

**DATED 3 DECEMBER 2020**

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

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<b>THE COMPANIES ACT 2006</b>
<b>PRIVATE COMPANY LIMITED BY GUARANTEE</b>
<b>ARTICLES OF ASSOCIATION</b>
<b>OF</b>
<b>THATCHAM RESEARCH (the "Company")</b>
<b>(Adopted by special resolution passed on 3 December 2020)</b>

## **INTERPRETATION, INCOME AND LIMITATION OF LIABILITY**

### **1. INTERPRETATION**

1.1 In these Articles, unless the context otherwise requires:

<b>Act:</b>	means the Companies Act 2006;
<b>Articles:</b>	means the Company's articles of association for the time being in force;
<b>bankruptcy:</b>	includes insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
<b>Business Day:</b>	means any day (other than a Saturday, Sunday or public holiday in England) when banks in London are open for business;
<b>Conflict:</b>	means a situation in which a director has or can have, a direct or indirect interest that conflicts or possibly may conflict, with the interests of the Company;
<b>director:</b>	means a director of the Company and includes any person occupying the position of director, by whatever name called;
<b>document:</b>	includes, unless otherwise specified, any document sent or supplied in electronic form;
<b>electronic form:</b>	has the meaning given in section 1168 of the Act;
<b>Eligible Director:</b>	means a director who would be entitled to vote on the matter at a meeting of directors (but excluding in relation to the authorisation of a Conflict pursuant to Article 19, any director whose vote is not to be counted in respect of the particular matter);
<b>Executive Director</b>	means a director who holds the position of a senior manager in the Company;
<b>Independent Non-Executive Director</b>	means a non-executive director who is an individual with certain skills, experience and expertise which is required by the Company and who is independent of any of the Members.

<b>Interested Director:</b>	has the meaning given in article 19.1;
<b>Levy:</b>	the annual Membership fee due from Members, as set by the Directors in accordance with article 28.1;
<b>Member:</b>	means a person whose name is entered in the Register of Members of the Company and Membership shall be construed accordingly;
<b>Member Non-Executive Director</b>	means a non-executive director who holds the position of a senior manager in an association which is a Member;
<b>Model Articles:</b>	means the model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles;
<b>ordinary resolution:</b>	has the meaning given in section 282 of the Act;
<b>participate:</b>	in relation to a director's meeting, has the meaning given in Article 15;
<b>Rules</b>	any rules established by the directors pursuant to Article 43;
<b>secretary:</b>	means the secretary of the Company and any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;
<b>special resolution:</b>	has the meaning given in section 283 of the Act;
<b>subsidiary:</b>	has the meaning given in section 1159 of the Act;
<b>writing:</b>	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an **article** is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute or statutory provision shall include any subordinate legislation from time to time made under that statute or statutory provision.

- 1.6 Any word following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

## **2. OBJECTS**

- 2.1 The objects for which the Company is established are as follows:

