipment.

41.4 If a quorum is not present within twenty minutes from the time of the General Meeting or a quorum ceases to be present during a General Meeting, the meeting must be adjourned to such time and place as the Directors decide.

41.5 If at the adjourned meeting there are again insufficient Company Members present within twenty minutes from the time of the adjourned General Meeting to constitute a quorum then those Company Members who are present (provided that they number at least three) shall constitute a quorum for the purpose of allowing any business of the adjourned meeting to be conducted.

41.6 Any person who in the reasonable opinion of the Board has an interest in the work of the Company may attend a General Meeting and may speak (at the absolute discretion of the Chair) but unless the Person is a Class A or Class B Company Member he or she may not vote.

42 Chair at general meetings

42.1 The Chair or in his or her absence, some other Director nominated by the Directors will preside as chair at all General Meetings.

42.2 If neither the Chair nor such other Director nominated in accordance with Article 42.1 is present within fifteen minutes from the time of the General Meeting or is unwilling to act then the Directors present shall elect one of their number to chair the meeting and if there is only one Director present and willing to act, he or she shall chair the meeting

42.3 If neither the Chair nor the Vice-Chair is present and willing to act within 15 minutes from the time of the General Meeting, the Company Members present must choose one of their number to chair the General Meeting.

41.4 For the avoidance of doubt a proxy holder who is not a member entitled to vote shall not be entitled to be appointed chair of the meeting

43 Adjournment

43.1 The Chair may, with the consent of a General Meeting at which a quorum is present (and must if so directed by the General Meeting), adjourn it to a time and place agreed by the General Meeting.

43.2 The Chair may adjourn a General Meeting if it appears to the Chair that:-

43.2.1 more people wish to attend the meeting than was reasonably to be expected and the room is too small;

43.2.2 unruly conduct is likely to prevent the orderly holding of the meeting; or

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43.2.3 for any other reason an adjournment is necessary for the business of the meeting to be properly conducted.

43.3 The Chair of the meeting must adjourn an AGM or General Meeting if directed to do so by the meeting

43.4 When adjourning an AGM or General Meeting the chair of the meeting must

43.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors

43.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting

43.5 The only business which may be transacted at an adjourned General Meeting is that left unfinished from the General Meeting which was adjourned.

VOTING AT GENERAL MEETINGS

44 Voting: general

43.1 Resolutions are to be decided on a show of hands unless a ballot is properly demanded in accordance with the Articles

44.2 Each Class A and Class B Company Member present in person or by proxy has one vote both on show of hands and a ballot. Class C and Class D members will not be entitled to vote

45 Votes

45.1 On a vote on a resolution on a show of hands at a meeting every person present in person (whether member, proxy or Authorised Representative of a member) and entitled to vote shall have a maximum of one vote

45.2 On a vote on a resolution on a ballot at a meeting every member present in person or by proxy or Nominated Representative shall have one vote

45.3 If there is an equality of votes on a show of hands or a ballot the Chair shall be entitled to a second or casting vote.

45.4 No member shall be entitled to vote at any AGM or General meeting unless all monies presently payable by him, her or it including the BID Levy if applicable, have been paid

45.5 The following provisions apply to any organisation that is a member (a Member Organisation)

45.5.1 a Member Organisation may nominate an individual to act as its representative (a Nominated Representative) at any meeting of the Company

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45.5.2 a Member Organisation must give notice in Writing to the Company of the name of its Nominated Representative. The Nominated Representative will not be entitled to represent the Member Organisation at any meeting of the Company unless such notice has been received by the Company

45.5.3 a Nominated Representative may continue to represent the Member Organisation until notice in Writing is received by the Company to the contrary

45.5.4 any notice in Writing received by the Company shall be conclusive evidence of the Nominated Representative's authority to represent the Member Organisation or that his or her authority has been revoked

45.5.6 an individual appointed by a Member Organisation to act as its Nominated Representative is entitled to exercise the same powers as the Member Organisation could exercise if it were an individual member

45.5.7 on a vote on a resolution at a meeting of the Company, the Nominated Representative has the same voting rights as the Member Organisation would be entitled if it was an individual member present in person at the meeting, and

