



SR.2001 (AGM)

Finance & Leasing Association

Company Number: 2651248

Special Resolutions

SR1 The Association's Business Code of Practice (2000 Version) be withdrawn and that the Business Code of Practice (2001) be adopted in accordance with Article 25 of the Articles of Association with immediate effect.

Explanatory Note

The Business Code of Practice (2001) is attached as Appendix 1.

At the Extraordinary General Meeting held on 16th November 2000, members approved the "Local Authorities and National Health Services Code". The proposed amendment:-

- a) incorporates the Local Authorities and National Health Services Code within the Business Code:
- b) deletes arrangements incorporated in the Business Code of Practice (2000) dealing with agreements signed prior to the implementation of that Code:
- c) corrects typographical errors.

SR2 The Association's Business Code of Practice – Brokers, Arrangers and other Intermediaries (2001) be adopted in accordance with Article 25 of the Articles of Association with immediate effect.

Explanatory Note

We amended the Articles in 1999 to permit admission of Intermediaries - brokers, arrangers etc – as associate members. They were then allowed to join the Asset Finance Division, on condition that they adhered to a new section of the Business Code, covering their business activities, to be developed .

The proposed Code was developed with the strong participation of members. The Middle Market Group took the lead. The Technology Group and Legal

Sub-Committee were also closely involved, as was the Business Code of Practice Monitoring Group.

The section follows the broad approach taken in the Business Code and the Code for business done by full members in local authority and NHS markets, tailored to the circumstances of intermediaries.

Three intermediaries – at the larger end of the sector – have joined the Division to date. This is in line with the Association's intention of only recruiting larger intermediaries. The National Association of Commercial Finance Brokers, which represents smaller brokers, has also joined as an associate member. It plans, subject to its Board agreeing, to implement the section in a form appropriate to its own membership.

Now that this section is completed the Executive plans to draft a fully consolidated version of the Business Code, comprising the present Business Code of Practice (2001) and this new section at the earliest available opportunity. This will also include any changes which may flow from the current review of the sections applicable to sales aid.

The proposed Code is attached as Appendix 2.

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Finance & Leasing Association

Company Number: 2651248

Special Resolutions

SR3 Amendments to the Articles of Association

SR3.1 That the Interpretation of "ORGANISATION" in the Articles of Association be and is hereby replaced with:-

"any person, firm, limited liability partnership, company, association, branch, European Economic Interest Group, place of business, independent trading entity or body".

(Replaces: "any person, firm, company, association or body").

Explanatory Note

The amendment recognises a fuller range of organisation structures which are or may be interested in membership of the Association.

Any organisation applying for membership will be required to provide the following information: parent, ultimate parent, place(s) of business, principal activities, details of person(s) authorised to represent the prospective member and accept service of process and any limitations to that scope of authority, licences etc. (if any), financial statements of parent, financial statements of prospective member (if company) or other financial references.

A "place of business" or "independent trading entity" would normally be an operational division of a company or partnership which is trading with UK customers and whilst not having a separate legal personality of its own does have a degree of independence in terms of products, decision making etc. and that the Board or relevant Committee of Management determines that the "organisation" is of sufficient substance to warrant separate membership of the Association.

SR3.2 That the Interpretation of "THE BOARD" in the Articles of Association be and is hereby replaced with:-

"the Board of the Association to be appointed in accordance with the Articles".

(Replaces:- “the Executive Board of the Association to be appointed in accordance with the Articles.”)

Explanatory Note

This simply implements the decision taken last year to change the name of the board. The only executive director is the Director General – all other directors are non-executive directors.

SR3.3 That the Interpretation of “DIVISION (S)” be and is hereby replaced with:-

“Any one or more of the Asset Finance Division, the Consumer Finance Division and the Motor Finance Division as the context requires”.

Replaces:

(“Any one or more of the Asset Finance and Leasing Division, the Consumer Finance Division and the Motor Finance Division as the context requires.”)

Explanatory Note

This simply implements the decision taken last year to change the name of the division to more accurately reflect the broad nature of transactions undertaken by members.

SR3.4. That the following consequential amendment be made to the Articles of Association:-

a) Heading prior to para 42

Delete The Executive Board

Substitute The Board

b) Heading prior to para 45

Delete – “Powers & Proceedings of the Executive Board”

Substitute - “Powers & Proceedings of the Board”

c) Para 62

Delete “The Asset Finance & Leasing Division (“AFLD”) shall be concerned with all asset leasing and asset finance matters.

Substitute "The Asset Finance Division ("AFD") shall be concerned with all asset finance matters.