- (a) To promote research and other scientific or technological work in connection with the motor vehicle repair trade or industry and other trades and industries allied therewith or accessory thereto, and for that purpose to establish, equip and maintain workshops, factories and laboratories and conduct experiments, and to provide funds for such work, and for payment to any person or persons engaged in such work, whether in such workshops or elsewhere, and to encourage and improve the instruction and education of persons where this would benefit scientific progress of the said trades or industries and improve the methods of work employed by them.
- (b) To prepare, edit, print, publish, issue, acquire and circulate books, papers, periodicals, gazettes, circulars, reports and other literary undertakings treating of or bearing upon the said trades or industries or any of them and to establish, form and maintain museums, libraries and collections of literature, statistics, scientific data and other information or objects relating to the said trades or industries or any of them or to matters of interest to the persons engaged therein, and to translate, compile, publish, lend and sell, and endeavour to secure, or contribute to, the translation, compilation, publication, and sale by Parliament, Government Departments and other bodies or persons, of any such literature, statistics and information, and to disseminate information by means of the reading of papers, delivery of lectures, giving of advice, the appointment of advisory officers or otherwise, and to provide liaison by consultation and discussion or otherwise between all firms, companies and associations engaged in the said trades or industries on all matters relating to the repair of motor vehicles and the costing of the same and to negotiate, promote and coordinate standards of conduct and general policies for and affecting the same.
- (c) To retain or employ skilled, professional or technical advisers or workers in connection with the objects of the Company, and to pay therefor such fees or remuneration as may be thought expedient, also to found, aid, maintain and endow scholarships and bursaries for the remuneration, instruction and support of research workers, or persons studying the principles involved in or connected with any of the said trades or industries, whether in the workshops of the Company or elsewhere, and to employ and remunerate as may be expedient, instructors and supervisors for such workers or students or persons paying due regard to the provision of instruction by existing institutions.
- (d) To encourage work which may result in, and to investigate and publish the nature and merits of scientific discoveries, inventions, improvements, processes, materials, designs and improvements in methods of repair of motor vehicles which may seem capable of being used by members of the Company or others for purposes connected with the said trades or industries

or any of them and to acquire any patents or licences relating to any such inventions, improvements or processes, and to acquire and register any designs or standardisation marks, whether for general or special purposes, with a view to the use thereof by members of the Company and others upon such terms as may seem expedient, and to develop, perfect and test the value of such inventions, improvements, processes and designs by manufacturing, exhibiting and placing on the market any article or substances to which the same may be capable of application.

- (e) To levy, charge, collect and receive subscriptions, levies, fees and other payments from persons whether members of the Company or not and expend the same in furthering all or any of the objects of the Company or providing for the expenses of the Company.
- (f) To establish, promote, cooperate with, become a member of, act as or appoint trustees, agents or delegates for, control, manage, superintend, or afford financial or other assistance to the work of any associations and institutions and other bodies incorporated or not incorporated, whose objects include scientific or industrial research.
- (g) To establish, maintain, control and manage branches of the Company in the United Kingdom or elsewhere as may seem expedient, and from time to time determine the constitution, rights, privileges, obligations and duties of such branches, and, when thought fit, to dissolve or modify the same.
- (h) To undertake and execute any trusts which may help to attain any of the objects of the Company.
- (i) To carry out any of the abovementioned research or other scientific or technological work, and to do all or any of the abovementioned things whether affecting the whole of the said trades or industries or merely one or more particular parts or sections of the said trades or industries or any of them or the business of any particular member or group of members of the Company or others and, in the case of work not affecting the whole of the said trades or industries, to make such arrangements as to special payment by such particular sections or member or group of members or others as may be expedient, including the entering into of contracts or other arrangements whereby such work is undertaken at the sole cost and for the sole benefit of any such particular member or group of members.
- (j) To borrow or raise any money that may be required by the Company upon such terms as may be deemed advisable, and in particular by the issue of bonds, debentures, bills of exchange, promissory notes or other obligations or securities of the Company, or by mortgage or charge of all or any part of the property of the Company.
- (k) To draw, make, accept, indorse, discount, execute and issue promissory notes, bills of exchange and other negotiable or transferable instruments.
- (l) To invest the moneys of the Company not immediately required in such manner as may be thought expedient.

