

**THE BRITISH UNITED PROVIDENT ASSOCIATION LIMITED**  
(“the Company”)

**THE COMPANIES ACT 2006**

**COMPANY NUMBER 432511**

As Special Business at the Annual General Meeting of the Company held at Bupa House, 15 – 19 Bloomsbury Way, London, WC1A 2BA on 15<sup>th</sup> May 2008 the following Resolution was passed as a Special Resolution -

**SPECIAL RESOLUTION**

“THAT the amended form of the Articles of Association produced to the meeting and initialled by the Chairman of the meeting for the purposes of identification be and is hereby adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association ”



Mr N T Beazley  
Secretary



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23/05/2008

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COMPANIES HOUSE

THE COMPANIES ACT 2006

*APL*

COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

OF THE BRITISH UNITED PROVIDENT ASSOCIATION LIMITED

(As adopted by Special Resolution passed on 15 May 2008)

**PRELIMINARY**

- 1 (a) The regulations set out in the Companies (Tables A to F) Regulations 1985, and any similar regulations in any of the legislation relating to companies, do not apply to the Association
- (b) In these Articles, unless there be something in the subject or context inconsistent therewith -

"Association" means the above-named Company,

"Association Member" means a member for the time being of the Association and references in the Companies Acts to "members" of a company shall be deemed to be references to "Association Members" "Association Membership" shall be construed accordingly

"The Act" means the Companies Act 2006

"The Companies Acts" means every statute (including any orders, regulations or other subordinate legislation made under it) from time to time in force concerning companies in so far as it applies to the Association

"The Board" means the Board of Directors for the time being of the Association

"The Secretary" means the secretary, or (if there are joint secretaries) any one of the joint secretaries, of the Association and includes an assistant or deputy secretary and any person appointed by the Board to perform any of the duties of the secretary

References in these articles to a document being "signed" or to "signature" include references to its being executed under hand or under seal or by any other method and, in the case of a communication in electronic form, such references are to its being authenticated as specified by the legislation

References in these articles to "writing" and to any form of "written" communication include references to any method of representing or reproducing words in a legible and non-transitory form whether sent or supplied in electronic form or otherwise

Words importing the masculine gender only shall include the feminine, and words importing the singular number only shall include the plural and vice versa

Words or expressions to which a particular meaning is given by the Companies Acts bear (if not inconsistent with the subject matter or context) the same meaning in these Articles, save that the word "company" shall include any body corporate

Any reference in these Articles to a particular Section of the Act shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or re-enacted

### **ASSOCIATION MEMBERS GENERALLY**

- 2 For the purpose of registration, the number of Association Members is declared to be 200. The Board may, whenever the circumstances of the Association require it, register an increase of Association Members

- 3 (1) The subscribers to the Memorandum of Association and such other persons as shall be admitted to membership by the Board in accordance with the succeeding paragraphs of this Article shall, subject to Article 4, be Association Members, and shall be entered in the Register of Association Members accordingly. The Board shall have an absolute discretion as to the admission or rejection by them of an application for membership of the Association received from any person who has not been invited by the Board to become an Association Member in accordance with paragraph (3) of this Article

- (2) All persons -

(a) who were Association Members on 10th June 1982 and who have not since ceased to be Association Members shall continue to be Association Members, subject to the provisions of Article 6 and paragraphs (1) to (6) inclusive of Article 8(A),

(b) not falling within sub-paragraph (a) of this Article 3(2) who were Association Members on 12th May 1999 and who have not since ceased to be Association Members shall continue to be Association Members, subject to the provisions of Article 6, paragraphs (1) to (8) inclusive of Article 8(A) and Article 8(B)

- (3) The Board may at any time invite any person to become an Association Member who is a person recognised by the Board as interested in or as having supported or being likely to support the objects and interests of the Association

- (4) Any person invited by the Board to become an Association Member in accordance with paragraph (3) of this Article shall, as a condition precedent to admission to membership, comply with Article 4

- (5) Subject to these Articles, an Association Member who is admitted to Association Membership on or after the date of the amendment of this Article 3 (being 12th May 1999) shall be admitted to Association Membership for an initial term (the "Initial Term") expiring on the tenth anniversary of his admission to Association Membership or, if he is an individual who is less than 70 at the date of his admission to Association Membership, on the earlier of such tenth anniversary

and his 70<sup>th</sup> birthday. If an Association Member is also a Director at the time his Initial Term would, but for this sentence, have expired, his Initial Term will expire instead when he ceases to be a Director. Unless the Board otherwise determines beforehand, an Association Member shall cease to hold that position when his Initial Term expires.

