

**THE COMPANIES ACTS 2006**  
**PRIVATE COMPANY LIMITED BY GUARANTEE**  
**ARTICLES OF ASSOCIATION**

**of**

**RACEHORSE OWNERS ASSOCIATION LIMITED(THE)**  
**(company number 00398604)**

(Adopted by special resolution passed on 1<sup>st</sup> September 2021)

**Part 1 Interpretation, Objects and Limitation of Liability**

**1 Definitions and Interpretation**

1.1 The definitions and rules of interpretation in this Article 1 apply in these Articles:

|                              |                                                                                                                                                                                                 |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>2006 Act</b>              | means the Companies Act 2006 as modified by statute or re-enacted from time to time.                                                                                                            |
| <b>Acting President</b>      | means any individual appointed by the Board to fulfil the role of President for an interim period (without the requirement to obtain ratification of a Nomination from the Members).            |
| <b>Acting Vice President</b> | means any individual appointed by the Board to fulfil the role of Vice President for an interim period (without the requirement to obtain ratification of a Nomination from the Members).       |
| <b>AGM</b>                   | means an annual general meeting of the Company.                                                                                                                                                 |
| <b>Appointed Director</b>    | means a Director who has been appointed to the Board in accordance with Article 22.                                                                                                             |
| <b>Articles</b>              | means these articles of association, as may be amended from time to time.                                                                                                                       |
| <b>BHA</b>                   | means the British Horseracing Authority Limited (company no: 02813358).                                                                                                                         |
| <b>Board</b>                 | means the board of directors of the Company from time to time, to be maintained pursuant to Article 19.                                                                                         |
| <b>Board Meeting</b>         | means a meeting of the Board to be conducted in accordance with these Articles.                                                                                                                 |
| <b>Chief Executive</b>       | means the chief executive of the Company from time to time to be appointed in accordance with Article 24.1.                                                                                     |
| <b>Clear Days</b>            | means complete days, not including: (i) the day on which the period begins; and (ii) if the end of the period is defined by reference to an event (for example, an AGM), the day of that event. |

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| <b>Committee</b>                        | means any committee of the Board which is maintained or established in accordance with Article 9.1.                                                                                                                                                                                                                                        |
| <b>Companies Acts</b>                   | means the Companies Acts (as defined in section 2 of the 2006 Act), insofar as they apply to the Company.                                                                                                                                                                                                                                  |
| <b>Company</b>                          | means Racehorse Owners Association Limited (The), a company incorporated in England and Wales with company number 00398604.                                                                                                                                                                                                                |
| <b>Director</b>                         | means a director of the Company, and includes any Appointed Director, any Elected Director, any Independent Director, the President and the Vice President from time to time and, if the Board so resolves, the Chief Executive from time to time, as well as (where applicable and in accordance with Article 29) any alternate director. |
| <b>Effective Date</b>                   | means the time and date when these new Articles shall take effect and become binding on the Company and the Members, being the 2021 AGM of the Company which is scheduled to take place on 1 <sup>st</sup> September 2021 or such other date as the Board may stipulate.                                                                   |
| <b>Elected Director</b>                 | means a Director who has been elected by the Members in accordance with Article 21.                                                                                                                                                                                                                                                        |
| <b>electronic facility</b>              | includes, without limitation, website addresses and conference call systems, and any device, system, procedure, method or other facility whatsoever providing an electronic means of attendance at or participation in (or both attendance at and participation in) a General Meeting determined by the Board pursuant to Article 32.1.    |
| <b>Finance Audit and Risk Committee</b> | means the Committee constituted in accordance with Article 9.1.                                                                                                                                                                                                                                                                            |
| <b>General Meeting</b>                  | means a general meeting of the Company, including AGMs.                                                                                                                                                                                                                                                                                    |
| <b>Horsemen's Group</b>                 | means the Horsemen Limited (Company No: 05848596) which expression shall include its respective successors or any other company carrying out the same function in substitution for it.                                                                                                                                                     |
| <b>Human Resources Committee</b>        | means the Committee constituted in accordance with Article 9.1.                                                                                                                                                                                                                                                                            |
| <b>Independent Director</b>             | means a Director who, being an Owner (or the spouse, civil partner, cohabitee, sibling, parents or children of an Owner), does not have any racing related business, does not earn their main income from the racing industry, and is not involved with any other industry organisation apart from positions that are <i>ex officio</i> .  |
| <b>Members</b>                          | means the members of the Company, as set out in Article 30.                                                                                                                                                                                                                                                                                |
| <b>MRG</b>                              | has the meaning given in Article 27.1.                                                                                                                                                                                                                                                                                                     |

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| <b>Nominations</b>             | shall have the meaning given to it in Article 23.4 and the terms "Nominate" and "Nominated" shall be construed accordingly.                                                                                                                                                                                                                                                                                          |
| <b>Nominations Committee</b>   | means the Nominations Committee of the Company, as established by the Board in accordance with Article 9.                                                                                                                                                                                                                                                                                                            |
| <b>Not In Good Standing</b>    | means any Member that: (i) is, at any time, more than thirty days in arrears with any sums due to the Company; and/or (ii) in the opinion of the Board, has acted in any way which is detrimental to the good name of the Company, has otherwise brought himself or the Company into disrepute or is considered a person whose election to the Board might otherwise be detrimental to the interests of the Company. |
| <b>Objects</b>                 | has the meaning given in Article 2.1.                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Owner</b>                   | means any person who is registered under the Rules as owning a Racehorse or any interest in a Racehorse.                                                                                                                                                                                                                                                                                                             |
| <b>Qualifying Owner</b>        | has the meaning given to it in Article 20.5.                                                                                                                                                                                                                                                                                                                                                                         |
| <b>President</b>               | means the person appointed as the president of the Company in accordance with Article 19.1.1.                                                                                                                                                                                                                                                                                                                        |
| <b>Racehorse</b>               | means a horse belonging to one or more Owners and qualified to compete in races under the Rules.                                                                                                                                                                                                                                                                                                                     |
| <b>Registered Office</b>       | means the registered office of the Company from time to time.                                                                                                                                                                                                                                                                                                                                                        |
| <b>REL</b>                     | means Great British Racing Limited (Company No: 04444746) which expression shall include its respective successors or any other company carrying out the same function in substitution for it.                                                                                                                                                                                                                       |
| <b>Rules</b>                   | means the Rules of Racing issued by the BHA and in force at any relevant time.                                                                                                                                                                                                                                                                                                                                       |
| <b>Scotland Representative</b> | means the Company's representative for Scotland (if any) appointed in accordance with Article 25.                                                                                                                                                                                                                                                                                                                    |
| <b>Subsidiary</b>              | has the meaning given in section 1159 of the 2006 Act.                                                                                                                                                                                                                                                                                                                                                               |
| <b>Vice President</b>          | means the person appointed as the vice president of the Company in accordance with Article 19.1.2.                                                                                                                                                                                                                                                                                                                   |
| 1.2                            | Unless the context otherwise requires, words or expressions contained in the Articles bear the same meaning as in the 2006 Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company.                                                                                                                                                                      |
| 1.3                            | Unless the context otherwise requires, words denoting the singular include the plural and vice versa. Words denoting the masculine gender include the feminine gender. Words importing persons include corporations and unincorporated associations.                                                                                                                                                                 |
| 1.4                            | References to any statute or statutory provisions shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force save as mentioned in Article 1.2.                                                                                                                                                                                                                 |

- 1.5 A special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of the Articles.
- 1.6 The words "include" and "including" shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any preceding words.
- 1.7 For the purposes of Section 20 of the 2006 Act, the relevant model articles shall be deemed to have been excluded fully and replaced with the provisions of these Articles.