45.5.8 the power to appoint a Nominated Representative under this Article 45.5 is without prejudice to any rights which the Member Organisation has under the Companies Acts and the Articles to appoint a proxy or a corporate representative

46 Ballots

46.1 A ballot may be demanded in advance or on the declaration of the result of a show of hands.

46.2 A ballot may be demanded by

46.2.1 the Chair of the meeting

46.2.2 the Directors

46.2.3 two or more persons having the right to vote on the resolution

46.2.4 any person, who by virtue of being appointed proxy for one or more members having the right to vote at the meeting, holds two or more votes

46.2.5 a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution

46.3 A demand for a ballot may be withdrawn if

46.3.1 the ballot has not yet been taken; and

46.3.2 the chair of the meeting consents to the withdrawal

46.4 Ballots must be taken immediately and in such manner as the Chair of the meeting directs

47 Errors and disputes

47.1 No objection may be raised to the qualification of any person voting at an AGM or General Meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid

47.2 Any such objection must be referred to the Chair of the meeting whose decision is final

48. Proxies

48.1 A Company Member may appoint a proxy by a notice in Writing. (a“Proxy Notice”) which
48.1.1 states the name and address of the Member appointing the proxy

48.1.2 identifies the person appointed to be that member’s proxy and the AGM or General Meeting in relation to which that person is appointed

48.1.3 is signed by or on behalf of the member appointing the proxy or is authenticated in such manner as the Directors may determine; and

48.1.4 is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the General Meeting to which they relate

48.2 The Company may require Proxy Notices to be delivered in a particular form and may specify different forms for different purposes

48.3 Proxy Notices may specify how the proxy appointed under them is to vote (or abstain from voting) on one or more resolutions

48.4 Unless a Proxy Notice indicates otherwise, it must be treated as

48.4.1 allowing the person appointed under it as a proxy discretion as how to vote on any ancillary or procedural resolutions put to the meeting, and

48.4.2 appointing that person as a proxy in relation to any adjournment of the AGM or General Meeting to which it relates as well as the meeting itself

49 Delivery of proxy notices

49.1 A person who is entitled to attend, speak and vote, either on a show of hands or by ballot, at an AGM or General Meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person

49.2 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in Writing given by or on behalf of the person by whom or on whose behalf the Proxy Notices given

49.3 A notice revoking the appointment of a proxy only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates

50 Resolutions - amendments

50.1 An ordinary resolution to be proposed at an AGM or General Meeting may be amended by ordinary resolution; if

50.1.1 notice of the proposed amendment is given to the Company in Writing by a person entitled to vote at an AGM or General Meeting at which it is to be proposed not less than 48 hours before the meeting is to take place

50.1.2 the proposed amendment does not, in the opinion of the Chair of the meeting, materially alter the scope of the resolution

50.2 A special resolution to be proposed at an AGM or General Meeting may be amended by ordinary resolution; if

50.2.1 the Chair of the meeting proposes the amendment at the AGM or General Meeting at which the resolution is to be proposed ; and

50.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution

50.3 If the Chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chair's error shall not invalidate the vote on that resolution

WRITTEN RESOLUTIONS

51 Written resolutions

51.1 Subject to Article 51.3 a written resolution of the Company passed in accordance with this Article 51 shall have effect as if passed by the Company in an AGM or General Meeting

51.1.1 a written resolution is passed as an ordinary resolution if it is passed by a simple majority of the total voting rights of eligible members

51.1.2 a written resolution is passed as a special resolution if it is passed by members representing not less than 75% of the total voting rights of eligible members. A written resolution is not a special resolution unless it states that it was proposed as a special resolution

51.2 In relation to the resolution proposed as a written resolution of the Company the eligible members are the members who would have been entitled to vote on the resolution on the circulation date of the resolution

51.3 A members' resolution under the Companies Acts removing a Director or an auditor before the expiration of his or her term of office may not be passed as a written resolution

51.4 A copy of the written resolution must be sent to every member together with a statement informing the member how to signify their agreement to the resolution and the date by which the resolution must be passed if it is not to lapse. Communications in relation to written notices shall be sent to the Company auditors in accordance with the Companies Acts