- 4 No person shall be admitted as an Association Member unless he shall sign an application in writing in such form as shall from time to time be approved by the Board.
- 5 Every Association Member shall be bound to further to the best of his ability the objects and interest of the Association and shall observe these Articles (as altered from time to time by special resolution), Clauses 4, 5, 7 and 8 of the Memorandum of Association and all regulations and bye-laws of the Association.
- 6 Any Association Member who fails to observe these Articles or Clauses 4, 5, 7 or 8 of the Memorandum of Association or any of the regulations or bye-laws of the Association may be expelled from Association Membership by a resolution passed by a majority of at least three-fourths of the Directors present and voting at a meeting of the Board specially summoned for that purpose. Not less than seven days' notice of the meeting shall be given to the Association Member concerned and the notice shall state the purpose for which the meeting is called. Such Association Member may attend the meeting and be heard but shall not be present when voting takes place. The decision of the meeting shall be forthwith notified in writing to such Association Member.
- 7 Association Membership shall be personal to the Association Member and shall not be transferable by act of the Association Member or by operation of law.
- 8 (A) Subject to Article 3(2), an Association Member shall cease to hold that position -
  - (1) If, being a qualified medical practitioner, his name is erased from the Medical Register
  - (2) If he becomes of unsound mind or permanently incapable of acting
  - (3) If he becomes bankrupt or makes any arrangement with his creditors
  - (4) If he sends to the Association notice in writing of his retirement
  - (5) If he is removed under the provisions of Article 6
  - (6) At the conclusion of the Annual General Meeting following his 70th birthday unless he is already 70 or more at the date of adoption of this Article or unless the Board otherwise determine
  - (7) If he shall be required by the Board to resign his membership in accordance with paragraph (B) of this Article 8
  - (8) If, being a corporation, it is or becomes declared insolvent or a petition is presented or a meeting is convened for the purpose of considering a resolution or other steps are taken for its winding up (save for the

purpose of and followed by a voluntary reconstruction or amalgamation previously approved in writing by the Association) or if a receiver, liquidator or similar officer is appointed in respect of all or any part of its business or assets

- (9) When his Initial Term expires under Article 3(5) (subject to the Board's power to determine otherwise under Article 3(5))
- (B) The Board may at any time, by a resolution passed by a majority of at least three-fourths of the Directors present at the relevant meeting and voting, request in writing any Association Member to resign his Association Membership, if the Board by such resolution resolve that in their reasonable opinion it is in the interests of the Association that such Association Member should cease to be an Association Member. If that person shall fail to comply with such request within 30 days, the Board may by resolution passed at a further meeting by a like majority resolve that the membership of such person be terminated forthwith. In relation to such further meeting, the provisions of Article 6 (save for the first sentence thereof) shall apply.
- (C) Any person may be admitted to Honorary Association Membership by invitation of the Board in accordance with the following provisions -
  - (1) A person admitted to Honorary Association Membership ("an Honorary Association Member") shall not be an Association Member for the purpose of these Articles, and accordingly shall have no liability to the Association in terms of Clause 7 of the Memorandum of Association.
  - (2) An Honorary Association Member who is admitted to Honorary Association Membership on or after the date of the amendment of this Article 8 (being 18th May 2005) shall be admitted to Honorary Association Membership for an initial term (the "Honorary Membership Initial Term") expiring on the fifth anniversary of his admission to Honorary Association Membership, unless he shall before the expiration of his Honorary Membership Initial Term resign his Honorary Association Membership by notice in writing to the Association. Unless the Board otherwise determines beforehand, an Honorary Association Member shall cease to hold that position when his Honorary Membership Initial Term expires. Any Honorary Association Member who has been admitted prior to the date of the amendment of this Article 8 shall be entitled to remain an Honorary Association Member until his death or until he shall resign his Honorary Association Membership by notice in writing to the Association whichever shall come first.
  - (3) An Honorary Association Member shall, notwithstanding the provisions of sub-paragraph (1) of this Article 8(C), be entitled to receive notice of and to attend all general meetings of the Association, but shall not be entitled to vote thereat.
  - (4) An Honorary Association Member shall resign his Honorary Association Membership if requested so to do by notice in writing by the Association,

resolved to be given by a unanimous resolution of the Board passed at a duly constituted meeting thereof