## **2 Objects**

- 2.1 The objects for which the Company is established (the **Objects**) are:
  - 2.1.1 to represent and advance the interests of owners of Racehorses which compete or may compete in the United Kingdom under the rules of BHA and its successors from time to time and elsewhere in the world under the rules and orders (or their equivalent) of the racing authority concerned;
  - 2.1.2 to provide services, goods or facilities of any kind whatsoever to any person or body;
  - 2.1.3 to lead and administer the organisation, development, promotion and fostering of horse racing in the United Kingdom at all levels for the benefit of its Members and all other stakeholders, including players, officials and supporters, and to undertake any and all activities directly or indirectly associated therewith;
  - 2.1.4 the commercialisation, marketing and promotion of horse racing at all levels, whether or not in the United Kingdom, including the organisation, administration and financing of competitive horse racing; and
  - 2.1.5 to encourage maximum participation and interest in the sport of horse racing, to improve standards at all levels and to uphold and enhance the traditions and spirit of the sport of horse racing.

## **3 Powers**

- 3.1 In discharging the Objects, the Board shall have the powers to do all lawful things which may be incidental to or conducive to the attainment of the Objects including the following (but without prejudice to the generality of the foregoing):
  - 3.1.1 to promote the Company and the Objects in any manner;
  - 3.1.2 to co-operate, communicate and meet with persons in other parts of the world engaged in any aspect of horseracing and in particular its supervision, promotion, organisation and financing;
  - 3.1.3 to solicit, receive and accept financial assistance, endowments, gifts and loans of any sort on any terms;
  - 3.1.4 to require and collect payment from Members (or any of them) of charges or subscriptions either periodically or otherwise;
  - 3.1.5 to purchase, dispose of, take on lease, in exchange or on loan, hire or otherwise acquire any real or personal property and any rights or privileges;
  - 3.1.6 to borrow and raise money and secure or discharge any debt or obligation of or binding on the Company in such manner as may be thought fit, and to enter into any guarantee, contract or indemnity or suretyship;

- 3.1.7 to provide technical, educational or business material, facilities or services relating in any way to horseracing and carry on any business involving any such provisions and to make reasonable charges therefor;
- 3.1.8 to amalgamate or enter into partnership or any profit-sharing arrangement with, and co-operate and participate in any way with, and assist or subsidise any person or any other body;
- 3.1.9 to take or defend any proceedings by or against the Company or contribute to or assist any Member(s) in any lawful manner *provided that* questions of principle affecting the rights or interests of the Company or its Members or a substantial body of its Members are involved in such proceedings;
- 3.1.10 to acquire any investments or assets (whether income producing or not) and incur liabilities on any terms;
- 3.1.11 to invest the moneys of the Company not immediately required upon such securities or otherwise in such manner as may be from time to time determined, and to lend money to such persons and on such terms as may seem expedient;
- 3.1.12 to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments;
- 3.1.13 to commercially exploit any of its assets (which for the avoidance of doubt shall include any intellectual property rights);
- 3.1.14 to carry out any of the Objects through any subsidiary or associated company or agency,  
  
*provided that* the Company shall not support with its funds any object nor endeavour to impose on or procure to be observed by its Members or others any regulation or restriction which, if an object of the Company, would make it a trade union.

#### **4 Income**

- 4.1 The income and property of the Company (from wherever derived) shall be applied solely towards the promotion of the Objects and, subject to Article 4.2, no portion of such income and property shall be paid or transferred, directly or indirectly, by way of dividend, distribution, return of capital, bonus or otherwise to any Member.
- 4.2 Nothing in these Articles shall prevent any payment in good faith by the Company to or for the benefit of any Member or officer of the Company or anyone associated with any such Member or officer, of:
  - 4.2.1 reasonable and proper remuneration and/or pensions, gratuities or other emoluments for any services rendered to the Company save that no remuneration shall be paid to any Director merely for acting as such;
  - 4.2.2 any reasonable and proper interest on money loaned;
  - 4.2.3 any reasonable and proper rent for premises or facilities demised or let or provided;
  - 4.2.4 any reasonable and proper professional charges for professional services rendered to the Company by any Member or officer of the Company or any firm or company in which a Member or officer of the Company may be beneficially interested;
  - 4.2.5 the cost of any reasonable entertainment supplied in the course of the Company's proper activities;
  - 4.2.6 by refund of or provision for out of pocket expenses incurred or to be incurred;

- 4.2.7 the cost of any insurance for or for the benefit of any persons who are or were at any time Directors, officers, employees or Members of the Company or of any subsidiary or associated company of the Company or who are or were at any time trustees of any fund in which the Company or any employee of the Company is or may be interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any subsidiary or associated company of the Company or any such fund and to such extent as may be permitted by law or otherwise to indemnify or exempt any such person against or from any such liability; or
- 4.2.8 any reasonable sum in return for the provision of goods, services or facilities to the Company including (without prejudice to the generality of the foregoing) advertising or promotional services or facilities.

## **5 Winding Up**

If upon winding up or dissolution of the Company there remains, after satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members, but shall be given or transferred to some other institution or institutions having objects similar to the Objects, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Company under or by virtue of this Article 5, such institution or institutions to be determined by the Members at or before the time of dissolution and in default thereof, and if and so far as effect cannot be given to the aforesaid provision, then to some charitable object to be selected by the Members by a resolution at a General Meeting.

## **6 Guarantee**

- 6.1 The liability of each Member is limited.
- 6.2 Every Member undertakes to contribute to the assets of the Company, in the event of the same being wound up during the time that he is a Member, or within one year afterwards, for payment of the debts and liabilities of the Company contracted before the time at which he ceases to be a Member, and of the costs, charges and expenses of winding-up the same, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding £3.
- 6.3 True accounts shall be kept of the sums of money received and expended by the Company, and the matter in respect of which such receipt and expenditure takes place, and of the property, credits, and liabilities of the Company, and subject to any reasonable restriction as to the time and manner of inspecting the same that may be imposed in accordance with the regulations of the Company for the time being, shall be open to the inspection of the Members. Once at least in every year the accounts of the Company shall be examined and the correctness of the balance sheet ascertained by one or more qualified auditor or auditors.

## **Part 2 Directors and Other Office Holders**

### **Directors' Powers and Responsibilities**

#### **7 Directors' general authority and powers of the Board**

- 7.1 Subject always to the provisions of these Articles, the administration, direction and management of the business and affairs of the Company shall be conducted by the Board. The Board shall be responsible for the Company's compliance with the Act.
- 7.2 Without prejudice of the general powers of the Board as provided under Article 7.1, the Board shall have the powers:
- 7.2.1 to dispose of the funds of the Company for the Objects;
- 7.2.2 to manage and superintend the affairs of the Company, and to exercise all such powers of the Company as are not under the 2006 Act or these Articles required to be exercised by the Company at a General Meeting, with power to make regulations for any matters which are authorised by these Articles to be determined or directed by the Board and also for every case of exigency that may arise not provided for by the then existing regulations (such regulations to be in force until revoked by the Board or by the resolution at a General Meeting), *provided that* no regulation made in pursuance of the power in this Article 7.2.2 shall amount to an alteration of or an addition to these Articles;
- 7.2.3 to regulate its own proceedings (including proceedings of all Committees), and to fix the dates of all General Meetings; and
- 7.2.4 to invite individuals who are not Directors to attend Board Meetings if it is felt that the composition of the Board from time to time would benefit from the skills of such individuals, *provided that* such individuals shall not be permitted to vote.
- 7.3 No resolution passed by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if such resolution had not been passed. No alteration of these Articles and no such direction as is referred to in Article 7.1 shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given.