- (m) To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property, and in particular any land, buildings, workshops, factories, laboratories, machinery, plant, motor vehicles, tools, motor vehicle spare parts and accessories, apparatus, appliances and any rights or privileges necessary or convenient for the purposes of the Company, and to manage, develop, sell, demise, let, mortgage, dispose of, turn to account or otherwise deal with all or part of the same with a view to the promotion of the objects of the Company, and to construct, erect, alter, improve and maintain any buildings which may be from time to time required for the purposes of the Company.
- (n) To pay all expenses, preliminary or incidental to the formation of the Company and its registration.
- (o) To use the funds of the Company in the employment of persons of learning or skill, and the provision and use of buildings, and of instruments, materials and appliances, and of any of the equipment of the Company for any form of studies which may be considered to have some bearing, whether immediate or ultimate, on practical problems relating to the said trade or industry.
- (p) To collect, arrange, index and publish information as to materials, patents, processes, machines, appliances, methods of repair and tools used or known in or in regard to the repair of motor vehicles or the said trades or industries or likely to be useful thereto, and to establish and maintain an Information Department for the benefit of members of the Company or others.
- (q) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the Company (including directors and ex-directors) or the dependents or connections of such persons, and to grant pensions and allowances to and to make payments towards insurance of such persons.
- (r) To procure the Company to be registered or recognised in any foreign country or place.
- (s) To do all such other lawful things as may be incidental to or conducive to the attainment of the above objects.

### **3. INCOME**

- 3.1 The income and property of the Company from wherever derived shall be applied solely in promoting the Company's objects.
- 3.2 No distribution shall be paid to the Members in cash or otherwise. Nothing in these Articles shall prevent any payment in good faith by the Company of:
  - (a) reasonable and proper remuneration to any Member, officer or servant of the Company for any services rendered to the Company;
  - (b) any interest on money lent by any Member or any director at a reasonable and proper rate;



- (c) reasonable and proper rent for premises demised or let by any Member or director; or
- (d) reasonable out-of-pocket expenses properly incurred by any director.

#### **4. WINDING UP**

- 4.1 On the winding-up or dissolution of the Company, after provision has been made for all its debts and liabilities, any assets or property that remains available to be distributed or paid, shall be applied first in repaying to the Members the amount of Levy paid by them for the current financial year on a pro-rated basis (discounting the months of the financial year already passed).
- 4.2 Any assets or property that remains available to be distributed or paid after the making of the payments referred to in article 4.1 shall be transferred to another body (charitable or otherwise) with objects similar to those of the Company. Such body to be determined by resolution of the Members at or before the time of winding up or dissolution and, subject to any such resolution of the Members, may be made by resolution of the directors at or before the time of winding up or dissolution.

#### **5. GUARANTEE**

- 5.1 The liability of each Member is limited to £40,000, being the amount that each Member undertakes to contribute to the assets of the Company in the event of its being wound up while he is a Member or within one year after he ceases to be a Member, for:
  - (a) payment of the Company's debts and liabilities contracted before he ceases to be a Member,
  - (b) payment of the costs, charges and expenses of the winding up, and
  - (c) adjustment of the rights of the contributories among themselves.

### **DIRECTORS**

#### **6. DIRECTOR'S GENERAL AUTHORITY**

- 6.1 Subject to the Articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

#### **7. MEMBERS' RESERVE POWER**

- 7.1 The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- 7.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

#### **8. CONSTITUTION OF THE BOARD**

- 8.1 Unless the directors decide otherwise, there shall be 3 categories of directors:
  - (a) Member Non-Executive Directors;
  - (b) Executive Directors; and

- (c) Independent Non-Executive Directors.

## **9. NUMBER OF DIRECTORS**

9.1 Unless the directors decide otherwise, the number of directors (other than alternate directors) shall not be less than 10 and shall not be more than 20 and shall be made up as follows:

- (a) the number of Member Non-Executive Directors shall not be less than 5;
- (b) the number of Executive Directors shall be no more than 2; and
- (c) the number of Independent Non-Executive Directors shall be no more than 3.

## **10. DIRECTORS MAY DELEGATE**

10.1 Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the Articles:

- (a) to such person or committee;
- (b) by such means (including by power of attorney);
- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions;

as they think fit.

10.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

10.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **11. COMMITTEES**

11.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by directors.

11.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

## **12. DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

12.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 13.

12.2 If:

- (a) the company only has one director for the time being, and
- (b) no provision of the Articles requires it to have more than one director,

the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the Articles relating to directors' decision-making.

### **13. UNANIMOUS DECISIONS**

- 13.1 A decision of the directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 13.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 13.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at such a meeting.