### **GENERAL MEETINGS**

- 9 The Association shall in each year hold a general meeting as an annual general meeting, in addition to any other general meeting in that year, and shall specify the meeting as such in the notices calling it. The annual general meeting shall be held within a period of 6 months beginning with the day following the accounting reference date of the Association, at such time and place as the Board shall appoint
- 10 (A) The Board may, whenever they think fit, convene a general meeting, and general meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by Section 303 of the Act
- (B) A requisition to convene a general meeting may be withdrawn at any time prior to the general meeting being convened by the Board, provided that notice in writing signed by each of the requisitionists is deposited at the registered office of the Association

### **NOTICE OF GENERAL MEETINGS**

- 11 An annual general meeting shall be called by twenty one days' notice at the least, and a meeting of the Association other than an annual general meeting shall be called by fourteen days' notice at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting, and the general nature of that business and shall be given in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Association in general meeting to such persons as are, under the regulations of the Association entitled to receive such notices from the Association

Provided that a meeting of the Association shall, notwithstanding that it is called by shorter notice than that specified in this Regulation, be deemed to have been duly called if it is so agreed -

- (a) in case of a meeting called as the annual general meeting, by all Association Members entitled to attend and vote thereat, and
- (b) in the case of any other meeting, by a majority of Association Members together representing not less than ninety-five per cent of the total voting rights at the meeting of all the Association Members
- 12 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any Association Member shall not invalidate any resolution passed or any proceeding at any meeting

## PROCEEDINGS AT GENERAL MEETINGS

- 13 No business shall be transacted at any general meeting unless a quorum of Association Members is present at the time when the meeting proceeds to business, save as herein otherwise provided, five Association Members present shall be a quorum
- 14 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Association Members, shall be dissolved, in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Board may determine, and if at such adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting, two Association Members shall be a quorum
- 15 The Chairman of the Board shall preside as Chairman at any general meeting of the Association at which he is present. If the Chairman be not present within fifteen minutes after the time appointed for holding the meeting the Deputy Chairman, if present, shall take the Chair; if the Deputy Chairman be not present, the Association Members present shall choose another Director who is present and willing to act as Chairman of the meeting, but if there is no such Director present then the Association Members present shall choose one of their own number to be Chairman of the meeting
- 16 The Chairman of any meeting at which a quorum is present may, with the consent of that meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as an original meeting, but save as aforesaid the Association Members shall not be entitled to notices of any adjournment or of the business to be transacted at an adjourned meeting
- 17 The decision of a meeting shall be ascertained by a show of hands, unless before or upon the declaration of the result of the show of hands a poll is demanded by the Chairman or by at least three Association Members personally present and entitled to vote or by one or two Association Members personally present and with such right representing (either by proxy or as a corporation in accordance with Article 28 or both) respectively two or one other Association Members having the right to attend and vote and unless a poll is so demanded a declaration by the Chairman that a resolution has been carried or lost or carried or not carried by a particular majority, shall be conclusive, and an entry in the minutes, signed by the Chairman, shall be conclusive evidence of the decision of the meeting without proof of the number or proportion of votes cast in favour of or against any resolution. Subject to the provisions of Article 18, if a poll be demanded in manner aforesaid it shall be taken at such time and place and in such manner as the Chairman of the meeting shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A demand for a poll may be withdrawn
- 18 If a poll is demanded on a vote to elect the Chairman of the meeting, or to adjourn a meeting, it must be taken immediately at the meeting. Any other poll demanded can either be taken immediately or within 30 days from the date it was demanded and at a time and place decided on by the Chairman of the meeting. It is not necessary to give notice for a poll. The demand for a poll on a particular matter (other than on the election of

the Chairman of the meeting or on the adjournment of the meeting) shall not prevent the continuance of the meeting for the transaction of any business other than the question on which a poll has been demanded

