

THE COMPANIES ACTS 1989

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION



of

AUTOMOBILE ASSOCIATION INSURANCE SERVICES LIMITED  
(as amended pursuant to a Special Resolutions passed on 20<sup>th</sup> September 1989 and  
by Special Resolution passed 29<sup>th</sup> December 1989 and  
by Special Resolution passed on 1<sup>st</sup> January 1990 )

1. The Company's name is AUTOMOBILE ASSOCIATION INSURANCE SERVICES LIMITED.
2. The Company's registered office is to be situated in England.
3. The Company objects are:-
  - (A) (i) To carry on business as insurance brokers and insurance agents and underwriting agents in all classes of insurance and in particular but without prejudice to the generality of the foregoing to promote the provision of insurance and assurance policies of all kinds for members of The Automobile Association.
  - (ii) To act as agents or managers for any insurance company, club or association or for any underwriter or underwriters in connection with their or his insurance or underwriting business (wherever the same may be carried on) or any branch of the same and to make arrangements for all classes of insurance (including group life and pension fund schemes) and to enter into any agreements for any of the purposes aforesaid with any such company, club, association or underwriter.
- (B) (i) To finance or assist in financing directly or indirectly the supply of services and the sale of, maintenance or other dealing in goods, articles or commodities of all and every kind or description by way of hire-purchase, conditional sale, credit sale, any transaction involving the use of credit cards, any kind of deferred payment, instalment credit, or similar transaction and to institute, enter into, carry on, subsidise, finance or assist in subsidising or financing directly or indirectly the supply of services and the sale of, maintenance or other dealing in any goods, articles or commodities of all and every kind and description upon any terms whatsoever, to contract for or purchase any such services, goods, articles or commodities for the purpose of resupplying or reselling them on hire-purchase, conditional sale, credit sale or any kind of deferred payment, instalment credit or similar transactions, to take goods in part exchange and sell or otherwise deal with them in any way whatsoever, to purchase from any person any debts, whether or not such debts are due, accrued or otherwise existing, incurred in the supply or purchase of any services, goods, articles or commodities of all

and every kind of description for the purpose of enabling such indebtedness to be repaid by any kind of deferred payment, instalment credit or similar transactions; to provide either alone or in association with other services of any sort whatsoever ancillary to the supply of services and goods on credit terms and to appoint agents for the provision of such services, and generally carry on business and to act as bankers, financiers, traders, commission agents or in any other capacity in any part of the world, and to enter into such agreements or arrangements as the Company shall from time to time consider advisable for the purpose of achieving any or all of its objects.

- (ii) To provide financial and credit services of every kind and to lend and advance money or give credit to such persons, firms, or, companies and on such persons, firms, or companies and on such terms as may seem expedient, and in particular to customers of and others having dealings with the Company, and to give guarantees or become security for any such persons, firms or companies.
  - (iii) To carry on business as bankers, financiers, financial agents, taxation investment and financial consultants and advisers, bill discounters, company promoters, underwriters and dealers in stocks, shares, loans, annuities and other securities, factors, mortgage brokers, insurance agents, insurance brokers and to act as a confirming house and to undertake and carry on any business transaction or operation commonly undertaken or carried on by bankers, financiers, company promoters, concessionaires, contractors, capitalists or merchants and generally to enter into assist or participate in financial, commercial, mercantile, industrial and other undertakings and businesses of all kinds and to carry on, develop and extend the same or sell, dispose of and deal with or otherwise turn the same to account.
  - (iv) Without prejudice to the generality of the foregoing to do all or any of the above things and to do anything else which in the opinion of the Directors is appropriate in order to further the objects of The Automobile Association as set out in the Rules of The Automobile Association for the time being in force (and of any company or other body associated with, affiliated to or connected in any way with The Automobile Association) and to benefit its members (and the members of such other companies and bodies, as aforesaid).
- (C) To acquire any shares, stocks and other securities by subscription, syndicate participation, tender, purchase, exchange or otherwise, and to subscribe for the same, either conditionally or otherwise, and to guarantee the subscription thereof, and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof. To facilitate and encourage the creation, issue or conversion of and to give any guarantee in relation to the repayment of or the payment of any interest or dividends on, debentures, debenture stock, bonds, obligations, shares, stocks and other securities and to act as trustee in connection with any such securities, and to take part in the conversion of business concerns and undertakings into public or private companies.
- (D) To carry on any other business (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above objects, calculated directly or indirectly to enhance the value of or render more profitable any of the Company's property.
- (E) To purchase or by any other means acquire any freehold, leasehold, or other property for any estate or interest whatever, and any rights, privileges, or easements over or in respect of any property, and any buildings, offices, factories, mills, works, wharves, roads, railways, tramways, machinery, engines, rolling stock, vehicles, plant, live and dead stock, barges, vessels, or things, and any real or personal property or rights