### **14. CALLING A DIRECTORS' MEETING**

- 14.1 Any director may call a directors' meeting by giving not less than 30 Business Days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the secretary (if any) to give such notice.
- 14.2 Notice of a directors' meeting shall be given to each director in writing.
- 14.3 A director who is absent from the UK and who has no registered address in the UK shall not be entitled to notice of the directors' meeting.
- 14.4 Notice of any directors' meeting must indicate:
- (a) its proposed date and time;
  - (b) where it is to take place; and
  - (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 14.5 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

### **15. PARTICIPATION IN DIRECTORS' MEETINGS**

- 15.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
- (a) the meeting has been called and takes place in accordance with the Articles: and
  - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

- 15.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 15.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **16. QUORUM FOR DIRECTORS' MEETINGS**

- 16.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 16.2 Subject to article 16.3, the quorum for the transaction of business at a meeting of directors is any 6 Eligible Directors of which 4 must be Member Non-Executive Directors.
- 16.3 For the purposes of any meeting (or part of a meeting) held pursuant to article 19 to authorise a Conflict, if there is only one Eligible Director in office other than the Interested Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 16.4 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:
- (a) to appoint further directors; or
  - (b) to call a general meeting so as to enable the Members to appoint further directors.

## **17. CHAIRING OF DIRECTORS' MEETINGS**

- 17.1 The directors may appoint a director to chair their meetings.
- 17.2 The person so appointed for the time being is known as the chairman.
- 17.3 The directors may terminate the chairman's appointment at any time.
- 17.4 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

## **18. CASTING VOTE**

- 18.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting has a casting vote.
- 18.2 Article 18.1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chairman or other director is not an Eligible Director for the purposes of that meeting (or part of a meeting).

## **19. DIRECTORS' CONFLICTS OF INTEREST**

- 19.1 The directors may, in accordance with the requirements set out in this article, authorise any Conflict proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty to avoid conflicts of interest under section 175 of the Act.
- 19.2 Any authorisation under this article 19 shall be effective only if:

- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
  - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
  - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 19.3 Any authorisation of a Conflict under this article 19 may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
  - (c) provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
  - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
  - (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he shall not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
  - (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 19.4 Where the directors authorise a Conflict, the Interested Director shall be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 19.5 The directors may revoke or vary such authorisation at any time, but this shall not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- 19.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles or by the Company in general meeting (subject in

each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

- 19.7 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
  - (b) shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
  - (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
  - (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
  - (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
  - (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.
- 19.8 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- 19.9 Subject to article 19.10, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- 19.10 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

## **20. RECORDS OF DECISIONS TO BE KEPT**

- 20.1 The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.
- 20.2 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

## **21. METHODS OF APPOINTING DIRECTORS**

- 21.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:
- (a) by ordinary resolution, or
  - (b) by a decision of the directors.

## **22. TERMINATION OF DIRECTOR'S APPOINTMENT**

- 22.1 A person ceases to be a director as soon as:
- (a) the other directors unanimously decide to remove that director, for any reason and at their discretion;
  - (b) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
  - (c) a bankruptcy order is made against that person;
  - (d) a composition is made with that person's creditors generally in satisfaction of that person's debts; or
  - (e) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.
- 22.2 In the case of a person appointed as a Member Non-Executive director, that person shall cease to be a director as soon as:
- (a) the organisation that they represent ceases to be a Member; or
  - (b) their employment or engagement by the Member they represent is terminated.