- 19 In case of an equality of votes, either on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote
- 20 A resolution in writing signed by the requisite majority of Association Members specified under the Act shall be as valid as if it had been passed at a general meeting except in any case in which under the provisions of the Companies Acts it is necessary to hold a general meeting
- 21 In the case of a resolution duly proposed as a special resolution no amendment thereto (other than an amendment to correct a patent error) may be considered or voted upon and in the case of a resolution duly proposed as an ordinary resolution no amendment thereto (other than an amendment to correct a patent error) may be considered or voted upon unless either at least 48 hours prior to the time appointed for holding the meeting or adjourned meeting at which such ordinary resolution is to be proposed notice in writing of the terms of the amendment and intention to move the same has been lodged at the registered office of the Association or the Chairman of the meeting in his absolute discretion decides that it may be considered or voted upon With the consent of the Chairman of the meeting, an amendment may be withdrawn by its proposer before it is put to the vote
- 22 If an amendment shall be proposed to any resolution under consideration but shall be ruled out of order by the Chairman of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling

#### **VOTES OF ASSOCIATION MEMBERS**

- 23 Every Association Member present at a general meeting and duly appointed proxies present at a general meeting can vote on a show of hands They will have one vote each On a poll votes may be given either personally or by proxy
- 24 The instrument appointing a proxy shall be in writing, signed by the appointor or by his attorney duly authorised in writing, or, if the appointor is a corporation, either under seal or signed by an officer or attorney duly authorised A proxy need not be an Association Member
- 25 The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited
  - (A) if in hard copy form, at the registered office of the Association or at such other place within the United Kingdom as is specified for that purpose in the notice convening the meeting, and
  - (B) if in electronic form, at the address specified by the Association for the receipt of appointments of proxy by electronic means,



not less than 48 hours before the time for holding the meeting or adjourned meeting at which the persons named in the instrument propose to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid

- 26 The appointment of a proxy shall be in any form as the board may approve. The appointment of a proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to, or any other business which may properly come before, the meeting for which it is given as the proxy thinks fit. The appointment of a proxy shall, unless the contrary is stated in it, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
- 27 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death, insanity or revocation as aforesaid shall have been received by the Association at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### **CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS**

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

#### **BOARD**

- 29 The Directors shall not be less than six or more than twelve in number. The Board shall have the power to vary the maximum number of directors, from time to time.
- 30 No person shall be eligible to hold office as a Director who is not an Association Member. If any person who is not already an Association Member shall be appointed or elected to the Board he shall be deemed to have been duly invited to become an Association Member and he shall forthwith comply with Article 4.
- 31 Subject to the provisions of Article 49, the remuneration (including emoluments) of Directors (except the Chief Executive appointed in accordance with Article 33 and any other salaried employee of the Association who may be appointed or elected as a Director) shall not exceed in aggregate the amount per annum determined from time to time by the Association in general meeting with power to the Association in general meeting from time to time to vary such remuneration. Such remuneration (or such part thereof as may be determined by the Board) shall be divided amongst the Directors (except as aforesaid) in such proportions and manner as the Directors may determine. Subject to any such determination, any Director holding office for part of a year shall be entitled to a proportionate part of any such remuneration in respect of such year.
- 32 Directors shall be entitled to repayment of all such reasonable expenses as they may incur in attending and returning from meetings of the Directors or of any committee of the

Directors or general meetings or otherwise in or about the business of the Association  
The Association may also fund a Director's expenditure on defending proceedings as provided in the Companies Acts

#### **CHIEF EXECUTIVE**

- 33 (A) The Directors may from time to time appoint one or more of their body to the office of Chief Executive (with such designation as the Directors may from time to time decide) on such terms and for such period as they may determine and, notwithstanding the terms of any contract entered into in any particular case, may at any time revoke any such appointment
- (B) The appointment of any Director to the office of Chief Executive shall automatically determine 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

#### **ROTATION OF DIRECTORS**

- 34 (A) At every annual general meeting the following directors shall retire from office-
- (a) any director who has been appointed by the directors since the last annual general meeting,
  - (b) any director who held office at the time of the two preceding annual general meetings and who did not retire at either of them, and
  - (c) any director who has been in office, other than as a director holding an executive position, for a continuous period of nine years or more at the date of the meeting
- (B) Any director who retires at an annual general meeting may offer himself for re-appointment by the members
- 35 The Association at the meeting at which a Director retires in manner aforesaid may fill the vacated office by electing a person thereto
- 36 No person other than a Director retiring at the meeting shall, unless recommended by the Directors, be eligible for election to the office of Director at any general meeting unless, not less than fourteen nor more than thirty five days before the date appointed for the meeting, there shall have been left at the registered office of the Association notice in writing, signed by ten per cent of Association Members duly qualified to attend and vote at the meeting for which such notice is given, of their intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected  
Such notice shall set out the following details
- (A) all particulars of the person proposed which, if he were so appointed, would be required to be included in the Association's register of directors,