#### **8 Directors may delegate**

- 8.1 Subject to these Articles, the Board may delegate any of the powers which are conferred on it under these Articles to such person or Committee, by such means (including by power of attorney), to such an extent, in relation to such matters and on such terms and conditions, in each case as it thinks fit.
- 8.2 All acts and proceedings delegated under Article 8.1 shall be reported to the Board in due course.
- 8.3 The Board may at any time revoke or alter the terms and conditions of any such delegation in whole or part.

#### **9 Committees**

- 9.1 The Board shall maintain or establish (as applicable) such Board committees as it deems necessary, including a Finance Audit and Risk Committee, a Nominations Committee and a Human Resources Committee, in each case under such name, conditions and terms of reference (in accordance with Article 9.3) and for as long as it thinks fit.
- 9.2 The Board shall appoint a Director to be chair of the Finance Audit and Risk Committee, the Nominations Committee and the Human Resources Committee, though such positions do not

need to be filled by the same Director. The members of each such Committee shall be appointed by the chair of the respective Committee subject to approval by the Board.

- 9.3 The Board shall approve and adopt written terms of reference (including rules of procedure) for all or any Committees, which prevail over rules derived from these Articles if they are not consistent with them.
- 9.4 The quorum for meetings of any Committee formed pursuant to the provisions of the Articles shall be determined by the Board and, if relevant, shall be set out in the relevant Committee's written terms of reference.

## **Decision Making by Directors**

### **10 Directors to take Decisions Collectively**

Any decision of the Board must be either a majority decision in a Board Meeting or a unanimous decision taken in accordance with Article 11 without holding a Board Meeting.

### **11 Unanimous decisions**

- 11.1 A decision of the Directors is taken without holding a Board Meeting in accordance with this Article 11 when all eligible Directors sign a resolution (or otherwise indicate their agreement in writing thereto). Such resolution may be contained in one document or communication in electronic form or in several documents or communications in electronic form (in like form), each signed (or otherwise agreed in writing) by one or more of the eligible Directors.
- 11.2 References in this Article to eligible Directors are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Board Meeting.
- 11.3 A decision may not be taken in accordance with this Article if the eligible Directors would not have formed a quorum at such Board Meeting.

### **12 Calling a meeting of the Board**

- 12.1 The Board shall meet together not less than 10 times a year for the transaction of business either at the Registered Office or at such other place, and at such times as the Board may from time to time determine.
- 12.2 A Board Meeting may at any time be called by the President or Vice President, or at the written request of five or more Directors.
- 12.3 Not less than seven Clear Days' notice of the date, time and place of a Board Meeting (or three Clear Days' notice, if, in the opinion of the President or Vice President, the case be one of emergency) shall be delivered or sent to each Director by the Chief Executive.
- 12.4 Not less than three Clear Days' prior to the date of every Board Meeting the Chief Executive shall deliver or send to each Director a statement of the business to be transacted at such Board Meeting, together with (if applicable) all relevant papers and materials, but the accidental omission to send such statement to or the non-receipt of such statement by any Director shall not invalidate the proceedings of any Board Meeting.
- 12.5 Notice of a Board Meeting must be given to each Director, but need not, be in writing.

### **13 Participation in meetings of the Board**

- 13.1 Subject to these Articles, Directors participate in a Board Meeting, or part of a Board Meeting, when:
- 13.1.1 the meeting has been called and takes place in accordance with these Articles; and



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

13.2 In determining whether Directors are participating in a Board Meeting, it is irrelevant where any Director is or how they communicate with each other, whether directly, by telephone or by any other electronic means or otherwise.

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

#### **14 Quorum**

14.1 At a Board Meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another Board Meeting.

14.2 The quorum for meetings of the Board is five Directors (and shall include any alternate directors validly attending the meeting).

14.3 Subject to Article 14.4, the Board may act notwithstanding any Board vacancy.

14.4 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision to call a General Meeting in accordance with these Articles.

#### **15 Chairing of Board Meetings**

All Board Meetings shall be presided over by the President, or, in his absence, by the Vice President, and in the absence of both, a chairman who shall be elected by a majority of votes from among those present.

#### **16 Casting vote**

Unless otherwise stated herein, all matters at a Board Meeting shall be decided by a majority of the votes of those present, and the chairman of the Board Meeting shall have an additional or casting vote in all cases where there is an equality of votes except where the vote relates to the election of the chairman.

#### **17 Conflicts of Interest**

17.1 Subject to the provisions of the 2006 Act and provided that he has disclosed to the Board the nature and extent of any material interest of his, a Director:

17.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;

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

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

17.2 For the purposes of Article 17.1:

17.2.1 a general notice given to the Board 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

17.2.2 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.

17.3 Save as otherwise provided by the Articles or as authorised by those Directors who have no conflicting interest or duty:

17.3.1 a Director shall not be entitled to vote at a Board Meeting or a Committee meeting 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 Company, *provided that* an interest in a Racehorse and/or directorship of the BHA and/or membership of The Jockey Club (company no. RC000287) and/or the BHA and/or any other association or group concerned with horseracing shall not of itself be regarded as an interest or duty which is material for the purposes of this Article 17.3; and

17.3.2 a Director present at a Board Meeting or a Committee meeting shall be counted in the quorum in relation to a resolution on which he is not entitled to vote.

17.4 The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a Director from voting at a Board Meeting or a Committee meeting.

17.5 Without prejudice to the above, a Director shall acknowledge in writing and comply with the Company's code of conduct as adopted and amended by the Board from time to time.

## **18 Records of Decisions to be Kept**

18.1 The Board must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every appointment by the Board and of every unanimous or majority decision taken by the Board and by the Company at General Meeting.

18.2 Any such records, if purporting to be signed by the chairman of the Board Meeting, or by the chairman of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated.

## **Appointment of Directors and Other Office Holders**

### **19 Composition of the Board**

19.1 Unless otherwise determined by ordinary resolutions, with effect from the Effective Date, the Board shall consist of:

19.1.1 one Director who shall be the President of the Company (the **President**);

19.1.2 one Director who shall be the Vice President of the Company (the **Vice President**);

19.1.3 up to nine Elected Directors;

19.1.4 up to three Appointed Directors;

19.1.5 a minimum of one Independent Director (each such Independent Director shall be either an Elected Director or an Appointed Director); and

19.1.6 if the Board resolves, the Chief Executive.