## **23. DIRECTORS' REMUNERATION**

- 23.1 Directors may undertake any services for the company that the directors decide.
- 23.2 Directors are entitled to such remuneration as the directors determine:
- (a) for their services to the company as directors, and
  - (b) for any other service which they undertake for the company.
- 23.3 Subject to the Articles, a director's remuneration may:

- (a) take any form, and
  - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- 23.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- 23.5 Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

## **24. DIRECTORS' EXPENSES**

- 24.1 The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:
  - (a) meetings of directors or committees of directors;
  - (b) general meetings, or
  - (c) separate meetings of the holders of debentures of the company;or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

## **25. SECRETARY**

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

## **26. CHANGE OF COMPANY NAME**

- 26.1 The name of the Company may be changed by:
  - (a) a decision of the directors; or
  - (b) a special resolution of the Members,or otherwise in accordance with the Act.

## **MEMBERS: BECOMING AND CEASING TO BE A MEMBER AND LEVY**

## **27. MEMBERSHIP**

- 27.1 The Company shall admit to Membership an individual or organisation which:
  - (a) applies to the Company using the application process approved by the directors; and
  - (b) is approved by the directors.



- 27.2 Unless the directors decide otherwise, Membership of the Company shall be limited to organisations that write or administer motor insurance business in the United Kingdom.
- 27.3 The directors may prescribe criteria for Membership of the Company from time to time but shall not be obliged to accept persons fulfilling those criteria as Members.
- 27.4 There shall be no limit on the number of Members.
- 27.5 The directors may establish different classes of Members and set out the different rights and obligations for each class, with such rights and obligations recorded in the Register of Members.
- 27.6 Membership may not be transferred.
- 27.7 Membership shall automatically terminate in the event that a Member goes into receivership, administrative receivership, administration, liquidation or other arrangement for the winding up of a company (other than a voluntary liquidation).
- 27.8 Any Member wishing to resign its membership shall give written notice to the directors. Membership shall be deemed to have ceased from the last day of the Company's financial year following the date of the notice of resignation. Any Member giving notice in accordance with the provisions of this article 27.8 shall remain liable to pay any sums due at the date of such notice.
- 27.9 In the event of cessation of Membership (for whatever reason), the Company shall have the right to claim all sums due from the Member at the date of termination of Membership.

## **28. LEVY**

- 28.1 The directors shall fix and may from time to time vary the Levy and the date on which the Levy shall be paid.
- 28.2 The directors may adjust the Levy requirements for different Members or may waive the requirement for a Levy to be paid by a Member where such adjustment or waiver is considered to be in the best interest of the Company.
- 28.3 The Levy must be paid to the Company by all Members within four weeks of a request for payment being made by the Company.
- 28.4 Upon reasonable request of the directors, each Member shall supply such information as required to calculate the Levy (including, but not limited to, full details of the Member's Motor Insurance Premium Income).

## **29. EXPULSION OF MEMBER**

- 29.1 The directors may terminate the Membership of any Member by giving the Member written notice if:
- (a) the Member no longer writes or administers motor insurance business in the United Kingdom;
  - (b) the Member's Levy payment is in arrears for longer than three months;
  - (c) in the reasonable opinion of the directors, the Member:

- (i) is guilty of conduct which has or is likely to have a serious adverse effect on the Company or bring the Company or any or all of the Members and directors into disrepute; or
- (ii) has acted or has threatened to act in a manner which is contrary to the interests of the Company as a whole; or
- (iii) has failed to observe the terms of these Articles or the Rules.

Following such termination, the Member shall be removed from the Register of Members.

- 29.2 The notice to the Member must give the Member the opportunity to be heard in writing or in person as to why membership should not be terminated. The directors must consider any representations made by the Member and inform the Member of their decision following such consideration. There shall be no right to appeal from a decision of the directors to terminate the Membership of a Member.
- 29.3 A Member whose Membership is terminated under this Article shall not be entitled to a refund of any Levy paid and shall remain liable to pay to the Company any subscription or other sum owed by it.

## **ORGANISATION OF GENERAL MEETINGS**

### **30. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

- 30.1 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.
- 30.2 A person is able to exercise the right to vote at a general meeting when:
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - (b) 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.
- 30.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 30.4 In determining attendance at a general meeting, it is immaterial whether any two or more Members attending it are in the same place as each other.
- 30.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

### **31. QUORUM FOR GENERAL MEETINGS**

- 31.1 The quorum for a general meeting shall be 6 Members.