- (B) the names of all companies and partnerships of which the person has been a director or partner at any time in the previous five years, indicating whether or not he is still a director or partner. It shall not be necessary to list all the subsidiaries of a company of which the person is also a director,
  - (C) any unspent convictions in relation to indictable offences,
  - (D) details of any bankruptcies or individual voluntary arrangements of such person,
  - (E) details of any receiverships, compulsory liquidations, creditors voluntary liquidations, administrations, company voluntary arrangements or any composition or arrangement with its creditors generally, or any class of its creditors, of any company where the person was a director with an executive function at the time of or within the 12 months preceding such events,
  - (F) details of any compulsory liquidations, administrations or partnership voluntary arrangements of any partnerships where the person was a partner at the time of or within the 12 months preceding such events,
  - (G) details of receiverships of any asset of the person or of a partnership of which the person was a partner at the time of, or within the 12 months preceding, such event, and
  - (H) details of any public criticisms of the person by statutory or regulatory authorities (including designated professional bodies) and whether the person has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company
- 37 The Board shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board. Any Director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.
- 38 The Association may by Ordinary Resolution of which special notice has been given in accordance with Section 312 of the Act, remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Association and such Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Association.
- 39 The Association may by Ordinary Resolution appoint another person in place of a Director removed from office under the immediately preceding Article. Without prejudice to the powers of the Board under Article 37, and subject to the requirements of Article 36, the Association in general meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director. The person appointed to fill such a vacancy shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

## **POWERS AND DUTIES OF THE BOARD**

- 40 The business of the Association shall be managed by the Board, who may pay all expenses incurred in promoting and registering the Association and may exercise all such powers of the Association as are not, by the Companies Acts or by these Articles, required to be exercised by the Association in general meeting, subject nevertheless to the provisions of the Companies Acts or these Articles, and to such regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by the Association in general meeting, but no regulation made by the Association in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made
- 41 The Board may make and vary from time to time such rules, regulations and bye-laws for the conduct of the affairs of the Association as they shall think proper, but so that no rule, regulation or bye-law shall have any validity, effect or operation if it amounts to or involves such an addition to or alteration of these Articles as could only properly be made by special resolution
- 42 The Board may, by power of attorney or otherwise, appoint any person or body of persons whether nominated directly or indirectly by the Board to be the agent of the Association upon such terms (including terms as to remuneration) as it may decide and may delegate to any person so appointed any of its powers, authorities and discretions (with power to sub-delegate) The Board may remove any person appointed under this Article and may revoke or vary the delegation but no person dealing in good faith and without notice of the revocation or variation shall be affected by it The power to delegate contained in this Article shall be effective in relation to the powers, authorities and discretions of the Board generally and shall not be limited by the fact that in certain Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or by a committee authorised by the Board
- 43 The Board may entrust to and confer upon any Director any of its powers, authorities and discretions (with power to sub-delegate) upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, authorities and discretions and may from time to time revoke or vary all or any of them but no person dealing in good faith and without notice of the revocation or variation shall be affected by it The power to delegate contained in this Article shall be effective in relation to the powers, authorities and discretions of the Board generally and shall not be limited by the fact that in certain Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or by a committee authorised by the Board
- 44 The Directors shall cause minutes to be made in books provided for the purpose -
- (a) of all appointments of officers made by the Directors,
  - (b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors,
  - (c) of all resolutions and proceedings at all meetings of the Association, and of the Directors, and of committees of Directors