whatsoever which may be necessary for, or may be conveniently used with or may enhance the value of any other property of the Company.

- (F) To build, construct, maintain, alter, enlarge, pull down, and remove or replace any buildings, offices, factories, mills, works, wharves, roads, railways, tramways, machinery, engines, walls, fences, banks, dams, sluices, or watercourses, and to clear sites for the same, or to join with any person, firm or company in doing any of the things aforesaid, and to work, manage, and control the same or join with others in so doing.
- (G) To apply for, register, purchase, or by other means acquire and protect, prolong, and renew, whether in the United Kingdom or elsewhere, any patents, patent rights, brevets d'invention, licences, trade marks, designs, protections, and concessions which may appear likely to be advantageous or useful to the Company, and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon and testing and in improving or seeking to improve any patents, inventions, or rights which the Company may acquire or propose to acquire.
- (H) To acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which this Company is authorised to carry on, and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, for co-operation, or for limiting competition, or for mutual assistance with any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid, or property acquired, any Shares, Debentures, Debenture Stock, or securities that may be agreed upon, and to hold and retain, or sell, mortgage, and deal with any shares, debentures, debenture stock, or securities so received.
- (I) To improve, manage, cultivate, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.
- (J) To invest the moneys of the Company not immediately required in such shares or upon such securities and in such manner as may from time to time be determined.
- (K) To lend and advance money or give credit to such persons, firms, or companies and in such terms as may seem expedient, and in particular to customers of and others having dealings with the Company, and to give guarantees or become security for any such persons, firms or companies.
- (L) To borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of Debentures or Debenture Stock (perpetual or otherwise), and to secure the repayment of any money borrowed, raised, or owing, by mortgage, charge, or lien upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled Capital, and also by similar mortgage, charge, or lien to secure any guarantee the performance by the Company of any obligation or liability it may undertake.
- (M) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (N) To apply for, promote and obtain any Act of Parliament, provisional Order, or licence of the Board of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient, and to oppose any proceedings

or applications which may seem calculated directly or indirectly to prejudice the Company's interests.

