

The Companies Act 1985
Company Limited by Guarantee and Not Having a Share Capital
MEMORANDUM OF ASSOCIATION
of
HYTHE MARINA ASSOCIATION (HMA) LIMITED

1 The name of the company (hereinafter called "Association") is Hythe Marina Association (HMA) Limited.

2 The registered office of the Association will be situated in England and Wales. 3 The objects for which the Association is established are:

To represent, promote, facilitate and encourage the interests of the Members of the Association and in particular to represent the interests of Leaseholders so as to maintain, enhance, promote and protect the amenities and values of Hythe Marina Village and to maximise and preserve the value of Leaseholders' properties

And the Association shall have the following powers:

3.1 to purchase, take on lease, or in exchange, hire or otherwise acquire real or personal property and rights or privileges, and to construct, maintain and alter buildings;

3.2 to sell, let or mortgage, dispose of or turn to account all or any of the property or assets of the Association;

3.3 to purchase or otherwise acquire plant and machinery including, without limitation, computer hardware and software, furniture, fixtures, fittings and all other effects of every description and to apply for registration of any patents, rights, copyrights, licences and the like;

3.4 to borrow or raise money on such terms and on such security as may be thought fit with such consents as are required by law;

3.5 to take and accept any gift of money, property or other assets whether subject to any special trust or not;

3.6 to issue appeals, hold public meetings and take such other steps as may be required for the purpose of procuring contributions to the funds of the Association in the shape of donations, subscriptions or otherwise;

3.7 to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments and to operate bank accounts;

3.8 to invest moneys of the Association not immediately required for its purposes 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;

3.9 to make any donations in cash or assets or establish or support or aid in the establishment or support of and to lend money (with or without security) to or for any charitable associations or institutions;

3.10 to undertake and execute or otherwise support charitable trusts;

3.11 to engage and pay any person or persons whether on a full-time or part-time basis or whether as consultant or employee to supervise, organise, carry on the work of and advise the Association;

3.12 to pay out of funds of the Association the costs, charges and expenses of and incidental to the formation and registration of the Association;

3.13 to do all such other lawful and charitable things as shall further the attainment of the objects of the Association or any of them.

4 The liability of the members is limited.

5 Every member of the Association undertakes to contribute to the assets of the of the Association, in the event of the same being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the Association contracted before he ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding El.

We, the several persons whose Names and Addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association.

NAMES AND ADDRESSES OF SUBSCRIBERS

7Side Nominees Limited

14/18 City Road
Cardiff
CF24 3DL

DATED 15 June 2007
The Companies Act 1985

Company Limited By Guarantee And Not Having A Share Capital

ARTICLES OF ASSOCIATION
of
HYTHE MARINA ASSOCIATION (HMA) LIMITED

Interpretation

1.1 In these Articles:

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

"ARTICLES" the Articles of the Association

"ASSOCIATES" all those persons with signed Tenancy Agreements from a Residential Leaseholder for a period of 6 months or longer

"BERTHHOLDERS" all those persons occupying water berths in Hythe Marina Village under annual or longer contracts

"CHAIRMAN" the director elected by the members to act as chairman of the board of directors and publicly to represent and promote the interests of the Association

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

"COMMERCIAL LEASEHOLDERS" all those persons holding leases of commercial properties in Hythe Marina Village

"DEPUTY CHAIRMAN" the director elected by the members to act as deputy chairman of the board of directors and publicly to represent and promote the interests of the Association when the Chairman is otherwise unavailable

"ELECTRONIC COMMUNICATION" and "COMMUNICATION" have the meaning given by the Electronic Communications Act 2000

"EXECUTED" includes any mode of execution

"FRIENDS" all those persons who are not Leaseholders, Berthholders or Associates and are not resident in Hythe Marina Village but wish to be informed of activities and receive benefits.