19.2 It is the intention of the Company that the number of Elected Directors shall always exceed the number of Appointed Directors. Should the number of Elected Directors fall below the number

of Appointed Directors at any time (for example, by reason of retirement) the following shall apply:

- 19.2.1 The Board shall, as soon as reasonably practicable, hold an election (in accordance with the provisions of Article 21) to fill such number of vacancies of Elected Directors that will ensure that the number of Elected Directors exceed the number of Appointed Directors at the conclusion of such election; and
- 19.2.2 Prior to the appointment of the Elected Directors in accordance with Article 19.2.1, with respect to any Board resolutions, the Board shall apply such multiplier to the votes of the Elected Director(s) currently on the Board as is necessary to ensure that the Elected Directors have one more vote on the Board than the Appointed Directors.
- 19.3 The Nominations Committee shall recommend candidates of Elected Directors and Appointed Directors to the Board having considered the balance of skills, knowledge and experience on the Board and taking into account the requirement for diversity as regards gender, ethnicity, geography and disability. The Nominations Committee shall be required to ensure that all Members are informed of such vacancies and are invited to submit recommendations and the preferred characteristics of the appointment are included in any such advertisement or invitation having regard to the relevant skills requirements and diversity requirements.

## **20 Appointing and removing Directors**

- 20.1 No person shall be a Director who is not a Member. A Director shall immediately vacate office if he ceases to be a Member. For the avoidance of doubt, any Director who ceases to be a Member under Article 30.10 shall be deemed immediately thereafter to have resigned as a Director.
- 20.2 Subject to Article 20.4, and save as provided in Article 20.3:
  - 20.2.1 a person shall only be eligible to be a Director if that person has been a Qualifying Owner at some time during the twelve-month period immediately preceding the date he would join the Board; and
  - 20.2.2 a Director shall not be eligible to remain a Director if, at any time since becoming a Director, he has, for a period of more than six months, ceased to be a Qualifying Owner.
- 20.3 Subject to Article 20.4, the Board shall be entitled to waive the requirements of Article 20.2 in whole or in part (and with or without imposing conditions) in respect of Elected Directors or Appointed Directors if the Board agrees unanimously that it would be in the best interests of the Company and its membership for that person to be a Director.
- 20.4 Nothing in Articles 20.2 or 20.3 shall apply to the Chief Executive.
- 20.5 For the purposes of this Article 20, a person shall be a "Qualifying Owner" if:
  - 20.5.1 he (either alone or together with his spouse or civil partner, or an entity which is wholly owned by him alone or by him and his spouse or civil partner) owns not less than one hundred per cent of one Racehorse or interests in more than one Racehorse which add up to at least one hundred per cent; and
  - 20.5.2 the Racehorse(s) in question are trained in Great Britain and are either in training or being prepared for training or are temporarily out of training,and, for the avoidance of doubt, ownership of a leasehold interest in a horse will be construed as ownership of a horse or the relevant proportion thereof.
- 20.6 Any Director may resign from office on giving notice in writing to the Chief Executive, *provided that* in the case of President and/or the Vice President, such retirement will not automatically be construed as retirement from the Board (unless the Board otherwise resolves).

- 20.7 Without prejudice to the provisions of section 168 of the 2006 Act, any Director may be removed by a vote of the Board conducted in accordance with the following provisions:
- 20.7.1 A simple majority of the Directors must sign a proposed resolution to remove and lodge it at the Registered Office before the Board Meeting at which the proposed resolution is to be put.
- 20.7.2 The proposals set out in such resolution must be limited to the removal of the relevant Director and shall specify the date of the Board Meeting at which it is to be proposed.
- 20.7.3 As soon as possible after receipt, but nonetheless at least twenty-one Clear Days before the Board Meeting at which the resolution is to be proposed, the Chief Executive must send to every Director notice of the date, time and place of the Board Meeting, the text of the proposed resolution and the names of the signatories.
- 20.7.4 The Director whose removal is proposed shall have the opportunity to address the Board at the said Board Meeting before the resolution is put to the vote.
- 20.7.5 The resolution to remove may be proposed by any of the signatories at the designated Board Meeting.
- 20.7.6 Directors may vote in person or by his alternate appointed in accordance with Article 29.
- 20.7.7 To be successful, the resolution must receive votes in favour of at least fifty-one per cent of the Directors eligible to vote (whether or not all the Directors are present or actually vote at the Board Meeting).
- 20.7.8 Subject to compliance with these Articles, the arrangements for proposal and disposal of the resolution shall be as decided by the Chief Executive.
- 20.8 Any Director may also be removed if the Board shall resolve that he has ceased, without reasonable excuse, to be a Qualifying Owner *provided that* this Article 20.8 shall not apply to the Chief Executive.
- 20.9 If the Director so removed pursuant to Article 20.7 or Article 20.8 is also the President or Vice President, he shall be deemed, immediately following such removal, to have resigned from that office.
- 20.10 Where the Chief Executive is a Director, the Chief Executive shall cease to be a Director upon ceasing to be an employee of the Company or, if sooner, upon the Board resolving that he should cease to be a Director.
- 20.11 There shall be no age limit for any of the President, the Vice President, a Director or the Chief Executive, except as required by the Companies Acts.
- 20.12 A Member who is Not In Good Standing shall:
- 20.12.1 have no right to vote on Board matters; and
- 20.12.2 not be eligible to stand for, or hold office as, a Director,
- should the Board so resolve.
- 20.13 Unless the Board resolves otherwise, a Director shall forthwith cease to be a Director if, during the twelve month period ending on the last day of February in any year, he shall have missed more than half of the Board Meetings held during that twelve month period.
- 20.14 Notwithstanding anything in these Articles, a person shall cease to be a Director of the Company as soon as he:

20.14.1 ceases to be a Director by virtue of any provision of the 2006 Act or becomes prohibited by law from being a Director;

20.14.2 becomes bankrupt or makes any arrangement or composition with his creditors generally; or

20.14.3 is, or may be, suffering from mental disorder and either:

- (a) he is admitted to hospital in pursuance of an application for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960;
- (b) 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
- (c) he becomes subject to any procedure provided for by statute replacing or amending Article 20.14.3 (a) or (b).

20.15 All acts carried out in good faith at any meeting of the Board or of any Committee, or by any person acting as a Director, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such person, be as valid as if every such person had been duly appointed or had duly continued in office.

## **21 Elected Directors**

21.1 Each Elected Director shall hold office, subject to the terms of these Articles, for a term of four years and shall retire from office at the fourth AGM following his most recent election or re-election to the Board, save that any Elected Director who is in office as at the Effective Date shall continue with their current term of office and retire at the end of such term.

21.2 An Elected Director who retires at an AGM at the expiry of his first four-year term in accordance with Article 21.1 may, if willing to act, be re-elected by the Members for another term of four years, *provided that* on the expiry of his second four-year term, that Elected Director, upon request by the Board and subject to Members' approval, may (if willing to act) further extend his second four-year term by up to two years, and *provided further that* no Elected Director in any event may serve on the Board for more than ten years whether consecutive or otherwise.

21.3 Any Member may, between 1 January and 1 April in each year (or within such other period as the Board may determine and publish), apply in writing to the Chief Executive for election to the Board as an Elected Director at the following AGM, *provided that* such person shall only be permitted to stand for election if they receive signatures of support from a minimum of four other existing Members (who shall only be permitted to give such support to one candidate).