- (O) To enter into any arrangements with any Governments or authorities (supreme, municipal, local or otherwise), or any companies, firms or persons that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such Government, authority, company firm or person, any charters, contracts, decrees, rights, privileges and concessions which the Company may think desirable, and to carry out, exercise, and comply with any such charters, contracts, decrees, rights, privileges and concessions.
- (P) To subscribe for, take, purchase or otherwise acquire and hold shares or other interests in or any other securities of any other company having objects altogether or in part similar to those of this Company or carrying on any business capable of being carried on so as directly or indirectly to benefit this Company.
- (Q) To act as agents or brokers an as trustee for any person, firm or company, and to undertake and perform sun-contracts, and also to act in any of the businesses of the Company through or by means of agents, brokers, sub-contractors or others.
- (R) To remunerate any person, firm or company rendering services to this Company, either by cash payment or by the allotment to him or them of Shares or securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.
- (S) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares, debentures, debenture stock or securities of this Company.
- (T) To support and subscribe to any charitable or public object, and any institution, society or club which may be for the benefit of the Company or its employees, or may be connected with any town or place where the Company carries on business, to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid to any persons who are or have been directors of, or who are or have been employed by, or who are serving or have served the Company, and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance; and to set up, establish, support, and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any such persons and of their wives, widows, children and other relatives and dependants.
- (U) To support and subscribe to any body of persons or trust established for the advancement of education or carrying on any educational establishment and for that purpose to enter into any deed or agreement with any such body or trust.
- (V) To promote any other company for the purpose of acquiring the whole or any part of the business or property and undertaking any of the liabilities of this Company, or of undertaking any business or operations which may appear likely to assist or benefit this Company or enhance the value of a property or business of the Company and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares, or securities of any such company as aforesaid.
- (W) To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in proportions, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any company purchasing the same.

- (X) To distribute among the Members of the Company in kind any property of the Company, and in particular any shares, debentures, or securities of other companies belonging to this Company or of which this Company may have the power of disposing.
- (Y) To procure the Company to be registered or recognised in any Dominion or Dependency and in any Foreign Country or Place.
- (Z) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

AND IT IS HEREBY declared that the word "company" in this clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether corporate or unincorporate and whether domiciled in the United Kingdom or elsewhere, and the objects specified in each of the paragraphs of this clause shall be regarded as independent objects and accordingly shall in nowise be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraph or the name of the Company.

- 4. The liability of the Members is limited.
- 5. The share capital of the Company is £20,000,000 divided into 20,000,000 Shares of One Pound each.

**THE COMPANIES ACTS 1989**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

of

**AUTOMOBILE ASSOCIATION INSURANCE SERVICES LIMITED**

(as adopted by Special Resolution passed on 20<sup>th</sup> December 1989

and by Special Resolution passed on 1<sup>st</sup> January 1990)

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1. The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1989 (hereinafter called "Table A") (as amended down to the date of the adoption of these Articles) shall apply to the Company save in so far as they are varied or excluded by or are inconsistent with these Articles; and regulation 1 shall so apply as if references to "these regulations" included references to these Articles. Accordingly, in these Articles "the Act" means the Companies Act 1989, including any statutory modification or re-enactment of it for the time being in force; and any reference in these Articles to a provision of that Act includes a reference to any statutory modification or re-enactment of that provision for the time being in force.
2. Regulations 24, 53, 73 to 80 (inclusive), 84, 93 to 97 (inclusive) and 118 in Table A shall not apply to the Company.

**SHARES**

3. The Company is a private company limited by shares and accordingly
  - (a) any offer to the public (whether for cash or otherwise) of any Shares in or debentures of the Company and
  - (b) any allotment of or agreement to allot (whether for cash or otherwise) any Shares in or debentures of the Company with a view to all or any of those Shares or debentures being offered for sale to the publicare prohibited.
4. Sections 89(1) and 90(1) to (6) (inclusive) of the Act, in their application to allotments by the Company of equity securities are hereby excluded.

**TRANSFER AND TRANSMISSION OF SHARES**

5. The directors may in their absolute discretion, and without giving any reason or being required to answer interrogations in connection therewith, decline to register any transfer of any Share, whether or not fully paid.

## GENERAL MEETINGS

6. Subject to the provisions of the Act, a resolution in writing signed by or approved by letter, telex, facsimile transmission or cable by all the members of the Company who would be entitled to receive notice of and to attend and vote at a general meeting at which such resolution was to be proposed, or by their duly appointed attorneys, shall be as valid and effective as if it had been passed at a general meeting of the Company duly convened and held. Any such resolution may consist of several documents in the like form, each signed by one or more members or their attorneys, and signature in the case of a body corporate which is a member shall be sufficient if made by a director thereof or its duly appointed attorney.
7. Proxies may be deposited at the registered office of the Company at any time before the time of the meeting at which they are to be used or may be produced at the meeting itself unless otherwise specified in the notice convening such meeting.

