

THE COMPANIES ACTS 1908 TO 1917  
THE COMPANIES ACT 1985

A COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL

MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF  
THE HOSPITAL SAVING  
ASSOCIATION LIMITED  
(INCORPORATING ALL AMENDMENTS TO 19TH OCTOBER, 1999)

INCORPORATED ON 6TH JULY, 1922

No. 183035

ALLEN & OVERY  
LONDON





## **CERTIFICATE OF INCORPORATION ON CHANGE OF NAME**

Company No. 183035

The Registrar of Companies for England and Wales hereby certifies that

THE HOSPITAL SAVING ASSOCIATION

having by special resolution changed its name, is now incorporated  
under the name of

THE HOSPITAL SAVING ASSOCIATION LIMITED

Given at Companies House, London, the 19th October 1999

*N. Richards.*

MR. N. RICHARDS

For The Registrar Of Companies



C O M P A N I E S H O U S E

Company number  
183035

THE COMPANIES ACTS 1908 TO 1917

THE COMPANIES ACT 1985

A COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL

## MEMORANDUM OF ASSOCIATION

OF

### THE HOSPITAL SAVING ASSOCIATION LIMITED

(INCORPORATING ALL AMENDMENTS<sup>1</sup> TO 19TH OCTOBER, 1999)

1. The name of the Association (hereinafter referred to as "the Association") is "The Hospital Saving Association Limited".<sup>2</sup>
2. The registered office of the Association will be situate in England.
3. The objects of the Association are:
  - (1) to establish and maintain a scheme or schemes to provide benefits (whether in cash or in kind) to or for the benefit of any person who has contributed or subscribed to any such scheme and any other person contemplated within the rules of such scheme from time to time and in particular (but without limiting the generality of the foregoing) to establish and maintain a fund to assist contributors to the fund to defray the cost of medical, surgical and other like remedial, exploratory or preventative treatment of and services to themselves and their dependants and others and any expense ancillary or incidental to any such treatment or services;
  - (2) to carry on insurance business and all kinds of business connected with insurance and in particular to grant or effect assurances of all kinds for payment of money by way of a single payment or by several payments;
  - (3) to support the prevention, relief and cure of sickness and ill-health of every kind (including physical injuries) and the promotion of health in any way (including, but not limited to, making payments or loans to persons engaged in or preparing for any activity having that objective);

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<sup>1</sup> Clauses 3 to 8 were altered by a special resolution passed on 3rd September, 1999 and a Scheme of Arrangement sanctioned by an Order of the High Court dated 13th October, 1999 and having effect on 19th October, 1999.

<sup>2</sup> The Association was incorporated under the name "The Hospital Saving Association" on 11th July, 1922 (the word 'Limited' being omitted by licence of the Board of Trade) and adopted its present name with effect from 19th October, 1999.

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- (4) to establish and support any charitable organisations and to make donations or subscriptions or guarantee money for any charitable purposes;
  - (5) to do all such things as are, in the opinion of the directors, incidental or conducive to the carrying on of any business, trade or other activity which the Association is authorised to carry on and all such things as, in the opinion of the directors, can be profitably or advantageously undertaken in conjunction or concurrently with any such business, trade or activity;
  - (6) to do all such things as the directors consider to be desirable or for the benefit of the Association;
  - (7) to borrow or raise money by any method and to obtain any form of credit or finance;
  - (8) to secure the payment of any moneys or the discharge or performance of any liabilities by the Association by any charge over the whole or any part of the undertaking or assets of the Association;
  - (9) to guarantee in any manner, or to enter into any indemnity or other arrangement in relation to, the discharge or performance of any liabilities of any person and to secure any such guarantee, indemnity or arrangement or the discharge or performance of any liabilities by any charge over the whole or any part of the undertaking or assets of the Association;
  - (10) to dispose of all or any part of the undertaking, assets and liabilities of the Association;
  - (11) to provide or arrange for pensions, lump sum payments, gratuities, life, health, accident and other insurances and other benefits (pecuniary or otherwise) of every kind to or for the benefit of any individuals who are or have been employed by or who provide or have provided services to or for or who are or have been officers of the Association or any body corporate which is or has been a subsidiary of the Association or otherwise connected with the Association or the predecessors in business of the Association or of any such subsidiary or connected company and to or for the benefit of the present or former spouses, children and other relatives and dependants of such individuals and others who have or formerly had with any such individuals any relationship of such a kind as the directors may approve; and for those purposes to establish or participate in any fund or scheme, to effect or contribute to any form of insurance and to enter into any other arrangements of any kind which the directors may approve;
  - (12) to support and subscribe to any institution or association which may be for the benefit of the Association or its employees or connected with any town or place where the Association carries on business, and to support and subscribe to any public object whatsoever;
  - (13) to act as trustee, personal representative, director or agent of any kind and for any purpose;
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- (14) to exercise any power of the Association for any consideration of any kind or for no consideration;

and it is declared that:

- (a) this clause shall be interpreted in the widest and most general manner and without regard to any restrictive principle of interpretation;
  - (b) each of the subclauses of this clause shall, unless it expressly provides to the contrary, be deemed to set out a separate, distinct and independent object of the Association and not a power ancillary or incidental to the objects set out in any other subclause;
  - (c) each of those subclauses shall be without prejudice to, or to the generality of, any other subclause and shall be in no way limited or restricted by reference to or inference from any other subclause;
  - (d) any activity may be carried out in any part of the world and the Association shall not, by virtue of anything in this Memorandum, be subject to any territorial restriction; and
  - (e) in this clause:
    - (i) "assets" includes property, rights and interests of every description, whether present or future, actual or contingent and wherever situate;
    - (ii) "charge" includes any mortgage, pledge, lien or other form of security;
    - (iii) "dispose of", in relation to an asset, includes selling or transferring it or surrendering or extinguishing it, and also creating or granting it or any interest or right out of or in respect of it;
    - (iv) "liabilities" includes debts and obligations of every description, whether present or future, actual or contingent;
    - (v) "person" includes any partnership, corporation and unincorporated body and any country, territory, public authority and international organisation; and
    - (vi) the word "company", except where used in reference to the Association, shall be deemed to include any partnership or other body of persons, whether corporate or unincorporate and whether incorporated, resident or domiciled in the United Kingdom or elsewhere.
4. The income and property of the Association shall be applied solely towards the promotion of the Association's objects and shall not be paid or distributed directly or indirectly to the members of the Association provided that nothing in this clause shall prevent any payment in good faith by the Association:
- (1) of reasonable and proper remuneration for any services rendered to the Association by any member of the Association including any who is a director, officer or employee of the Association (including, without limiting the generality of the
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foregoing, fees for any non-executive director) or of reasonable and proper payment for goods supplied to the Association;