45 *Conflicts of interest requiring authorisation by directors*

- (1) The directors may, subject to the quorum and voting requirements set out in the Act, authorise any matter which would otherwise involve a director breaching his duty under the Act to avoid conflicts of interest ("Conflict")
- (2) A director seeking authorisation in respect of a Conflict must tell the directors of the nature and extent of his interest in a Conflict as soon as possible. The director must give the directors sufficient details of the relevant matter to enable them to decide how to address the Conflict together with any additional information which they may request
- (3) Any director (including the relevant director) may propose that the relevant director be authorised in relation to any matter the subject of a Conflict. Such proposal and any authority given by the directors shall be effected in the same way that any other matter may be proposed to and resolved upon by the directors under the provisions of these articles except that
  - (a) the relevant director and any other director with a similar interest will not count in the quorum and will not vote on a resolution giving such authority, and
  - (b) the relevant director and any other director with a similar interest may, if the other directors so decide, be excluded from any meeting of the directors while the Conflict is under consideration
- (4) Where the directors give authority in relation to a Conflict
  - (a) they may (whether at the time of giving the authority or subsequently) (a) require that the relevant director is excluded from the receipt of information, the participation in discussion and/or the making of decisions (whether at directors' meetings or otherwise) related to the Conflict, and (b) impose upon the relevant director such other terms for the purpose of dealing with the Conflict as they think fit,
  - (b) the relevant director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict,
  - (c) the directors may also provide that where the relevant director obtains (otherwise than through his position as a director of the company) information that is confidential to a third party, the director will not be obliged to disclose that information to the company, or to use or apply the information in relation to the company's affairs, where to do so would amount to a breach of that confidence,
  - (d) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded), and

- (e) the directors may revoke or vary such authority at any time but this will not affect anything done by the relevant director prior to such revocation in accordance with the terms of such authority

*Other conflicts of interest*

- (5) A Director who is in any way, whether directly or indirectly interested in a contract or proposed contract with the Association, shall declare the nature and extent of his interest at a meeting of the Directors
- (6) A Director shall not vote in respect of any contract or arrangement in which he has an interest which (taken together with any interest of any person connected with him) is to his knowledge a material interest, and if he shall do so his vote shall not be counted, nor shall he be counted in the quorum present at the meeting in relation to the relevant resolution, but neither of these prohibitions shall apply to -
  - (a) any arrangement for giving any Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Association, or
  - (b) to any arrangement for the giving by the Association of any security to a third party in respect of a debt or obligation of the Association for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of a security, or
  - (c) any contract or arrangement with any other company or association (not being a company in which the Director owns one per cent or more) in which he is interested whether as an officer, shareholder, creditor or otherwise howsoever, or
  - (d) any contract concerning the adoption, modification or operation of a pension fund or retirement death or disability benefits scheme which relates both to Directors and employees of the Association or of any of its subsidiary undertakings and does not provide in respect of any Director as such any privilege or advantage not accorded to the employees to which the fund or scheme relates, or
  - (e) any contract for the benefit of employees of the Association or of any of its subsidiary undertakings under which he benefits in a similar manner to the employees and which does not accord to any Director as such any privilege or advantage not accorded to the employees to whom the contract relates, or
  - (f) any contract for the purchase or maintenance of insurance against any liability for, or for the benefit of, any Director of Directors or for, or for the benefit of, persons who include Directors,

and these prohibitions may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, arrangement or transaction, by the Association in general meeting

- (7) A Director may hold any other office or place of profit under the Association (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Association either with regard to his tenure of any such other office or place of profit or as a vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Association in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Association for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established provided that such Director shall have declared the nature and extent of his interest to the Association prior to its entering into such contract or arrangement For the purposes of this Article, a general notice to the Board 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 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, and of the nature and extent of his interest in the specified company or firm or, as the case may be, the nature of his connection with the specified person, shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract, provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given
- (8) A Director notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any such office or place of profit under the Association or whereat the terms of any such appointment are arranged, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof
- (9) Any Director may act by himself or his firm in a professional capacity for the Association and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that such Director shall have declared his interest as prescribed in Clause (7) of this Article and provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Association
- (10) A company shall be deemed to be one in which a Director owns one per cent or more if and so long as (but only if and so long as) he, taken together with any person connected with him, is to his knowledge (either directly or indirectly) the holder of or beneficially interested in 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 For the purpose of this Article 5(10) there shall be disregarded any shares held by the Director or any such person as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which his, or any such person's, interest is in reversion or remainder If and so long as some other person is entitled to receive the income of the trust and any

shares comprised in an authorised unit trust scheme in which he, or any such person, is interested only as a unit holder