21.4 If the number of applications to be an Elected Director shall exceed the number of vacancies, the Chief Executive shall send (or cause to be sent) to all Members (not less than twenty-one Clear Days before the AGM) a voting paper with instructions for completion indicating:

21.4.1 the names of those of the Elected Directors deemed to retire at such AGM;

21.4.2 details of the circumstances in which any additional vacancy has arisen;

21.4.3 the names of those who have applied for election (including those applying for re-election);

21.4.4 the number of vacancies available to be filled;

21.4.5 instructions for completion of the voting paper; and

21.4.6 such other information concerning the candidates for election as the Board shall direct,

*provided that* the accidental omission to send such voting paper to, or the non-receipt of such voting paper by, any Member shall not invalidate any such election.

- 21.5 The system of voting for Elected Directors shall be 'first past the post' or such other method of voting as the Board shall from time to time determine to be fair and appropriate.
- 21.6 The voting papers shall be returned to the Registered Office (or, if so nominated by the Board, to the address of the agency appointed by the Board to administer the counting of the votes as published with the voting papers) not less than three Clear Days before the date fixed for the AGM and papers received thereafter shall not be reckoned.
- 21.7 The votes shall be counted prior to such AGM under the direction of the President or as the Board (or any requirement of law) may otherwise direct or require.
- 21.8 The candidates who shall successively receive the largest numbers of votes until all the available vacancies have been filled shall be elected to be Elected Directors and shall be so declared by the chairman of the AGM. In the case of any equality of votes for the last place or places among the said vacancies, the Board shall be permitted to either: (i) elect all candidates that receive such equal votes; or (ii) not elect any of the candidates that receive such equal votes in which case and any such vacancy shall remain unfilled until the next AGM. Those elected shall hold office from the conclusion of the said AGM and for the purposes of these Articles shall be deemed to have been elected (simultaneously among themselves) at such AGM.
- 21.9 If the number of vacancies exceeds the number of candidates then neither the Company nor the Board shall have power to fill any such vacancy.
- 21.10 Subject to the provisions of Article 19.2, if any Elected Director(s) shall resign from the Board before the end of their four-year term, then their replacement(s) shall be elected at the next AGM following such resignation(s).

## **22 Appointed Directors**

- 22.1 The Board may nominate up to three Appointed Directors. The Board will vote on whether to nominate a candidate to the Board as an Appointed Director at a Board Meeting (or by a unanimous decision in a written resolution pursuant to Article 11). To be successful, the candidate must receive votes in favour of at least fifty-one percent of the Directors eligible to vote (whether or not all the Directors are present or actually vote at the Board Meeting).
- 22.2 The nomination of each Appointed Directors by the Board in accordance with Article 22.1 shall be subject to ratification by the Members at the next AGM after the relevant nomination.
- 22.3 Each Appointed Director shall hold office, subject to the terms of these Articles, for a term of four years commencing on the date of the AGM at which his nomination as an Appointed Director is ratified by the Members, and shall be deemed to have retired from his office at the fourth AGM following his most recent appointment or re-appointment to the Board, save that any Appointed Director who is in office as at the Effective Date shall continue with their current term of office and retire at the end of such term.
- 22.4 An Appointed Director who is deemed to have retired at an AGM at the expiry of his first four-year term in accordance with Article 22.3 may, if willing to act, be re-appointed in accordance with this Article 22 for another term of four years, *provided that* on the expiry of his second four-year term, that Appointed Director, upon request by the Board and subject to Members' approval, may (if willing to act) further extend his second four-year term by up to two years, and *provided further that* no Appointed Director in any event may serve on the Board for more than ten years whether consecutive or otherwise.

## 23 The President and the Vice President

- 23.1 Other than in the circumstances specified in Article 23.6, in each year at the close of the AGM a President and Vice President shall take office or, for their second, third and fourth years of office, be confirmed in office and (subject to the other provisions of these Articles) shall respectively hold office until the close of the next following AGM.
- 23.2 The maximum consecutive number of years for which the President and Vice President shall hold office shall, unless the Board otherwise resolves, be four (from the date of the next AGM, if the President and/or Vice President is appointed between AGMs) *provided that* the term of office of the Vice President can be extended or truncated by the Board to ensure that the terms of office of the President and Vice President expire at the same time, and *provided further that* no President or Vice President in any event may serve on the Board for more than ten years whether consecutive or otherwise. For the avoidance of doubt, if the President's or Vice President's term of office expires at a time when he has been a Director for fewer than ten years, he may become an Elected Director in accordance with Article 21 or an Appointed Director in accordance with Article 22.
- 23.3 Notwithstanding Articles 23.1 and 23.2, the President and Vice President who are in office as at the Effective Date shall continue with their respective current term of office and retire at the end of such term.
- 23.4 Such President and Vice President shall be the persons nominated by the Board after an election at a Board Meeting (or by a unanimous decision in a written resolution pursuant to Article 11) held at any time during the year prior to that AGM (the **Nomination(s)**). The method of arriving at such Nominations shall be as decided from time to time by the Board provided that the President and the Vice President respectively must be, at the time of their Nomination, Qualifying Owners.
- 23.5 If either of the President or the Vice President shall be removed (in accordance with Article 20.7), die, retire (in accordance with Article 20.6) or otherwise become disqualified from or cease to be in office, the Board shall, as soon as possible, hold an election to decide on the Nomination for a new President or Vice President (as the case may be) *provided that*:
- 23.5.1 the new President or Vice President shall not be permitted to take office until the next AGM (at which the Members shall vote on whether to ratify their Nomination in accordance with Article 32.2.3); and
- 23.5.2 should the President or the Vice President cease to be in office (for any reason) at any time between two AGMs, the Board shall have the power to appoint an Acting President and/or Acting Vice President to hold office until the next AGM.
- 23.6 Should the Members elect not to ratify the Nomination of a President and/or Vice President (by way of ordinary resolution at an AGM, in accordance with Article 32.2.3), the Board shall not be permitted to appoint said President and/or Vice President and the following shall apply:
- 23.6.1 As soon as reasonably practicable after such AGM, the Board shall convene a Board Meeting at which it will Nominate a new President and/or Vice President (it being understood that the individual(s) so rejected by the Members shall not be permitted to be Nominated on this occasion);
- 23.6.2 As soon as reasonably practicable after the Board Meeting referred to in Article 23.6.1, the Board shall call a General Meeting at which the Members shall be asked to ratify the Nomination of the new President and/or Vice President by way of an ordinary resolution;
- 23.6.3 Should the Members ratify the Nomination of the new President and/or Vice President, he or they shall take office at the close of such General Meeting;

- 23.6.4 Should the Members fail to ratify the Nomination of the new President and/or Vice President, the process detailed in this Article 23.6 shall be repeated until a Nomination is ratified by the Members; and
- 23.6.5 The Board shall have the power to appoint an Acting President and/or Acting Vice President until such time as the Members ratify the appointment of a new President and/or Vice President.
- 23.7 The Board shall, from time to time, select any of the President, the Vice President or the Chief Executive to be a director of the Horsemen's Group and/or one of the Company's nominated person representing the Horsemen's Group on REL. For the avoidance of doubt, there shall be no requirement for the Company's representative on the Horsemen's Group, on REL and/or on the BHA member's committee to be the same person in each case.