- (2) of reasonable out-of-pocket expenses to any director, officer or employee of the Association;
- (3) of reasonable out-of-pocket expenses to any member in connection with his attendance of meetings of the Association;
- (4) of premiums on any policy of insurance against liability of directors, officers or employees of the Association, whether or not the sums assured are for the benefit of such directors, officers or employees (to the extent permitted by law);
- (5) of interest on money lent by any member of the Association at an annual rate not exceeding the retail banks' base rate most recently published, at the time of the loan, by the Bank of England (or any other body that assumes responsibility for setting such a rate);
- (6) of reasonable and proper rent for premises leased or let by any member of the Association;
- (7) of any payment or other benefit in money or money's worth (being reasonable and proper consideration for services, facilities or goods supplied or to be supplied to the Association) to a body corporate in which a member of the Association has an interest;
- (8) of any payment under a policy of insurance issued by the Association to any member of the Association where the terms of that policy were, at the time of its issue, generally available to other persons wishing to take out such a policy of insurance;
- (9) of any payment in accordance with clause 7 below.

5. The liability of the members is limited.

6. Every member of the Association undertakes to contribute such amount as may be required (not exceeding £2.10) to the assets of the Association if it should be wound up while he is a member or within one year after he ceases to be a member, for payment of the Association's debts and liabilities 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.

7. If the Association is wound up or dissolved, any surplus property remaining after the satisfaction of all its debts and liabilities shall be given or transferred:

- (1) to some other institution or institutions:
  - (a) having objects similar to those of the Association; and
  - (b) which prohibit the distribution of its or their income and property to an extent at least as great as is imposed on the Association under or by virtue of clause 4 above, this clause 7 or clause 8 below; and

- (c) which is willing to offer to Contributors (as defined in clause 8 below) generally policies of insurance providing benefits which are broadly similar to those offered by the Association shortly before the commencement of the winding-up of Association,

such institution or institutions to be determined by the members of the Association at or before the time of winding up or dissolution; or

- (2) if and so far as that cannot be done, then to the members of the Association who shall hold and deal with the same in accordance with clause 8 below.

8 (1) If:

- (a) the Association is wound up or dissolved; or
- (b) all or any part of its undertaking or assets (or any rights in or to all or any part of its undertaking or assets) are transferred to or become vested in another person; or
- (c) any member exercises (or refrains from exercising) any of his rights as a member; or
- (d) any member ceases to be a member or another person becomes a member of the Association; or
- (e) any change is made to the Association's Memorandum or Articles of Association; or
- (f) a scheme of arrangement between the Association and its members or some of them (with or without other persons) becomes effective;

and, by virtue of such event or the manner in which it occurs (or by virtue of his membership of the Association whether or not such an event has occurred) any member of the Association becomes entitled (whether during the currency of his membership of the Association or thereafter) to receive any payment or benefit of any kind (or to direct who receives any such payment or benefit), that member shall hold such payment or benefit (or the right to receive the same or to direct its receipt) on trust (on the terms described below) for persons who hold policies of insurance issued by the Association (each a "**Contributor**" and together "**Contributors**") for distribution to them as soon as practicable thereafter. This applies regardless of who makes such payment or provides such benefit. Such trust shall be in favour of all the persons who are Contributors at such time or times as may be Specified pursuant to sub-clause (2) below (each a "**Specified Contributor**"), each of whom shall be entitled to such payment or benefit in such amounts or proportions as may be Specified. There shall be excluded from the definition of Specified Contributors such classes of persons as may be Specified for the purpose of discouraging (or not rewarding) speculators, for the sake of administrative convenience or for avoiding unfair prejudice to any person. In the absence of a resolution pursuant to sub-clause (2) below, the trust shall be in favour of those Contributors determined by sub-clause (3) below and shall be on the terms provided in that sub-clause.

- (2) For the purposes of sub-clause (1) above, the expression "**Specified**" means specified in a special resolution passed by the Association in general meeting within one year of the occurrence of any of the events described in that sub-clause (or, where there is no such event, either before or within six months after the receipt of such payment or benefit).

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- (3) In the absence of a resolution pursuant to sub-clause (2) above, the trust set out in sub-clause (1) above shall be in favour of all persons who:
- (i) are Contributors both at the time of the event in question (where relevant) and at the time of the receipt of such payment or benefit; and
  - (ii) have been Contributors continuously for the period of two years immediately before the event in question or, if earlier, the date of the receipt of the payment or the benefit
- and each of such Contributors shall receive an equal proportion of the payment or benefit.
- (4) In exercising any membership rights in relation to any such special resolution, each member shall ignore his personal interests and shall exercise such rights only in such manner as he reasonably considers equitable in relation to Contributors generally.
- (5) This Clause 8 shall not be modified, varied or deleted except pursuant to or with the sanction of an order of a court of competent jurisdiction.

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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.

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NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

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HAMBLEDEN, 3 Grosvenor Place, S.W.1, Peer of the Realm.