- 46 The Board on behalf of the Association may pay a gratuity or pension or allowance on retirement to any Director or former Director (whether or not he has held any other salaried office or place of profit with the Association) or to his widow or dependants and may make contributions to any fund and pay any premiums for the purchase or provision of any such gratuity, pension or allowance
- 47 The Board shall engage a Secretary, as well as such other officers and servants as they may consider necessary, and shall fix and regulate their terms and conditions of service

#### **HONORARY OFFICERS**

- 48 The Board may from time to time elect an Honorary President or Presidents, and such other Honorary Officers as may be thought fit and may determine for what period such Honorary Officers shall hold office

#### **SUBSIDIARY UNDERTAKINGS**

- 49 The Directors may arrange that all or any part of the business carried on by the Association or any other business in which the Association may be interested shall be carried on by or through one or more subsidiary undertakings, and they may on behalf of the Association make such arrangements as they think advisable for taking the profits or bearing the losses of any business or part thereof so carried on or for financing, assisting or subsidising any such subsidiary undertakings or guaranteeing its contracts, obligations or liabilities, and they may appoint, remove and re-appoint any persons (whether members of their own body or not) to act as Directors, Managing Directors or Managers of any such subsidiary undertaking, and may determine the remuneration (whether by way of salary, commission on profits or otherwise) of any person so appointed, but in determining from time to time the total remuneration of Directors pursuant to Article 341 the Association shall in respect of any period have regard to the aggregate remuneration for that period payable to Directors holding office in such subsidiary undertakings companies by virtue of appointments made under this Article and such aggregate remuneration shall accordingly be deemed to form part of and be included in the total remuneration determined as aforesaid for the purpose of Article 341

#### **PROCEEDINGS OF THE BOARD**

- 50 The Board shall meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit Questions arising at any meeting shall be decided by a majority of votes In case of an equality of votes, the Chairman shall have a second or casting vote



- 51 The quorum necessary for the transaction of business at a meeting of the Board shall be such number, not being less than two, as shall from time to time be determined by the Board and in default of such determination shall be three
- 52 (1) The Board may appoint one of their number to be the Chairman and one of their number to be the Deputy Chairman of the Board and may at any time remove either of them from such office
- (2) Any retiring Chairman or Deputy Chairman shall be eligible for re-election or re-appointment (as the case may be)
- (3) The Chairman shall preside at all meetings of the Board at which he is present. If the Chairman be not present within five minutes after the time appointed for the meeting of the Board, the Deputy Chairman, if present, shall take the Chair, but if the Deputy Chairman be not present, the Directors then present shall choose one of themselves to take the Chair at that meeting of the Board
- 53 A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Board. It shall not be necessary to give notice of a meeting of the Board to any Director for the time being absent from the United Kingdom
- 54 A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers and discretions by or under these Articles vested for the time being in the Board
- 55 All acts bona fide done by any meeting of the Board or of a committee of the Board or by any person acting as a Director shall, notwithstanding it be afterwards discovered that there was some defect in the appointment of any Director or Directors or person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director
- 56 The Directors for the time being may act notwithstanding any vacancy in their body provided that if their number is reduced below six, they may act for the purpose of filling vacancies in their body or of convening a general meeting but for no other purpose
- 57 (1) A resolution signed in writing by all the Directors who are at the relevant time entitled to receive notice of a meeting of the Board and who would be entitled to vote on the resolution at a meeting of the Board (if that number is sufficient to constitute a quorum) shall be as valid and effectual as a resolution passed at a meeting of the Board properly called and constituted. The resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors concerned
- (2) All or any of the members of the Board may participate in a meeting of the Board by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to speak to and hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly

## **COMMITTEES**

- 58 (A) The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) to any committee, consisting of such person or persons (whether a member or members of its body or not) as it thinks fit, provided that the majority of persons on any committee or sub-committee must be Directors. References in these Articles to committees include sub-committees permitted under this Article.
- (B) Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in these Articles for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board, save that the quorum for such meetings, in default of determination by the Board, shall be two.
- (C) The power to delegate contained in this Article shall be effective in relation to the powers, authorities and discretions of the Board generally and shall not be limited by the fact that in certain Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or by a committee authorised by the Board.