## **24 The Chief Executive**

- 24.1 The Board shall appoint a Chief Executive for such a term, and at such a salary, and upon such conditions as it may determine and any Chief Executive may be removed by the Board at any time. During the temporary absence of the Chief Executive for any reason, the Board may appoint a deputy to perform the duties of the Chief Executive.
- 24.2 The Chief Executive shall assist the Board in developing the Company's aims and strategies. The Board may delegate to the Chief Executive such of their powers as considered desirable to be exercised by the Chief Executive in order to achieve the Company's aims, subject to such conditions as the Board may impose. The Board shall maintain oversight of the Chief Executive's exercise of the delegated powers and if necessary, may direct the Chief Executive to make alterations as to how the Company's business is being conducted.
- 24.3 The Chief Executive shall be the secretary of the Company for the purposes of the 2006 Act but only for so long as he remains the Chief Executive, and shall:
- 24.3.1 prepare and keep or shall cause to be prepared and kept a record of the minutes of proceedings of every Board Meeting and General Meeting in a book or books to be kept for that purpose;
- 24.3.2 (unless otherwise directed by the Board or the President) conduct all correspondence and send out all necessary notices;
- 24.3.3 have charge of all money belonging to the Company subject to such limitations as the Board may decide, and his receipt shall be a discharge for all subscriptions and other money payable to the Company;
- 24.3.4 make all disbursements authorised by the Board and cause true accounts kept of sums of money received and expended;
- 24.3.5 maintain on a day-to-day basis the statutory books of the Company subject to the direction of the President insofar as they do not conflict with the directions (if any) of the Board; and
- 24.3.6 ensure the financial books and accounts of the Company be open to the inspection of the Directors at such time, and subject to such restrictions, as may be imposed by the Board.

## **25 Scotland Representative**

- 25.1 The Board may from time to time designate a Director who is resident in Scotland as the Scotland Representative.
- 25.2 If there are no Directors who are resident in Scotland, the Board may, from time to time, designate a Member to act as the Scotland Representative.
- 25.3 the Board may appoint the Scotland Representative to the Board as an Appointed Director in accordance with Article 22.



## **26 Welsh Representative**

- 26.1 The Board may from time to time designate a Director who is resident in Wales as the Welsh Representative.
- 26.2 If there are no Directors who are resident in Wales, the Board may, from time to time, designate a Member to act as the Welsh Representative.
- 26.3 the Board may appoint the Welsh Representative to the Board as an Appointed Director in accordance with Article 22.

## **27 Members Representative Group**

- 27.1 There shall be constituted a Members' representative group (the **MRG**) which shall assist the Board in delivering its strategy and responsibilities. The MRG shall act as a conduit for the Members' views, provide a forum for debate, being consulted on the development of the Company's strategy, acting as an ambassador to disseminate the Company's strategic vision and helping to ensure that all stakeholders understand and support a shared vision for the Company.
- 27.2 The chair of the MRG shall be nominated by the Nominations Committee having considered the balance of skills, knowledge and experience, and taking into account the requirement for diversity as regards gender, ethnicity, geography and disability; and if he is willing to act, appointed by the Board. The members of the MRG shall consist of six to eight representatives of relevant stakeholder groups (being Members of the Company), who shall be selected (through an application process) and appointed by the Board upon the nomination by the Nominations Committee. Each MRG member, when appointed, shall be a Member and shall not be a current Director.
- 27.3 The MRG shall meet quarterly or at such intervals as determined by the Board from time to time and the President shall deliver updates on Board matters to the MRG at such meetings.
- 27.4 The Board shall approve and adopt written terms of reference (including rules of procedure) to regulate the MRG's composition and proceedings.
- 27.5 For the avoidance of doubt, the MRG shall be a consultative body only, and its members shall not be deemed to be Directors.

## **28 Directors' remuneration and expenses**

- 28.1 The Board may enter into an agreement with any Director for the provision by him/her of any services as a Director for an appropriate remuneration (which remuneration shall be waivable).
- 28.2 Without prejudice to Article 28.1, the President and Vice President shall be entitled to such remuneration as the Board may by resolution determine from time to time and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.
- 28.3 The Company may also pay any reasonable expenses which a Director properly incurs in connection with his attendance at meetings of the Board or Committees, General Meetings or otherwise in connection with the exercise of his powers and the discharge of his responsibilities in relation to the Company.

## **ALTERNATE DIRECTORS**

### **29 Alternate directors**

- 29.1 Any Director (the **Appointor**) may appoint another Director on an occasional basis to be his/her alternate director to exercise the Appointor's powers, and carry out the Appointor's responsibilities, in relation to attendance at Board Meetings and the taking of decisions by the

Directors, in the absence of the Appointor. In these Articles, where the context so permits, the term "Director" shall include an alternate director appointed by the relevant Director. A person may be appointed an alternate director by more than one Director.

- 29.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company (and to the alternate, on removal) signed by the Appointor, or in any other manner approved by the Directors.
- 29.3 An alternate director has the same rights, in relation to any decision of the Directors, as the alternate director's Appointor.
- 29.4 Except as the Articles specify otherwise, alternate directors:
  - 29.4.1 are liable for their own acts and omissions;
  - 29.4.2 are subject to the same restrictions as their Appointors; and
  - 29.4.3 are not deemed to be agents of or for their Appointors.
- 29.5 An alternate director is entitled, in the absence of his/her Appointor(s), to a separate vote on behalf of each Appointor, in addition to his/her own vote on any decision of the Directors.

## **Part 3 Members**

### **Becoming and Ceasing to be a Member**

#### **30 Members**

- 30.1 The Members shall be the subscribers to the Memorandum of Association of the Company and such other persons as the Board may from time to time admit to membership of the Company subject to the provisions as to disqualification and termination of membership set out in these Articles.
- 30.2 A Member shall not be required to be, or to remain, an Owner.
- 30.3 Any person wishing to become a Member shall complete and forward to the Registered Office (or to such other address as the Board may from time to time provide in substitution) an application for admission to membership with such particulars as the Board may from time to time prescribe and shall agree to conform to the rules and regulations of the Company.
- 30.4 The Board may refuse to admit to membership any person (whether an Owner or not) without assigning any reason for refusal.
- 30.5 Each Member (except an honorary Member) shall pay to the Company an annual subscription as determined by the Board from time to time, the first subscription to be paid on his admission to membership and the subsequent subscriptions to be paid in advance in each year on the first day of the month in which he was originally admitted to membership or at such other time or frequency as the Board may determine.
- 30.6 Any decision by the Board as to the amount of any additional or other subscription thenceforth payable shall be binding upon all Members.
- 30.7 A Member may retire from membership on giving to the Chief Executive not less than one month's written notice of his desire to retire.
- 30.8 Membership of the Company by a Member shall lapse in circumstances where such Member's annual subscription has expired and has not been renewed when due or within such period of grace thereafter as the Company may in its discretion permit. If a Member's membership of the Company has lapsed and, following such lapse, the vote of such person (although not valid) has been counted in any context relating to the Company, the validity of such vote shall not be questioned after it has been admitted (without objection).
- 30.9 Any person who:
- 30.9.1 is disqualified as a Member for a breach of the Rules and whose disqualification is published in the Racing Calendar or in such other manner as the Rules shall prescribe;
- 30.9.2 shall have a receiver of his affairs appointed by the Court of Protection;
- 30.9.3 shall become bankrupt; or
- 30.9.4 (being a corporation) shall suffer a resolution to be passed or an order to be made for its winding-up,
- shall in each case thereupon immediately cease to be a Member but shall be eligible to apply afresh for membership of the Company following termination or reversal of such circumstances. Membership of the Company terminates automatically when a Member dies.
- 30.10 Any Member who shall:

30.10.1 fail in the observance of any regulation of the Company or of any lawful bye-law regulation or order of the Board;

30.10.2 is Not In Good Standing; and/or

30.10.3 in the opinion of the Board (on such grounds and evidence as the Board may consider sufficient) be held to be guilty of any dishonourable act, practice or conduct,

may be excluded from membership of the Company by resolution passed by a majority of at least three fourths of the Directors present and voting at a Board Meeting. Such Member shall have seven Clear Days' notice of the time and place of such Board Meeting sent by pre-paid first class post to the address furnished by him in accordance with these Articles and any written representation made by him prior to that Board Meeting shall be considered by the Board but such Member shall not be entitled to attend that Board Meeting unless so invited by the Board.