GOSCHEN, 25 Rutland Gate, S.W.7, Peer of the Realm.

A.G. ANDERSON, 5 Fenchurch Avenue, E.C., Shipowner.

KNUTSFORD, Kneesworth Hall, Royston, Herts, Peer of the Realm.

ARTHUR STANLEY, Treasurer's House, St. Thomas' Hospital, S.E.1, J.P., Lancashire

EDWARD PENTON, 1 Mortimer St., W.1, Leather Merchant.

STUART DE LA RUE, The Hoo, Willingdon, Sussex, J.P. for Herts.

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Dated this 6th day of July 1922.

Witness to the above Signatures of LORD HAMBLEDEN, LORD GOSCHEN, Sir ALAN G. ANDERSON, LORD KNUTSFORD, The Hon. Sir ARTHUR STANLEY and Sir EDWARD PENTON -

W.A. WARD-JONES,  
Ellerman House,  
19-21 Moorgate, E.C.2.  
Solicitor.

Witness to the above Signature of STUART DE LA RUE -

W.E. WARDEN,  
R.A.F. Club,  
128 Piccadilly, W.,  
Gentleman.

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Company number  
183035

THE COMPANIES ACTS 1908 TO 1917

THE COMPANIES ACT 1985

A COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL

**NEW**

## **ARTICLES OF ASSOCIATION**

**OF**

### **THE HOSPITAL SAVING ASSOCIATION LIMITED**

(ADOPTED BY SPECIAL RESOLUTION PASSED ON 3RD SEPTEMBER, 1999 AND BY A  
SCHEME OF ARRANGEMENT SANCTIONED BY AN ORDER OF THE HIGH COURT  
DATED 13TH OCTOBER, 1999 AND HAVING EFFECT ON 19TH OCTOBER, 1999)

#### **INTERPRETATION**

1. None of the regulations in Table C in the Schedule to the Companies (Tables A to F) Regulations 1985, as amended by the Companies (Tables A to F) (Amendment) Regulations 1985, or in any predecessor legislation shall apply to The Hospital Saving Association Limited ("the Association").

2. (1) In these Articles:

"Act" means the Companies Act 1985 including any statutory modification or re-enactment of it for the time being in force;

"the Articles" means these Articles of association, as from time to time altered;

"Byelaws" means the byelaws of the Association made by the directors under the powers conferred on them by the Articles as from time to time altered;

"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;

"Contributor" means a person who holds a policy of insurance issued by the Association;

"director" means a director for the time being of the Association;

"executed" includes any mode of execution;

"office" means the registered office of the Association;

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"seal" means the common seal of the Association;

"secretary" means the secretary of the Association or any other person appointed (for the purposes of the section 283 of the Act) to perform the duties of the secretary of the Association, including a joint, assistant or deputy secretary;

"Statutes" means the Act and every other statute, statutory instrument, regulation or order for the time being in force concerning companies registered under the Act; and

"United Kingdom" means Great Britain and Northern Ireland;

- (2) Unless the context otherwise requires, words or expressions contained in the Articles bear the same meaning as in the Act but excluding any statutory modification of them not in force when the Articles become binding on the Association.
- (3) Unless the contrary intention appears, words importing the singular number include the plural number and vice versa, words importing one gender include all genders and words importing persons include bodies corporate and unincorporated associations.
- (4) Headings to the Articles are inserted for convenience only and shall not affect construction.

#### **MEMBERS OF THE ASSOCIATION**

3. (1) The members of the Association shall be such persons as are members at the date of the adoption of the Articles and such other persons as the directors shall admit to membership, subject to Article 5 below. The total number of the members of the Association shall be unlimited.
- (2) No person shall be admitted as a member of the Association unless he is a Contributor and is approved by the directors and complies with such conditions as the directors may from time to time prescribe for applicants for membership. Such conditions shall operate at least to ensure that each member is likely to be representative or typical of a significant number of Contributors but this provision does not require that there be any connection or communication (whether formal or informal) between such persons and any of the persons of whom he may be representative or typical.
- (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 body corporate may not be a member of the Association.
- (5) The directors may make, vary or revoke Byelaws with a view to regulating or assisting the selection of applicants for membership from amongst the Contributors and such Byelaws may make different provisions in relation to different types of applicants or Contributors.
4. Membership of the Association shall not be transferable.
5. A member of the Association shall cease to be a member if:
  - (a) he ceases to be a Contributor;

- (b) he ceases to satisfy the conditions from time to time prescribed by the directors for applicants for membership and the directors resolve that he shall cease to be a member of the Association;
- (c) he resigns by having given three months' written notice to the Association;
- (d) he dies;
- (e) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (f) he is excluded from membership under Article 8.

A person who, immediately before the time when the adoption of the Articles becomes effective, is both a member and an Honorary Officer of the Association shall cease to be a member at such time.

A person who, immediately before the time when the adoption of the Articles becomes effective, is a member but is not a Contributor shall cease to be a member at such time.

6. Cessation of membership:

- (a) shall not entitle the former member to repayment of any part of any subscription or levy previously paid by him in relation to membership of the Association or any policies of insurance issued by it or anything else; and
- (b) shall not affect the former member's liability to pay any subscription or levy which became due and payable before he ceased to be a member.

7. Every member of the Association shall:

- (a) exercise any rights arising from his membership with a view to promoting the objects of the Association and the best interests of the Association and (so far as compatible with the best interests of the Association) the best interests of the Contributors (present and future); and
- (b) hold any payment or benefit referred to in Clause 8 of the Association's Memorandum of Association (or the right to receive the same or to direct its receipt) on trust in accordance with that Clause 8.