## **DISQUALIFICATION OF DIRECTORS**

- 59 The office of Director shall be vacated if he -
- (A) becomes bankrupt or enters into a composition with his creditors,
- (B) ceases to be a Director by virtue of Section 168 of the Act or any other provision of the Companies Acts,
- (C) becomes prohibited by law from being a Director,
- (D) is or has been suffering from mental ill health or becomes permanently incapable of acting,
- (E) ceases for any cause to be an Association Member,
- (F) being a qualified medical practitioner, is erased from the Medical Register,
- (G) resigns his office by notice in writing to the Association,
- (H) having been absent from four consecutive meetings of the Board vacates his office by reason of a resolution of the Board declaring such office to be vacant,
- (I) is requested to resign in writing by not less than three-quarters of the other Directors. In calculating the number of Directors who are required to make such a

request to the Director, there shall be excluded any person appointed as a Director pursuant to Article 37

### **SEAL**

- 60 The Board shall provide for the safe custody of the seal, which shall only be used by the authority of a resolution of the Board or of a committee of Directors authorised by the Board in that behalf, and every instrument to which the seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose

### **ACCOUNTS**

- 61 The Directors shall cause accounting records to be kept in accordance with Section 386 of the Act
- 62 The accounting records shall be kept at the registered office of the Association or, subject to Section 388(1) and (2) of the Act at such other place or places as the Directors think fit and shall always be open to the inspection of the Directors
- 63 The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Association or any of them shall be open to the inspection of Association Members not being Directors, and no Association Member (not being a Director) shall have any right of inspecting any account or book or document of the Association except as conferred by statute or authorised by the Board or by the Association in general meeting
- 64 Every balance sheet (including every document required by law to be annexed thereto), together with the Auditor's Report and the Directors' Report, shall be laid before the Association in general meeting and a copy of each shall be sent to every Association Member not less than twenty one days before the date of the meeting, provided that this Article shall not require a copy of these documents to be sent to any Association Member of whose address the Association is not aware

### **AUDITORS**

- 65 Auditors shall be appointed in accordance with the Companies Acts, except that no deemed re-appointment of auditors shall occur

### **NOTICES**

- 66 A notice may be given by the Association to any Association Member either personally or by sending it by post to him or to his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Association for the giving of notice to him, or, where appropriate, by sending or supplying it in electronic form to an address for the time being notified to the Association by the Association Member for that purpose or by making it available on a website and notifying the Association Member of its availability in accordance with this Article. An Association Member shall be deemed to consent to the use of electronic communications unless he requests otherwise. Where a notice is sent by post, service of

the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and to have been effected at the expiration of twenty four hours after the letter containing the same is posted if first class post was used, or forty eight hours after it was posted if first class post was not used. Where a notice is given, sent or supplied by the Association using electronic means, it is treated as being sent on the day it was sent and if made available on a website, the notice is treated as being made available on the day on which the notice was first made available on the website. In proving that any notice was given, sent or supplied by electronic means, it is sufficient to show that it was properly addressed.

67 Notice of every general meeting shall be given in any manner hereinbefore authorised to -

- (a) every Association Member except those Association Members who (having no registered address within the United Kingdom) have not supplied to the Association an address within the United Kingdom for the giving of notices to them, and
- (b) the Auditor for the time being of the Association

No other person shall be entitled to receive notices of general meetings

68 If the postal service in the United Kingdom or some part of the United Kingdom is suspended or restricted, the directors only need to give notice of a meeting to Association Members with whom the Association can communicate by electronic means and who have provided the Association with an address for this purpose. The Association must also publish the notice in at least one United Kingdom national newspaper and make it available on its website from the date of such publication until the conclusion of the meeting or any adjournment of the meeting. If it becomes generally possible to send or supply notices by post in hard copy form at least six clear days before the meeting, the directors will send or supply a copy of the notice by post to those who would otherwise receive it in hard copy form by way of confirmation.

#### **WINDING UP**

69 The provisions of Clause 8 of the Memorandum of Association relating to the winding up and dissolution of the Association shall apply and have effect as if that Clause were repeated in these Articles.

#### **INDEMNITY**

70 As far as the Companies Acts allow this, the Association

- (A) can indemnify any Director of the Association against any liability, and
- (B) can purchase and maintain insurance against any liability for any Director or other Officer of the Association