## DIRECTORS

8. Unless and until otherwise determined by the Company in general meeting, the number of the directors shall not be less than two but there shall be no upper limit on the number of directors.
9. A member or members holding a majority in nominal value of the issued ordinary shares in the Company may appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director, and may remove from office any director however appointed. Any such appointment or removal shall be effected by an instrument in writing signed by the member or members concerned or, in the case of a corporate member, signed by one of its directors on its behalf, and shall take effect on lodgement at the registered office of the Company or on production to a meeting of the directors.
10. The directors may appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director.
11. The Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director and, without prejudice to the provisions of the Act, may by ordinary resolution remove a director from office.
12. The removal of a director under article 9 or 11 shall be without prejudice to any claim the director may have for breach of any contract of service between him and the Company.
13. No person shall be disqualified from being or becoming a director by reason of his attaining or having attained the age of 70 or any other age.
14. The directors shall not be required to retire by rotation.
15. For so long as all the shares in the Company are held by Automobile Association Developments Limited or any of its subsidiaries or by The Automobile Association Limited or by any nominee for any of such companies, and to the extent permitted by law, the matters to which the directors of the Company are to have regard in the performance of their functions shall include the interests of the members of The Automobile Association in general as well as the other interests to which by law they must have regard but the duty imposed by this Article on the directors of the Company is owed by them to the Company (and the Company alone) and is to be enforceable in the same way as any other fiduciary duty owed to a Company by its directors.
16. Any director who performs services at the request or with the agreement of the directors may receive such additional remuneration (whether by way of salary, fees or commission or otherwise) as the directors may determine.

## ALTERNATE DIRECTOR

17. Regulation 65 of Table A shall apply with the modification that any alternate director shall not only be liable to removal by his appointor, but may also be removed from such office by notice in writing to the Company given by a majority of the co-directors of the director by which the alternate director was appointed.

#### POWERS OF DIRECTORS

18. A director who has duly declared his interest (so far as he is required to do so) may vote at a meeting of the directors or of a committee of the directors on any resolution concerning a matter in which he is interested, directly or indirectly. If he does, his vote shall be counted, and whether or not he does, his presence at the meeting shall be taken into account in calculating the quorum. Regulations 94 to 97 (inclusive) in Table A shall not apply to the Company.

#### EXECUTIVE DIRECTORS

19. The directors may from time to time appoint one or more of their body to any executive office or employment in the Company for such period and on such terms as they think fit and may revoke such appointment without prejudice to any rights of compensation arising under the terms of any agreement entered into in any particular case. Subject to the terms of any such agreement, the appointment of any such director as aforesaid shall be ipso facto determined if he ceases from any cause to be a director. A director appointed to any executive office or employment as aforesaid shall receive such remuneration whether by way of salary, commission or participation in profits or pension or otherwise howsoever whether similar to the foregoing or not as the directors may determine.

#### PROCEEDINGS OF DIRECTORS

20. A resolution in writing signed or approved by letter, telex, facsimile transmission or cable by all the directors (or all the members of a Committee of the directors) shall be as effective as a resolution passed at a meeting of the directors (or of such Committee) duly convened and held and may consist of several documents in like form each signed or approved by one or more of the directors. For the purposes of this Article, the signature or approval of an alternate director shall suffice in lieu of the signature or approval of the director appointing him.

#### INDEMNITY

21. Every director, managing director, agent, Secretary or other officer of the Company (other than the auditor) shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may incur or sustain in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under the Act in which relief is granted to him by the Court in respect of liability for negligence and no director or other officer shall be liable for any loss, damage or misfortune which may happen to be or be incurred by the Company in the execution of the duties of his office or in relation thereto. This Article shall only have effect insofar as its provisions are not avoided by the Act.