8. (1) If a member fails to observe (or threatens not to observe) any obligation on him under the Association's Memorandum of Association, the Articles or any regulation or Byelaw made under the Articles he shall be excluded from membership of the Association if the directors pass a resolution to that effect. Such resolution shall be passed by a majority of at least three-fourths of the directors present and voting at a directors' meeting at which not less than two-thirds of the total number of directors are present. Such member shall have fourteen clear days' notice sent to him of the directors' meeting and he shall be entitled to attend the meeting and be heard in defence but shall not be entitled to be present at the voting or take part in the proceedings otherwise than as the directors shall permit.
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- (2) A person so excluded from membership may, within seven days of his being notified of such exclusion, appeal from the decision of the directors to an extraordinary general meeting of the Association which shall be convened by the directors as soon as practicable. A special resolution passed at such general meeting shall have power to approve the exclusion or to annul it subject to the performance of any condition which the resolution may impose. The person so excluded shall not have any rights of membership pending the passing of such a special resolution.

### GENERAL MEETINGS

9. All general meetings other than annual general meetings shall be called extraordinary general meetings.
10. The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the Association may call a general meeting.
- 11.(1) A general meeting may be held at more than one place if:
- (a) the notice convening the meeting specifies that it shall be held at more than one place; or
  - (b) the directors resolve, after the notice convening the meeting has been given, that the meeting shall be held at more than one place; or
  - (c) it appears to the chairman of the meeting that the place of the meeting specified in the notice convening the meeting is inadequate to accommodate all persons entitled and wishing to attend.
- (2) A general meeting held at more than one place is duly constituted and its proceedings are valid if (in addition to the other provisions of the Articles relating to general meetings) the chairman of the meeting is satisfied that there are adequate facilities to enable each person present at each place to:
- (a) participate in the business for which the meeting has been convened;
  - (b) hear and see all persons present who speak, whether by the use of microphones, loud-speakers, audio-visual communications equipment or otherwise (whether in use when the Articles are adopted or developed subsequently); and
  - (c) have access to all documents which are required by the Statutes and the Articles to be made available at the meeting.
- (3) Each person present at each place in person or by proxy and entitled to vote shall be counted in the quorum for, and shall be entitled to vote at, the meeting. The meeting is deemed to take place at the place at which the chairman of the meeting is present.
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### NOTICE OF GENERAL MEETINGS

12. 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 twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed:
- (a) in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; 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 ninety-five per cent. of the total voting rights at the meeting of all the members.

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

13. 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

14. No business shall be transacted at any general meeting unless a quorum is present. Ten members present in person or by proxy and entitled to vote shall be a quorum.
15. If such a quorum is not present within half an hour from the time appointed for the general meeting, or if during a general meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine. If a quorum is not present within half an hour from the time appointed for such adjourned meeting, the members present in person or by proxy shall constitute a quorum for that meeting, provided their number is not less than two.
16. The chairman, if any, of the board of directors or (in his absence) the deputy chairman, if any, or some other director nominated by the directors shall preside as chairman of the general meeting, but if neither the chairman nor the deputy chairman or such other director (if any) is present within fifteen minutes after the time appointed for holding the general 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.
17. If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the general meeting, the members present and entitled to vote shall choose one of their number to be chairman.
18. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting.
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19. The chairman may, with the consent of a general 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 general meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
  20. A resolution put to the vote of a general meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
    - (a) by the chairman; or
    - (b) by at least two members present in person or by proxy having the right to vote at the general meeting.
  21. 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.
  22. 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.
  23. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
  24. 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.
  25. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a general 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.
  26. 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 general 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.
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### VOTES OF MEMBERS

27. On a show of hands every member present in person and, on a poll, every member who is present in person or by proxy shall have one vote except that a member shall not be entitled either in person or by proxy to attend or to vote at a general meeting of the Association if any moneys presently payable by him in his capacity as a member of the Association are unpaid.
  28. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, *curator bonis* or other person authorised in that behalf appointed by that court and any such receiver, *curator bonis* or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited in accordance with the provisions of Article 32 (as they relate to the deposit of instruments) and (in default) the right to vote shall not be exercisable.
  29. No objection shall be raised to the qualification of any voter except at the general meeting or adjourned general 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 of the meeting whose decision shall be final and conclusive.
  30. An instrument appointing a proxy shall be in any usual or common form or any other form which the directors shall from time to time approve or accept.
  31. The instrument appointing a proxy shall be in writing signed by the appointor, or his agent duly authorised in writing. The signature need not be witnessed.
  32. The instrument appointing a proxy:
    - (a) shall be deposited at the office (or at such other place as may be specified in the notice convening the general meeting or in any instrument of proxy sent out by the Association in relation to the general meeting) at least 48 hours before the time fixed for holding the general meeting at which the person named in the instrument proposes to vote; or
    - (b) (in the case of a poll taken more than 48 hours after it is demanded or in the case of an adjourned general meeting to be held more than 48 hours after the time fixed for holding the original general meeting) shall be deposited at the office (or at such other place as may be specified in the notice convening the meeting or in any instrument of proxy sent out by the Association in relation to the meeting) at least 24 hours before the time fixed for the taking of the poll or, as the case may be, the time fixed for holding the adjourned meeting; or
    - (c) in the case of a poll which is not taken at the general meeting at which it is demanded but is taken 48 hours or less after it is demanded, or in the case of an adjourned general meeting to be held 48 hours or less after the time fixed for holding the original general meeting, shall be deposited, at the meeting at which the poll is demanded or, as the case may be, at the original meeting, to the chairman of the meeting or the secretary or any directors or as directed at the meeting by the chairman of the meeting.
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33. In the case of an instrument signed by an agent of a member, there shall also be deposited, in the manner set out in Article 32 above, the authority under which the instrument is signed or an office copy of it or a copy of it certified in accordance with section 3 of the Powers of Attorney Act 1971.
  34. The directors may decide, either generally or in any particular case, to treat an instrument of proxy or any of the documents required under Articles 28 or 33 above as properly deposited for the purposes of Articles 28, 32 or 33 if a copy of the instrument or other document is sent by facsimile process to the office (or to such other place as may be specified in the notice convening the meeting or in any instrument of proxy sent out by the Association in relation to the meeting).
  35. If the instrument of proxy and any of the documents required under Articles 28 or 33 above are not deposited in the manner required above, the person named in the instrument of proxy shall not be entitled to vote at the general meeting in question.
  36. If two or more valid but different instruments of proxy are received in respect of the same member for use at the same general meeting or on the same poll, the one which is last received (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that member and if the Association is unable to determine which was last received, none of them shall be treated as valid in respect of that member.
  37. A vote given or poll demanded by proxy shall be valid notwithstanding the previous termination of the authority of the person voting or demanding a poll unless notice of the *termination was received at the office (or at such other place at which the instrument of proxy was duly received)* at least six hours before the time fixed for holding the relevant meeting or adjourned meeting or, in the case of a poll not taken on the same day as the meeting or adjourned meeting, before the time fixed for taking the poll.