- 31.2 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

## **32. CHAIRING GENERAL MEETINGS**

- 32.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

- 32.2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

- (a) the directors present, or
- (b) (if no directors are present), the meeting,

must appoint a director or Member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

- 32.3 The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

## **33. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS**

- 33.1 Directors may attend and speak at general meetings, whether or not they are Members.

- 33.2 The chairman of the meeting may permit other persons who are not Members to attend and speak at a general meeting.

## **34. ADJOURNMENT**

- 34.1 If the persons attending a general meeting within half an hour 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 meeting must adjourn it.

- 34.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

- (a) the meeting consents to an adjournment, or
- (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

- 34.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

- 34.4 When adjourning a general meeting, the chairman of the meeting must:

- (a) 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
- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

- 34.5 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 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- (a) to the same persons to whom notice of the company's general meetings is required to be given, and
  - (b) containing the same information which such notice is required to contain.
- 34.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## **DECISION MAKING BY MEMBERS**

### **35. VOTING: GENERAL**

- 35.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.
- 35.2 If the numbers of votes for and against a proposal at general meeting are equal, the chairman of the meeting has a casting vote.

### **36. ERRORS AND DISPUTES**

- 36.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 36.2 Any such objection must be referred to the chairman of the meeting whose decision is final.

### **37. VOTES OF MEMBERS**

- 37.1 Subject to the Act, at any general meeting:
- (a) every Member who is present in person (or by proxy) shall on a show of hands have one vote; and
  - (b) every Member present in person (or by proxy) shall on a poll have one vote for every £1 of the most recently invoiced Levy which has been duly paid by the Member.
- 37.2 In the event of any dispute as to any Member's voting rights the decision of the Chairman shall be final and binding.

### **38. POLL VOTES**

- 38.1 A poll on a resolution may be demanded:
- (a) in advance of the general meeting where it is to be put to the vote, or
  - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

38.2 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318(3) of the Act) present and entitled to vote at the meeting.

38.3 A demand for a poll may be withdrawn if:

- (a) the poll has not yet been taken; and
- (b) the chairman of the meeting consents to the withdrawal.

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

38.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

### **39. CONTENT OF PROXY NOTICES**

39.1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:

- (a) states the name and address of the Member appointing the proxy;
- (b) identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the directors may determine.
- (d) is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".

and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting.

39.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

39.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

39.4 Unless a proxy notice indicates otherwise, it must be treated as:

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

### **40. DELIVERY OF PROXY NOTICES**

40.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.

- 40.2 An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 40.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 40.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

#### **41. AMENDMENTS TO RESOLUTIONS**

- 41.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- (a) 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 chairman of the meeting may determine), and
  - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the 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:
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
  - (c) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

### **ADMINISTRATIVE ARRANGEMENTS**

#### **42. MEANS OF COMMUNICATION TO BE USED**

- 42.1 Anything sent or supplied by or to the company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- 42.2 Any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 42.3 A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

42.4 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article, no account shall be taken of any part of a day that is not a Business Day.

42.5 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act.

#### **43. RULES**

The directors may establish rules governing matters relating to Company administration that are required from time to time for the effective operation of the Company (for example, the provisions relating to classes of Members, Membership benefits, fees and subscriptions and the admission criteria for Members). If there is a conflict between the terms of these Articles and any rules established under this Article, the terms of these Articles shall prevail.

#### **44. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

44.1 Except as provided by law or authorised by the directors 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.

#### **45. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS**

45.1 The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

## 46. INDEMNITY AND INSURANCE

46.1 Subject to article 46.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
  - (i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
  - (ii) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and

- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 46.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

46.2 This article does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Act or by any other provision of law and any such indemnity is limited accordingly.

46.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

46.4 In this article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- (b) a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and
- (c) a **relevant officer** means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act) , but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).