"IN WRITING" includes, without limitation, electronic communications

"LEASEHOLDERS" Residential Leaseholders and Commercial Leaseholders

"MEMBERS" the Berthholders and Leaseholders admitted to membership of the Association

"OFFICE" the registered office of the Association

"RESIDENTIAL LEASEHOLDERS" all those persons holding leases for terms longer than 99 years of residential properties in Hythe Marina Village

"RULES" the rules of the Association determined and published from time to time by the board of directors

"SEAL" the common seal of the Association

"SECRETARY" the Secretary of the Association or any other person appointed to perform the duties of the secretary of the Association

"TREASURER" the Member elected by the members to act as treasurer of the Association

"THE UNITED KINGDOM" Great Britain and Northern Ireland

Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Association.

1.2 Unless the context otherwise requires:

1.2.1 the singular includes the plural and vice versa and reference to any gender includes the other genders;

1.2.2 reference to persons include bodies corporate, unincorporated associations and partnerships

Members

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

2.2 No person shall be admitted a member of the Association unless he is approved by three directors. The directors shall approve an application for membership only from a person who at the date of application is a Leaseholder, or a Berthholder

3 Every person who wishes to become a member shall deliver to the Association an application for membership in such form as the directors require executed by him.

4 A Member may at any time withdraw from the Association by giving not less than seven clear days' notice to the Association. Membership shall not be transferable and shall cease on the death of an individual Member or on the liquidation of a corporate Member or on a Member ceasing to be a Leaseholder or Berthholder

5.1 The directors may at their discretion terminate the membership of any member. Reasons for termination shall include but not limited to failure to pay a subscription within 30 days of the due date for payment and conduct inconsistent with the objects of the Association.

5.2 The directors may also suspend membership or expel a member pursuant to the Rules

5.3 If a membership is terminated or suspended such person shall not be entitled to vote nor participate or make any contribution to any meeting of the Association. Such person may be excluded from any general meeting of the Association and otherwise at the discretion of the Association.

5.4 If a member shall have his membership terminated or suspended he shall be entitled to appeal within twenty eight days to the board of directors and shall be entitled to be represented on such appeal either by a member or by a solicitor or barrister. The board of directors shall from time to time determine and establish the rules of procedure, set out in the Rules, upon which such appeal shall be determined, provided always that the requirements of natural justice shall be respected.

6.1 Notwithstanding the provisions of Article 2.2, it shall be lawful for the members at a general meeting to admit honorary and life members who need not be Leaseholders or Berthholders. Unless they are also Members, such honorary members and life members shall not be entitled to vote but shall have the right to speak at general meetings. The Secretary shall keep an accurate register of honorary members and life members of the Association.

6.2 It shall be lawful for the directors to provide for the admission of such persons as they may think fit to be friends or associates of the Association and for the rights duties and liabilities (if any) of such friends or associates but so that such persons shall not by virtue of being friends or associates as aforesaid be members of the Association and their rights (if any) shall not include a right to speak or vote at general meetings of the Association. The Secretary shall keep an accurate register of such friends or associates of the Association.

General meetings

7 The Association shall in each calendar year hold a general meeting as its annual general meeting in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it; and not more than 15 months shall elapse between the date of one annual general meeting of the Association and that of the next. Provided that so long as the Association holds its first annual general meeting within 18 months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The annual general meeting in each year shall be held at such time and place as the directors shall appoint. All general meetings other than annual general meetings shall be called extraordinary general meetings.

8 The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than 8 weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the Association may call a general meeting.

Notice of general meetings

9 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called by at least 21 Clear Days' notice. All other extraordinary general meetings shall be called by at least 14 Clear Days' notice but a general meeting may be called by shorter notice if it is so agreed:

- (a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
- (b) in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than 95 per cent of the total voting rights at the meeting of all the members.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

The notice shall be given to all the members and to the directors

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

11 No business shall be transacted at any meeting unless a quorum is present. Twenty five persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation, shall be a quorum.

12 If such a quorum is not present within fifteen minutes from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other time as the directors may determine.