#### **MEMBERS' RESOLUTIONS**

38. A resolution in writing signed or approved (by letter, facsimile, telegram, telex or other means as may be approved by the directors) by or on behalf of all the members of the Association who would be entitled to vote on it if it had been proposed at a general meeting shall be as valid and effectual as if it had been passed at a general meeting duly convened and held. The resolution may be contained in one document or in several documents in like form each stating the terms of the resolution accurately and signed by or on behalf of one or more of the members. This Article is in addition to, and not limited by, the provisions in sections 381A, 381B and 381C of the Act.

#### **HONORARY OFFICERS**

39. (1) The directors may from time to time appoint any person (whether or not a director or a member) to any honorary office of the Association carrying such title or designation (including, but not limited to, President and Vice Presidents) and for such period or indefinitely as the directors may decide and the directors may revoke the appointment of any person holding an honorary office.
  - (2) A person holding any honorary office shall not (as such) be a director of the Association.
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**APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS**

40. The directors shall not, unless otherwise determined by an ordinary resolution of the Association, be less than five nor more than 15 in number.
41. A director need not be a member of the Association but must be a Contributor.
42. Subject to the Articles, the Association may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director, but so that the total number of directors shall not exceed any maximum number fixed by or in accordance with the Articles.
43. No person (other than a director retiring in accordance with the Articles) shall be appointed or re-appointed a director at any general meeting unless:
- (a) he is recommended by a majority of the directors or (where he is himself a director) by a majority of the other directors; or
  - (b) not less than seven nor more than forty-two days before the date appointed for the meeting there has been given to the Association, by a member (other than the person to be proposed) entitled to vote at the meeting, notice of his intention to propose a resolution for the appointment of that person, stating the particulars which would, if he were so appointed, be required to be included in the Association's register of directors and a notice executed by that person of his willingness to be appointed.
44. Every resolution of a general meeting for the appointment of a director shall relate to one named person and a single resolution for the appointment of two or more persons shall be void, unless a resolution that it shall be so proposed has been first agreed to by the meeting without any vote being cast against it.
45. The directors may appoint any person who is willing to act to be a director, either to fill a vacancy or by way of addition to their number, but so that the total number of directors shall not exceed any maximum number fixed by or in accordance with the Articles.
46. Subject to Article 47, at each annual general meeting any director then in office who:
- (a) has been appointed by the directors since the previous annual general meeting; or
  - (b) at the date of the notice convening the annual general meeting had held office for more than 30 months since he was appointed or last re-appointed by the Association in general meeting; or
  - (c) at the date proposed for the annual general meeting will be aged 70 years or more,
- shall retire from office but shall be eligible for re-appointment provided that, in the case of a director aged 70 years or more, such eligibility shall be subject to approval by the directors.
- 47.(1) At the annual general meeting next following the date of adoption of the Articles none of Mr. J.P. Cashman, Mrs. C.G. Lemon, Mr. P.S. Howard, Mr. P.T. Sturrock and Mrs. E.M. Witt shall be required to retire from office at that general meeting pursuant to paragraph (b) of Article 46, notwithstanding the application to them of that paragraph.
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- (2) At the second annual general meeting next following the date of adoption of the Articles, none of Mrs. C.G. Lemon, Mr. P.S. Howard, Mr. P.T. Sturrock and Mrs. E.M. Witt shall be required to retire from office at that general meeting pursuant to paragraph (b) of Article 46, notwithstanding the application to them of that paragraph.
- (3) This Article shall be of no effect in relation to any subsequent annual general meeting.
48. A retiring director shall (unless he is removed from office or his office is vacated in accordance with the Articles) retain office until the close of the meeting at which he retires or (if earlier) when a resolution is passed at that meeting not to fill the vacancy or to appoint another person in his place or the resolution to re-appoint him is put to the meeting and lost.
49. If the Association, at any meeting at which a director retires in accordance with Article 46(a) and (b), does not fill the office vacated by such director, the retiring director, if willing to act, shall be deemed to be re-appointed, unless at the meeting a resolution is passed not to fill the vacancy or to appoint another person in his place or unless the resolution to re-appoint him is put to the meeting and lost.
50. The Association may by extraordinary resolution, or by ordinary resolution of which special notice has been given in accordance with the Statutes, remove any director before his period of office has expired notwithstanding anything in the Articles or in any agreement between him and the Association.
51. Without prejudice to the provisions of the Articles for retirement or removal, the office of a director shall be vacated if:
- (a) he is prohibited by law from being a director; or
  - (b) he becomes bankrupt or he makes any arrangement or composition with his creditors generally; or
  - (c) he is, or may be, suffering from mental disorder and in relation to that disorder either he is admitted to hospital for treatment or an order is made by a court (whether in the United Kingdom or elsewhere) for his detention or for the appointment of some person to exercise powers with respect to his property or affairs and, in either case, the directors resolve that his office be vacated; or
  - (d) if for more than six months he is absent, without special leave of absence from the directors, from directors' meetings held during that period and the directors resolve that his office be vacated; or
  - (e) he gives to the Association notice of his wish to resign, in which event he shall vacate that office on the delivery of that notice to the Association or at such later time as is specified in the notice;
  - (f) he ceases to be a Contributor; or
  - (g) he is removed from office by notice to that effect being given to him which is signed by not less than three quarters of the other directors.
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52. Any removal of a director under Article 51(g) shall be without prejudice to any claim which such director may have for damages for breach of any agreement between him and the Association.
- 53.(1) The directors may appoint any director to hold any executive office in the Association (including that of chairman, chief executive or managing director) for such period (subject to the Statutes) and on such terms as they may decide and may revoke or terminate any appointment so made without prejudice to any claim for damages for breach of any contract of service between the director and the Association.
- (2) Not more than four directors may at any one time hold executive offices in the Association.
- (3) The directors shall exercise all the powers vested in them to procure (so far as they are able) that the number of directors not holding any executive office in the Association ("non-executive directors") shall at all times exceed the number of other directors.
54. The remuneration of a director appointed to any executive office shall be fixed by the directors and may be by way of salary or commission and either in addition to or inclusive of his remuneration as a director.
55. A director appointed as executive chairman, chief executive or managing director shall automatically cease to hold that office if he ceases to be a director but without prejudice to any claim for damages for breach of any contract of service between him and the Association. A director appointed to any other executive office shall not automatically cease to hold that office if he ceases to be a director unless the contract or any resolution under which he holds office expressly states that he shall, in which case that cessation shall be without prejudice to any claim for damages for breach of any contract of service between him and the Association.
56. An employee of the Association or of any subsidiary of the Association who is appointed to hold office as a director shall automatically cease to hold that office if he is no longer employed by the Association or any of its subsidiaries and (unless expressly provided otherwise in any contract between that person and the Association) shall not be entitled to any compensation for loss of office as a director in such circumstances.