30.11 Except as otherwise set forth herein, the rights and privileges of each Member shall be personal to that Member and shall not be transferable or transmissible by his own act or by operation of law.

30.12 Any person ceasing to be a Member forfeits all rights in relation to and claims upon the Company, its property and its funds and has no right to the return of any part of any subscription paid.

30.13 The Board may from time to time nominate any persons as honorary Members at the discretion of the Board.

## **Organisation of General Meetings**

### **31 Notice of and Calling General Meetings**

31.1 The Board or the President (acting on behalf of the Board) may, whenever they think fit, and the President or Board shall, on a requisition made in writing signed by Members representing at least 5% of the total voting rights stating the object of the meeting, convene a General Meeting at any time and for any purpose except for the purpose of the business which has to be transacted at the most recent AGM in accordance with these Articles (provided that no vote can be demanded by Members with a respect to an issue where the Board has the sole power to make a decision pursuant to these Articles).

31.2 Subject to Article 31.3, at least fourteen Clear Days' notice specifying the place, day and hour of any General Meeting, and the general nature of the business to be transacted thereat, shall be given by the Chief Executive to the Members in manner hereinafter mentioned, but the accidental omission to send such notice to or the non-receipt of such notice by any Member shall not invalidate any such proceedings at any General Meeting.

31.3 On receipt of a written requisition made pursuant to Article 31.1, the Board must call a General Meeting within 21 days and the General Meeting must be held not more than 28 days after the date of the notice calling the General Meeting.

31.4 Without prejudice to Article 33.5, the Board may resolve to enable persons entitled to attend and participate in a General Meeting to do so by simultaneous attendance and participation at a satellite meeting place or places anywhere in the world. The Members present in person or by proxy at satellite meeting places shall be counted in the quorum for, and entitled to participate in, the General Meeting in question, and the meeting shall be duly constituted and its proceedings valid if the chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that members attending at all the meeting places are able to:

31.4.1 participate in the business for which the meeting has been convened;

31.4.2 hear all persons who speak (whether by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise) in the principal meeting place and any satellite meeting place; and

31.4.3 be heard by all other persons so present in the same way,

and the meeting shall be deemed to take place at the place where the chairman of the meeting presides (the principal meeting place, with any other location where that meeting takes place being referred in these Articles as a satellite meeting). The chairman shall be present at, and the meeting shall be deemed to take place at, the principal meeting place and the powers of the chairman shall apply equally to each satellite meeting place, including his or her power to adjourn the meeting as referred to in Article 37.

## **32 AGMs**

32.1 The Company shall hold a General Meeting in every calendar year as its AGM at such time and place, including by means of electronic facility or facilities, as may be determined by the Board and shall specify the meeting as such in the notices calling it. Not more than fifteen months shall be allowed to elapse between any two AGMs.

32.2 At every AGM:

32.2.1 an annual report of the Board for the past year shall (if the Board so decides) be read, and in any event shall be placed before such AGM.

32.2.2 the names of any newly appointed Appointed Directors and any newly elected Elected Directors shall be announced by the chairman of such AGM;

32.2.3 where a new President and/or Vice-President has been Nominated by the Board subsequent to the last AGM, the Members shall vote on whether to ratify said Nomination, and, if so ratified, the new President and/or Vice-President shall be in office immediately following that AGM (but if the Nomination is not ratified, the provisions of Article 23.6 shall apply). For the avoidance of doubt, this vote to ratify the Nomination shall only take place at the beginning of the President's and Vice President's term;

32.2.4 the audited balance sheet and income and expenditure account for the previous year shall be presented and (if approved) passed;

32.2.5 the auditor of the Company shall be appointed;

32.2.6 such other business as the Company is required to conduct at an annual general meeting shall be conducted; and

32.2.7 such other business as can be transacted at a General Meeting may be transacted if the Board so decides.

## **33 Attendance and speaking at General Meetings**

33.1 Every Member shall be entitled to receive notice of and attend General Meetings.

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

33.3 A person is able to exercise the right to vote at a General Meeting when:

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

- 33.3.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 33.4 The Board may make whatever arrangements they consider appropriate to enable those attending a General Meeting to exercise their rights to speak or vote at it.
- 33.5 Without prejudice to Article 31.4, the Board may resolve to enable persons entitled to attend and participate in a General Meeting to do so by simultaneous attendance and participation by means of electronic facility or facilities, and may determine the means, or all different means, of attendance and participation used in relation to the General Meeting. The Members present in person or by proxy by means of an electronic facility or facilities (as so determined by the Board) shall be counted in the quorum for, and be entitled to participate in, the General Meeting in question. That meeting shall be duly constituted and its proceedings valid if the chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that Members attending the meeting by all means (including the means of an electronic facility or facilities) are able to:
- 33.5.1 participate in the business for which the meeting has been convened;
- 33.5.2 hear all persons who speak at the meeting; and
- 33.5.3 be heard by all other persons attending and participating in the meeting.

#### **34 Quorum for General Meetings**

No business shall be transacted at any General Meeting, except the election of a chairman and the adjournment of the General Meeting, unless a quorum of twelve Members be present in person or by proxy at the time when the General Meeting proceeds to business. If within thirty minutes from the time appointed for the General Meeting a quorum is not present, the General Meeting, if convened on the requisition of Members, shall be dissolved; in any other case, it shall stand adjourned to such day, and at such time and place, as shall be appointed by the chairman of such General Meeting.

#### **35 Chairing General Meetings**

The President or, in his absence, the Vice President shall be entitled to preside as chairman at all General Meetings, and in the absence of both of them a chairman shall be elected from Directors present at the General Meeting before any other business is transacted unless and until the President or the Vice President be present. No poll may be demanded on the election of a chairman.

#### **36 Attendance and speaking by Directors and non-members**

- 36.1 The Chief Executive shall be entitled to attend and speak at any General Meeting notwithstanding that he might not be a Member.
- 36.2 The chairman of the General Meeting may permit other persons who are not Members of the Company to attend and speak at a General Meeting.
- 36.3 All persons seeking to attend and participate in a General Meeting by way of electronic facility or facilities shall be responsible for maintaining adequate facilities to enable them to do so. Subject only to the requirement for the chairman to adjourn a General Meeting in accordance with the provisions of Article 37, any inability of a person or persons to attend or participate in a General Meeting by way of electronic facility or facilities shall not invalidate the proceedings of that meeting.