13 The Chairman of the board of directors or in his absence the Deputy Chairman or in their absence, some other director nominated by the directors shall preside as chairman of the meeting or hi their absence but if neither the Chairman nor the Deputy Chairman nor such other director (if any) be present within 15 minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.

14 If no director is willing to act as chairman, or if no director is present within 15 minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.

15 The Chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least seven Clear Days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

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

- (a) by the Chairman; or
- (b) by at least ten members having the right to vote at the meeting; or
- (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; and a demand by a person as proxy for a member shall be the same as a demand by the member.

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

18 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

19 A poll shall be a secret poll if the chairman so directs or if, prior to the meeting, a majority of the board of directors so determines. The poll shall be taken as the chairman directs. The chairman may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

20 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.

21 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such other time and place as the chairman directs not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

22 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven Clear Days' notice shall be given specifying the time and place at which the poll is to be taken.

23 A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

Votes of Members

24.1 On a show of hands Members present in person shall exercise one vote only in respect of each property whether residential or commercial and in respect of each water berth in Hythe Marina Village. On a poll Members present in person or by proxy shall exercise one vote only in respect of each property whether residential or commercial and in respect of each water berth in Hythe Marina Village. A corporate Member may appoint a duly authorised representative to exercise its vote.

24.2 Honorary members and life members shall not have any voting rights unless such persons shall also be Members.

24.3 Voting on any matters relating to the Memorandum or Articles 2, 25, 31, 49, 56 and 64 shall be exercised only by Residential Leaseholders.

25 A Member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a

show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the Articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

26 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

27 An appointment of a proxy shall be in writing, executed by or on behalf of the appointer and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

I/We of [HMA house or flat address OR address plus number of marina berth] being a Member/Members of the above-named Association, hereby appoint _____ of _____ or failing him _____ of _____ as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the Association to be held on and at any adjournment thereof.

Signed _____ on _____

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

I/We of [HMA house or flat address OR address plus number of marina berth] being a Member/Members of the above-named Association, hereby appoint _____ of _____ or failing him _____ of _____ as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the Association, to be held on and at an adjournment thereof.

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

Resolution No 1 for / against

Resolution No 2 for / against

strike out whichever is not desired.

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

Signed _____ this day of _____

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

- (a) in the case of an instrument in writing be deposited at the office or such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Association in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- (b) in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications:
 - (i) in the notice convening the meeting, or
 - (ii) in any instrument of proxy sent out by the Association in relation to the meeting, or
 - (iii) in any invitation contained in an electronic communication to appoint a proxy issued by the Association in relation to the meeting,

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

- (c) in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- (d) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the Secretary or to any director;

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

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

First Directors and Number of Directors

31.1 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall be not less than six nor more than fifteen

31.2 The first directors of the Association shall be Petra Abecasis, John Balchin, Anton Bates, Robert Davis, Joan Fowler, Norman Fowler, Scilla Johnston, Dene McCulloch, Margaret Payne, Michael King, Diann Southern, John Webb, Michael Wigfield and Rex Wisby

31.3 The Chairman and Deputy Chairman of the Association shall be Residential Leaseholders

31.4 A majority of the directors shall be Residential Leaseholders

Alternate Directors

- 32 Any director (other than an alternate director) may appoint any other director, or any other Member approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.
- 33 An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the Association for his services as an alternate director. But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.
- 34 An alternate director shall cease to be an alternate director if his appointor ceases to be a director; but, if a director retires by rotation or otherwise but is re-appointed or deemed to have been re-appointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his re-appointment.
- 35 Any appointment or removal of an alternate director shall be by notice to the Association signed by the director making or revoking the appointment or in any other matter approved by the directors.
- 36 Save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