#### **REMUNERATION, EXPENSES AND PENSIONS**

57. The directors (other than any director who for the time being holds an executive office or employment with the Association or a subsidiary of the Association) shall be paid out of the funds of the Association by way of remuneration for their services as directors such fees not exceeding an annual rate of £350,000 in aggregate (or such larger sum as the Association may, by ordinary resolution, determine) as the directors may decide to be divided among them in such proportion and manner as they may agree or, failing agreement, equally. Any fee payable under this Article shall be distinct from any remuneration or other amounts payable to a director under other provisions of the Articles and shall accrue from day to day.
58. The directors may grant special remuneration to any director who performs any special or extra services to or at the request of the Association.
59. Such special remuneration may be paid by way of lump sum, salary, commission, proportion of income or surplus or otherwise as the directors may decide in addition to any remuneration payable under or pursuant to any other of the Articles.
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60. A director shall be paid out of the funds of the Association all travelling, hotel and other expenses properly incurred by him in and about the discharge of his duties, including his expenses of travelling to and from directors' meetings, committee meetings and general meetings. A director may also be paid out of the funds of the Association all expenses incurred by him in obtaining professional advice in connection with the affairs of the Association or the discharge of his duties as a director.
61. The directors may exercise all the powers of the Association to pay, provide or procure the grant of pensions or other retirement benefits and death, disability or other benefits, allowances or gratuities to any person who is or has been at any time a director of the Association or in the employment or service of the Association or of any organisation which is or was a subsidiary of or associated with the Association or of the predecessors in business of the Association or any such subsidiary or associated company or the relatives or dependants of any such person. For that purpose the directors may procure the establishment and maintenance of, or participate in, or contribute to, any non-contributory or contributory pension fund, scheme or arrangement and pay any insurance premiums.

#### **POWERS OF THE DIRECTORS**

- 62.(1) The business of the Association shall be managed by the directors who may exercise all the powers of the Association, subject to the Statutes, the Memorandum of Association, the Articles and any ordinary resolution of the Association. No ordinary resolution or alteration of the Memorandum or the Articles shall invalidate any prior act of the directors which would have been valid if the resolution had not been passed or the alteration had not been made.
- (2) The powers given by Article 62(1) shall not be limited by any special authority or power given to the directors by any other Article or any resolution of the Association.
63. The continuing directors or the sole continuing director at any time may act notwithstanding any vacancy in their number; but, if the number of directors is less than the minimum number fixed by or in accordance with the Articles, they or he may act for the purpose of filling up vacancies or calling a general meeting of the Association, but not for any other purpose. If no director is able or willing to act, then any two members may summon a general meeting for the purpose of appointing directors.
64. The directors may exercise any of the powers conferred by the Statutes to make provision for the benefit of any persons employed or formerly employed by the Association or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Association or any of its subsidiaries.

#### **DELEGATION OF THE DIRECTORS' POWERS**

65. The directors may entrust to and confer upon any director any of their powers, authorities and discretions (with power to sub-delegate) on such terms and conditions as they think fit and may revoke or vary all or any of them, but no person dealing in good faith shall be affected by any revocation or variation.
66. The directors may delegate any of their powers, authorities and discretions (with power to sub-delegate) to any committee consisting of such person or persons (whether directors or
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not) as they think fit, provided that the majority of the members of the committee are directors and that no meeting of the committee shall be quorate for the purpose of exercising any of its powers, authorities or discretions unless a majority of those present are directors. The directors may make any such delegation on such terms and conditions as they think fit and may revoke or vary any such delegation and discharge any committee wholly or in part, but no person dealing in good faith shall be affected by any revocation or variation. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations that may be imposed on it by the directors.