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51.5 A member signifies their agreement to a proposed resolution when the Company receives for him or her an authenticated Document identifying the resolution to which it relates and indicating his or her agreement to the resolution

51.6 If the Document is sent to the Company in Hard Copy Format it is authenticated if it bears the member's signature

51.7 If the Document is sent to the Company by Electronic Means it is authenticated; if

51.7.1 it bears the member's signature, or

51.7.2 the identity of the member is confirmed in a manner agreed by the Directors, or

51.7.3 it is accompanied by a statement of the identity of the member and the Company has no reason to doubt the truth of that statement, or

51.7.4 if it from an e-mail Address notified by the member to the Company for the purposes of receiving Documents or information by Electronic Means

51.8 A written resolution is passed when the required majority of eligible members have signified their agreement to it

51.9 A proposed written resolution lapses if it is not passed within 28 days beginning with the circulation date

ADMINISTRATIVE ARRANGEMENTS AND MISCELLANEOUS MATTERS

52 Secretary

51.1 A Secretary may but need not be appointed by the Directors for such a term as the Directors decide.

51.2 Where appointed, a Secretary may be removed by the Directors at any time.

51.3 The duties of the Secretary include advising the Directors on legal compliance.

51.4 No Director may occupy the salaried position of Secretary.

53 Means of Communication

53.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Act provides for Documents or information which are authorised or required by any provision of that act to be sent or supplied by or to the Company

53.2 Subject to the Articles, any notice or Document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which the Director has asked to be sent or supplied with such notices or Documents for the time being

54 Indemnity of officers and employees

54.1 The Company may indemnify any officer or employee (other than a Director) against any liability incurred by him or her in his or her capacity as such except when that liability is due to his own dishonesty or gross negligence.

54.2 Subject to the Act (in particular sections 232-238 or any section of any other statute amending or replacing sections 232-238) and Article 11, the Company may indemnify any relevant Director of the Company or associated company or organisation out of the Company's assets against any liability incurred by him or her in his capacity as such.

54.3 In this Article

54.3.1 companies or organisations are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

54.3.2 a "relevant Director" means any Director or former Director of the Company or an associated company or organisation

55 Minutes

55.1 The Directors must arrange for minutes to be kept of all General Meetings all Directors' Meetings and all meetings of Committees and Working Groups The names of the Directors present at Directors' Meetings must be included in the minutes.

55.2 Copies of the draft minutes of Directors' Meetings must be distributed to the Directors as soon as reasonably possible after the meeting and in any case seven days before the next Directors' Meeting (unless the next Directors' Meeting is an urgent Directors' Meeting).

55.3 Minutes must be approved as a correct record at the next General Meeting (as regards minutes of General Meetings) or Directors' Meeting (as regards minutes of Directors' Meetings). Once approved, they must be signed by the person chairing the meeting at which they are approved.

55.5 The Directors must keep minutes of all of the appointments made by the Directors

55.6 Minutes must be kept for at least ten years from the date of the meeting

ACCOUNTS, ANNUAL REPORT AND CONFIRMATION STATEMENT

56 The Directors must comply with the Companies Acts in:-

56.1 maintaining a member's register

56.2 keeping financial records

56.3 preparing and filing an annual Directors report and annual accounts; and

56.4 making a Confirmation Statement to the Registrar of Companies.

57 The Company must comply with the Act relating to the audit or examination of accounts (to the extent that the law requires).

58 The annual Directors' report and accounts must contain:-

58.1 revenue accounts and balance sheet for the last accounting period;

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58.2 the auditor's report on those accounts where an audit has been deemed necessary due to the Company exceeding its audit threshold or where the Board deems a voluntary audit is necessary

58.3 the Directors' report on the affairs of the Company;

59 The accounting records of the Company shall always be open to inspection by a Director or by an officer of the body which nominated him who has been duly authorised by that body to make such an inspection.

BANK AND BUILDING SOCIETY ACCOUNTS

60.1 All bank and building society accounts shall be operated by the Directors and shall include the name of the Company.

60.2 A cheque or order for the payment of money must be signed in accordance with the delegated authorisation limits determined from time to time by the Directors

EXECUTION OF DOCUMENTS

61 Unless the Directors decide otherwise, documents which are executed as deeds must be signed by two Directors