Powers of Directors

- 37 Subject to the provisions of the Act the Memorandum and the Articles and to any directions given by special resolution, the business of the Association shall be managed by the directors who may exercise all the powers of the Association. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors. Notwithstanding the powers of the board of directors otherwise set out in the memorandum and articles of the Company the board of directors and an individual director shall first obtain the consent of the members in general meeting before incurring any liability, including a contingent liability, in excess of five thousand pounds.
- 38 The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Association for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

Delegation of Directors' Powers

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

Appointment and Retirement of Directors

- 40 At the first annual general meeting all the directors shall retire from office, and at every subsequent annual general meeting one-half of the directors who are subject to retirement by rotation or, if their number is not Odd or a multiple of two, the number nearest to one-half shall retire from office, but, if there is only one director who is subject to retirement by rotation, he shall retire,
- 41 Subject to the provisions of the Act, the directors to retire by rotation shall be those who have been longest in office since their last appointment or re-appointment but as between persons who became or were last re-appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- 42 If the Association, at the meeting at which a director retires by rotation, does not fill the vacancy the retiring director shall, if willing to act, be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the re-appointment of the director is put to the meeting and lost.
- 43 No person other than a director retiring by rotation shall be appointed or re-appointed a director at any general meeting unless not less than 14 nor more than 35 Clear Days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Association of the intention to propose that person for appointment or re-appointment stating the particulars which would, if he were so appointed or re-appointed, be required to be included in the Association's register of directors together with notice executed by that person of his willingness to be appointed or re-appointed.
- 44 Not less than seven nor more than 28 Clear Days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a director retiring by rotation at the meeting) who is recommended by the directors for appointment or re-appointment as a director at the meeting or in respect of whom notice has been duly given to the Association of the intention to propose him at the meeting for appointment or reappointment as a director. The notice shall give the particulars of that person which would, if he were so appointed or re-appointed, be required to be included in the Association's register of directors.
- 45 Subject as aforesaid, the Association may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director and may also determine the rotation in which any additional directors are to retire.

- 46 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the Articles as the maximum number of directors. A director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the directors who are to retire by rotation at the meeting. If not re-appointed at such annual general meeting, he shall vacate his office at the conclusion thereof.
- 47 Subject as aforesaid, a director who retires at an annual general meeting may, if willing to act, be re-appointed. If he is not re-appointed, he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.

Disqualification and Removal of Directors

- 48 The office of a director shall be vacated if:
- (a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
 - (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (c) he is, or may be, suffering from mental disorder and either:
 - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1984; or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
 - (d) he resigns his office by notice to the Association; or
 - (e) he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated.
 - (f) he ceases to be a person qualified for membership under the provisions of article 2.2 above.

- 49 For the avoidance of doubt and unless determined otherwise by the members a director shall hold office for a period of two years and may stand for re-election provided that no person shall serve as a director for consecutive terms exceeding six years.

Directors' appointments, remuneration, expenses and interests

- 50 The members at an annual general meeting may appoint a director to each of the offices of Chairman, Deputy Chairman and Treasurer. The Secretary need not be a Leaseholder or Berthholder and shall be appointed by the board of directors for such time as they think fit and may be removed by them.

51 Any appointment of a director to an office shall terminate if he ceases to be a director. Directors shall not be remunerated for their services but may receive expenses.

52 Subject to the provisions of the Act and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:

(a) may be a party to, or otherwise be interested in, any transaction or arrangement with the Association or in which the Association is otherwise interested;

(b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Association or in which the Association is otherwise interested; and

(c) shall not, by reason of his office, be accountable to the Association for any benefit which he derives from any such office or employment from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

53 For the purposes of regulation 5 1 :

(a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and

(b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

Proceedings of Directors

54 Subject to the provisions of the Articles, the directors may regulate their proceedings as they think fit. A director may, and the Secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.

55 The quorum for the transaction of the business of the directors shall be five and for the transaction of business a majority of the board shall be Residential Leaseholders. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum. 56 The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.