67. The proceedings of a committee with two or more members shall be governed by any regulations imposed on it by the directors and (subject to such regulations) by the Articles regulating the proceedings of the directors so far as they are capable of applying.
68. The directors may by power of attorney or otherwise appoint any person to be the agent of the Association on such terms (including terms as to remuneration) as they may decide and may delegate to any person so appointed any of their powers, authorities and discretions (with power to sub-delegate). The directors may remove any person appointed under this Article and may revoke or vary the delegation, but no person dealing in good faith shall be affected by the revocation or variation.

#### **DIRECTORS' INTERESTS**

69. Subject to the Statutes, a director shall not be disqualified by his office from entering into any contract with the Association, either with regard to his tenure of any office or position in the management, administration or conduct of the business of the Association or as vendor, purchaser or otherwise. Subject to the interest of the director being duly declared, a contract entered into by or on behalf of the Association in which any director is in any way interested shall not be liable to be avoided, nor (subject to the provisions of the Memorandum of Association) shall any director so interested be liable to account to the Association for any benefit resulting from the contract, by reason of the director holding that office or of the fiduciary relationship established by his holding that office.
  70. Subject to Article 53, a director may hold any other office or place of profit with the Association (except that of auditor) in conjunction with his office of director for such period (subject to the Statutes) and upon such terms as the directors may decide and may be paid such extra remuneration for so doing (whether by way of salary, commission, participation in income or surplus or otherwise) as the directors may decide, either in addition to or in lieu of any remuneration under any other provision of the Articles.
  71. A director may be or become a member or director of, or hold any other office or place of profit under, or otherwise be interested in, any other company in which the Association may be interested and shall not be liable to account to the Association for any benefit received by him as a member or director of, or holder of any other office or place of profit under, or his other interest in, that company.
  72. The directors may cause the voting rights conferred by the shares in any other company held or owned by the Association or exercisable by them as directors of that other company to be exercised in such manner in all respects as they think fit (including the exercise of voting rights in favour of any resolution appointing the directors or any of them as directors or officers of the other company or voting or providing for the payment of any benefit to the directors or officers of the other company).
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73. A director may act by himself or his firm in a professional capacity for the Association (except as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director.
74. The directors may purchase and maintain for or for the benefit of any person who holds or has at any time held a relevant office insurance against any liability incurred by him in respect of any act or omission in the actual or purported discharge of his duties or in the exercise or purported exercise of his powers or otherwise in relation to his holding of a relevant office; and for this purpose "relevant office" means that of director, officer or employee in relation to the Association or any company which is or was a subsidiary undertaking of or associated with the Association or any predecessor in business of the Association or any such subsidiary undertaking or associated company, or that of trustee of any pension fund or retirement, death or disability scheme for the benefit of any director, officer or employee of the Association or any such subsidiary undertaking or associated company.
75. A director who to his knowledge is in any way, whether directly or indirectly, interested in a contract with the Association shall declare the nature of his interest at the directors' meeting at which the question of entering into the contract is first taken into consideration, if he knows his interest then exists, or in any other case at the first directors' meeting after he knows that he is or has become so interested. For the purposes of this Article, a general notice given to the directors by a director to the effect that:
- (a) he is a member of a specified company or firm and is to be regarded as interested in any other contract which may after the date of the notice be made with that company or firm; or
  - (b) he is to be regarded as interested in any contract which may after the date of the notice be made with a specified person who is connected with him,
- shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract but no such notice shall be effective unless either it is given at a directors' meeting or the director takes reasonable steps to secure that it is brought up and read at the next directors' meeting after it is given.
76. A director shall not vote (or be counted in the quorum at a meeting) in respect of any resolution concerning:
- (a) his own appointment (including fixing or varying its terms), or
  - (b) the termination of his own appointment, or
  - (c) as the holder of any office or place of profit with the Association or any other company in which the Association is interested

but, where proposals are under consideration concerning the appointment (including fixing or varying its terms), or the termination of the appointment, of two or more directors to offices or places of profit with the Association (or with any other company in which the Association is interested) those proposals may be divided and a separate resolution may be put in relation to each director. In that case, each of the directors concerned (if not otherwise debarred from

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voting under this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution unless it concerns his own appointment or the termination of his own appointment.

77. A director shall also not vote (or be counted in the quorum at a meeting) in relation to any resolution relating to any contract or arrangement or other proposal in which he has an interest which (together with any interest of any connected person of his) is to his knowledge a material interest and, if he purports to do so, his vote shall not be counted, but this prohibition shall not apply and a director may vote (and be counted in the quorum) in respect of any resolution concerning any one or more of the following matters:

- (a) any contract in which he is interested solely by virtue of an interest in or through the Association;
- (b) the giving of any guarantee, security or indemnity in respect of:
  - (i) money lent or obligations incurred by him or by any other person at the request of, or for the benefit of, the Association or any of its subsidiary undertakings; or
  - (ii) a debt or obligation of the Association or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part (either alone or jointly with others) under a guarantee or indemnity or by the giving of security;
- (c) any contract concerning any other company in which he and any connected persons do not to his knowledge hold an interest in shares (within the meaning of sections 198 to 211 of the Act) representing one per cent. or more of any class of the equity share capital of that company or of the voting rights available to members of that company;
- (d) any arrangement for the benefit of employees of the Association or any of its subsidiary undertakings which does not accord to him any privilege or benefit not generally accorded to the employees to whom the arrangement relates; and
- (e) the purchase or maintenance of insurance for the benefit of directors or for the benefit of persons including directors.

For the purposes of this paragraph a person is a "connected person" in relation to a director if that person is deemed to be connected with that director within the meaning of section 346 of the Act.