## **37 Adjournment**

- 37.1 If the persons attending a General Meeting within thirty minutes of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the General Meeting must adjourn it.
- 37.2 The chairman of the General Meeting may adjourn a General Meeting at which a quorum is present if:
- 37.2.1 the meeting consents to an adjournment; or
- 37.2.2 it appears to the chairman of the General Meeting that an adjournment is necessary to ensure that the business of the meeting is conducted in an orderly manner.
- 37.3 When adjourning a General Meeting, the chairman of the General Meeting must:
- 37.3.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
- 37.3.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 37.4 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven Clear Days' notice of it:
- 37.4.1 to the same persons to whom notice of the Company's General Meetings is required to be given;
- 37.4.2 containing the same information which such notice is required to contain; and
- 37.4.3 the Members who attend at such an adjourned meeting shall be deemed to constitute a quorum for that reconvened meeting.

## **Voting at General Meetings**

### **38 Voting General**

- 38.1 At any General Meeting every Member present in person shall have one vote, and upon a poll every Member present in person or by proxy shall have one vote. Before any vote, the chairman of the General Meeting shall be entitled to require every Member present and intending to vote to furnish his full name and address in writing to such chairman. A Member which is a corporation may vote in person by a representative but that representative may be required to provide evidence of his authority before his vote is counted.
- 38.2 All questions at any General Meeting shall, unless a poll is demanded by the chairman of the General Meeting, at least five of the Members present in person or Members representing not less than 10% of the total voting rights of all the Members having the right to vote on the relevant resolution, be decided by a majority of votes of those present by a show of hands, and if the votes be equal the chairman of the General Meeting shall have an additional or casting vote. Any such demand for a poll shall be made before or as soon as practicable after any show of hands from those present.
- 38.3 If at any General Meeting a poll is demanded (in accordance with Article 38.2), such poll shall be taken at such place and time, and in such manner, as the chairman of such General Meeting shall direct. If on any such poll there shall be an equality of votes, the chairman of such General Meeting, at which such poll shall be demanded, shall be entitled to a casting vote in addition to his vote as a Member. The result of every such poll shall be deemed to be the resolution of the issue in respect of which the poll was demanded.

- 38.4 The demand for a poll (made in accordance with Article 38.2) may, before the poll is taken, be withdrawn but only with the consent of the chairman of that General Meeting 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.
- 38.5 Unless a poll is duly demanded in accordance with Article 38.2, any declaration by the chairman of that General Meeting that a resolution has been carried or carried unanimously, or carried by a particular majority, or lost, or lost by a particular majority and any entry to that effect in the minutes of the General Meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recording in favour of or against the resolution.

## **39 Errors and Disputes**

No objection shall be raised to the eligibility 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 such General Meeting shall be valid. Any objection made in due time shall be referred to the chairman of such General Meeting whose decision shall be final and conclusive.

## **40 Proxy**

- 40.1 An instrument appointing a proxy of a Member shall be in writing, executed by or on behalf of the appointer and shall be in such form as the Chief Executive shall from time to time prescribe, approve or accept (the Proxy Notice). The instrument appointing a proxy and any authority under which it is executed may:
- 40.1.1 be deposited at the Registered Office not later than twenty-four hours before the commencement of the General Meeting or adjourned General Meeting at which the proxy is to take effect; or
- 40.1.2 where the poll is not taken forthwith but is to be taken at an adjourned General Meeting, be delivered at the General Meeting at which the poll was demanded to the chairman of that General Meeting or to the Chief Executive,
- and an instrument of proxy which is not deposited or delivered in such manner shall be invalid.

## **41 Amendments to resolutions**

- 41.1 An ordinary resolution to be proposed at a General Meeting may be amended by ordinary resolution if:
- 41.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the General Meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chair of the General Meeting may determine); and
- 41.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the General Meeting, materially alter the scope of the resolution.
- 41.2 A special resolution to be proposed at a General Meeting may be amended by ordinary resolution, if:
- 41.2.1 the chairman of the General Meeting proposes the amendment at the General Meeting at which the resolution is to be proposed; and
- 41.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 41.3 With the consent of the chairman of the General Meeting, an amendment may be withdrawn by its proposer at any time before the resolution is voted upon.



- 41.4 If the chairman of the General Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, his error does not invalidate the vote on that resolution.

## **Part 4 Administrative Arrangements**

### **42 Means of communication to be used**

- 42.1 Any notice to be given to or by any person pursuant to these Articles shall be in writing except that a notice calling a Board Meeting need not be in writing.
- 42.2 The Company may give any notice to a Member either personally or by sending it by post in a prepaid envelope addressed to the Member at his registered address as it appears in the register of Members, or by leaving it at that address, or by way of electronic means to an address notified in writing to the Company by the Member.
- 42.3 A Member whose registered office is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such Member shall be entitled to receive any notice from the Company.
- 42.4 A Member present, either in person or by proxy, at any General Meeting shall be deemed to have received notice of the General Meeting and, where requisite, of the purposes for which it was called.
- 42.5 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 forty-eight hours (plus any intervening Sundays and bank holidays) after the envelope containing it was posted unless there is evidence that it was actually delivered sooner. Any notice, if served by electronic means, shall be deemed to have been received on the day on which the electronic communication was sent by or on behalf of the Company. Any notice, document or other information made available on a website shall be deemed to have been received on the day on which the notice, document or other information was first made available on the website or, if later, when a notice of availability is received or deemed to have been received pursuant to this Article.

### **43 No right to inspect accounts and other records**

Except as provided by law or these Articles, or otherwise authorised by the Board or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Member.

## **Directors Indemnity and Insurance**

### **44 Indemnity and Insurance**

- 44.1 In this Article:
- 44.1.1 a "relevant officer" means any Director or other officer of the Company; and
- 44.1.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that officer's duties or powers in relation to the Company.
- 44.2 Each relevant officer of the Company shall be indemnified out of the Company's assets against any liability incurred by that relevant officer in that capacity in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or any other liability incurred by that relevant officer as an officer of the Company, save that such person shall not be entitled to be indemnified:
- 44.2.1 for any liability incurred by him to the Company;
- 44.2.2 for any fine imposed in criminal proceedings which have become final;

- 44.2.3 for any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising;
  - 44.2.4 for any costs for which he has become liable in defending any criminal proceedings in which he is convicted and such conviction has become final;
  - 44.2.5 for any costs for which he has become liable in defending any civil proceedings brought by the Company in which a final judgment has been given against him;
  - 44.2.6 for any fine, liability or costs for which he has become liable in connection with any breach of any Rules; or
  - 44.2.7 for any other indemnification which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- 44.3 Without prejudice to the provisions of Article 44.2, the Board shall have the power to purchase and maintain insurance for or for the benefit of any persons which are or were at any time Directors or officers or employees of the Company or of any other company in which the Company had any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary of the Company or of any such other company, or for the benefit of any persons who are or were at any time trustees of the Company , or who are or were at any time trustees of any pension fund in which employees of the Company or of any other such company or subsidiary are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or officers in relation to the Company or any other such company, subsidiary undertaking or pension fund.
- 44.4 Notwithstanding Article 17, a Director entitled to vote shall be free to vote on any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any Directors or Members or for persons who include Directors *provided that* for the purposes of this Article 44.4, insurance shall mean only insurance against liability incurred by such a person in respect of any act or omission by him referred to in Article 44.2 or any other insurance which the Company is empowered to purchase and or maintain for or for the benefit of any groups of persons consisting of or including Directors.