57 Unless he is unwilling to do so, the director appointed as Chairman by the members shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unable or unwilling to preside or is not present within 5 minutes after the time appointed for the meeting the Deputy Chairman shall preside at such meeting of directors at which he is present, but if there is no director holding that office, or if the director holding it is unable or unwilling to preside or is not present within 5 minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.

58 All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

59 A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors as (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.

60 Save as otherwise provided by the Articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Association unless his interest or duty arises only because the case falls within one or more of the following paragraphs

- (a) the resolution relates to the giving to him of a guarantee, security or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the Company or any of its subsidiaries;
- (b) the resolution relates to the giving to him of a guarantee, security or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the Association
- (c) the resolution relates to the giving to a third party of a guarantee, security or indemnity in respect of an obligation of the Association or any of its subsidiaries for which the director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;

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

- 61 A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
- 62 The Association may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a director from voting at a meeting of directors or of a committee of directors.
- 63 Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the Association or any body corporate in which the Association is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

- 64 If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.

Subscriptions

- 65 Every member shall be bound by the Rules and shall pay a subscription each year in the amount and payable as determined by the board of directors and as more particularly set out in the Rules. Subscriptions shall be due and payable on the first day of the Association's year in the manner set out in the Rules and shall remain payable in full notwithstanding that a Member ceases to be a Member during the year.

Secretary

- 66 Subject to the provisions of the Act, the Secretary shall be appointed by the directors for such term as is set out in the Rules. A Secretary so appointed may be removed by them.

Minutes

- 67 The directors shall cause minutes to be made in books kept for the purpose:
- (a) of all appointments of officers made by the Members; and
 - (b) of all proceedings at meetings of the Association, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

The Seal

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

President, Vice-presidents and Patrons

- 69 The directors may appoint any person to be the president and any person or persons to be vice-presidents or patrons of the Association for such term or terms specified at the time of appointment as they shall think fit. Such persons shall not by virtue only of such appointments be directors or members of the Association.

Accounts

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

70.2 The Members shall appoint a financial examiner of the accounts of the Association who need not be a Member.

70.3 The accounts of the Association shall be maintained by the Treasurer and made up to the 31 December of each year and shall be examined annually by the financial examiner and a copy of the

examined accounts shall be sent to members with the notice convening the annual general meeting and presented to the members at the annual general meeting.

Notices

71 Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the directors need not be in writing.

72 The Association may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his address in Hythe Marina Village or his registered address or by leaving it at that address or by giving it using electronic communications to an address for the time being notified to the Association by the member. In this article and in Article 73, “address” in relation to electronic communications includes any number or address used for the purpose of such communications. A member whose registered address is not within the United Kingdom and who gives to the Association an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the Association.

73 A Member present, either in person or by proxy, at any meeting of the Association shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

74 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 72 hours after the envelope containing it was posted.

Indemnity

75 Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or examiner or other person acting reasonably and with the express or implied authority of the Association shall be indemnified out of the assets of the Association against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Association

The Rules

76 The Rules shall be binding upon the members and are intended to assist in the operation of the Company

77 The Rules shall be determined by the board of directors and may be varied added to or deleted by the board of directors from time to time. The Association shall publish the Rules and ensure that

each applicant for membership shall receive a copy of the Rules and that thereafter Members shall promptly receive written notice of any variations amendments additions to or deletions from the Rules.

Disciplinary Action

78 Disciplinary action may be taken against any Member who is guilty of conduct which in the reasonable opinion of the Association or of the board is likely to bring the Association into disrepute

79 Any written complaint received by the Association relating to a member shall be considered by the board of directors or by such other person or persons to whom the board has delegated this responsibility. Such complaint shall be considered in accordance with the Rules as to investigation, determination and appeal.

80 Provided that the Association has conducted disciplinary action in accordance with its published Rules a member shall not have a right of action for damages against the Association in respect of or in relation thereto.

NAMES AND ADDRESSES OF SUBSCRIBERS

7Side Nominees Limited
14/18 City Road
Cardiff
CF24 3DL

DATED 15 June 2007

Revised 21 May 2022