78. If any question arises at any meeting as to the materiality of an interest of a director (other than the chairman of the meeting) or as to the entitlement of any director (other than the chairman of the meeting) to vote and the question is not resolved by his voluntarily agreeing to abstain from voting, the question shall be referred to the chairman of the meeting and his ruling in relation to the director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the director concerned, so far as known to him, has not been fairly disclosed. If any question shall arise in respect of the chairman of the meeting and is not resolved by his voluntarily agreeing to abstain from voting, the question shall be decided by a resolution of the directors (for which purpose the chairman shall be



counted in the quorum but shall not vote on the matter) and the resolution shall be final and conclusive except in a case where the nature or extent of the interest of the chairman, so far as known to him, has not been fairly disclosed.

79. In Articles 69 to 78 references to a contract include references to any proposed contract and to any transaction or arrangement whether or not constituting a contract.

### **PROCEEDINGS OF THE DIRECTORS**

80. The directors may meet for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. A director at any time may, and the secretary at the request of a director at any time shall, summon a meeting of the directors.
81. Notice of a meeting of the directors shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or given in writing or in a similar way to him at his last known address or facsimile number or any other address or facsimile number given by him to the Association for this purpose. A director absent or intending to be absent from the United Kingdom may request the directors that notices of meetings of the directors shall during his absence be given in writing or in a similar way to him at an address or facsimile number given by him to the Association for this purpose, but if no such request is made it shall not be necessary to give notice of a meeting of the directors to any director who is for the time being absent from the United Kingdom. A director may waive notice of any meeting either prospectively or retrospectively.
82. The quorum necessary for the transaction of the business of the board of directors may be fixed by the directors and, unless so fixed at any other number, shall be three. Subject to the Articles, any director who ceases to be a director at a directors' meeting may continue to be present and to act as a director and be counted in the quorum until the end of the directors' meeting if no other director objects and if otherwise a quorum of directors would not be present.
83. The directors may appoint a chairman and one or more deputy chairman or chairmen and may at any time revoke any such appointment.
84. The chairman, or failing him any deputy chairman (the longest in office taking precedence, if more than one is present), shall, if present and willing, preside at all meetings of the directors but, if no chairman or deputy chairman has been appointed, or if he is not present within five minutes after the time fixed for holding the meeting or is unwilling to act as chairman of the meeting, the directors present shall choose one of their number to act as chairman of the meeting.
85. A meeting of the directors at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the directors.
86. Questions arising at any meeting of the directors shall (unless otherwise required by the Articles) be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.
87. A meeting of the directors may consist of a conference between directors some or all of whom are in different places provided that each director who participates is able:
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- (a) to hear each of the other participating directors addressing the meeting; and
- (b) if he so wishes, to address all of the other participating directors simultaneously,

whether directly, by conference telephone or by any other form of communications equipment (whether in use when the Articles are adopted or developed subsequently) or by a combination of such methods.

- 88. A quorum is deemed to be present if the conditions in Article 87 are satisfied in respect of at least the number of directors required to form a quorum, subject to the provisions of Article 63.
- 89. A meeting held in accordance with Articles 87 and 88 is deemed to take place at the place where the largest group of participating directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.
- 90. A resolution in writing signed or approved in writing by all the directors entitled to notice of a meeting of the directors shall be as valid and effectual as if it had been passed at a meeting of the directors duly called and constituted. The resolution may be contained in one document or in several documents in like form, each signed or approved by one or more of the directors concerned.
- 91. All acts done in good faith by a meeting of the directors, or of a committee, or by any person acting as a director or a member of a committee, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any director or committee or of the person so acting, or that they or any of them were disqualified or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and qualified to be a director and had continued to be a director or member of the committee and had been entitled to vote.

### MINUTES

- 92. The directors shall cause minutes to be made in books kept for the purpose:
  - (a) of all appointments of officers made by the directors;
  - (b) of the names of all the directors present at each meeting of the directors and of any committee; and
  - (c) of all resolutions and proceedings of all meetings of the Association, and of the directors and of any committee.

### COMPANY SECRETARY

- 93. The secretary of the Association (for the purposes of section 283 of the Act) shall be appointed by the directors for such term, at such remuneration and on such conditions as they think fit, and the directors may remove from office any person so appointed (without prejudice to any claim for damages for breach of any contract between him and the Association).

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### SEAL

- 94.(1) The Association may exercise the powers conferred by the Statutes with regard to having official seals and those powers shall be vested in the directors.
- (2) The directors shall provide for the safe custody of any seal which the Association may have.
- (3) The seal shall be used only by the authority of the directors or a duly authorised committee but that authority may consist of an instruction or approval given by letter, facsimile, telegram, telex or telephone by a majority of the directors or of the members of a duly authorised committee.
- (4) The directors may determine who shall sign any instrument to which the seal is applied, either generally or in relation to a particular instrument or type of instrument, and may also determine, either generally or in any particular case, that such signatures shall be dispensed with or affixed by some mechanical means.
- (5) Unless otherwise decided by the directors every instrument to which the seal is applied shall be signed by at least one director and the secretary or by at least two directors.

### ACCOUNTS

95. The directors shall cause accounting records of the Association to be kept in accordance with the Statutes.
96. 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 law or authorised by the directors or by an ordinary resolution of the Association.

### BYELAWS

97. The directors shall have power to make Byelaws concerning such matters regarding the government and management of the Association as they may from time to time think fit and to revoke or alter the Byelaws, provided that no Byelaw shall have effect if and to the extent that it is inconsistent with the Memorandum of Association or the Articles.

### NOTICES

98. 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.
99. The Association may give any notice to a member either personally or by sending it by prepaid post to his registered address or by leaving it at that address. 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.
100. 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.
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101. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was so posted.

#### **INDEMNITY**

102. Subject to the provisions of and to the extent permitted by the Statutes, every director and other officer of the Association (other than auditor) shall be indemnified out of the assets of the Association against any liability incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, but:
- (a) this indemnity shall not apply to any liability to the extent that it is recovered from any other person; and
  - (b) the indemnity is subject to such officer taking all reasonable steps to effect such recovery, so that the indemnity shall not apply to the extent that an alternative right of recovery is capable of being enforced.
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