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COMPANIES HOUSE

**ARTICLES OF ASSOCIATION  
OF  
ASSET AND LIABILITY MANAGEMENT ASSOCIATION LIMITED  
COMPANY NUMBER 09075527**

**ALMA**

Asset & Liability Management Association

**Revised 28 March 2018**

**Registered Office**

**Floor 8, 71 Queen Victoria Street, London EC4V 4AY.**

**THE COMPANIES ACT 2006**  

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**PRIVATE COMPANY LIMITED BY GUARANTEE**  

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**ARTICLES OF ASSOCIATION**  
**OF**  
**ASSET AND LIABILITY MANAGEMENT ASSOCIATION LIMITED**  
**(the "Association")**

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**1. ADOPTION OF MODEL GUARANTEE ARTICLES**

- 1.1 In these articles of association "**Model Guarantee Articles**" means the Model Articles for private companies limited by guarantee set out in Schedule 2 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) (as amended up to the date of adoption of these Articles).
- 1.2 The provisions contained in the Model Guarantee Articles shall, except where they are excluded or modified by these articles of association, apply to the Association and, together with these articles of association, shall constitute the Articles of the Association.
- 1.3 Articles 7, 8, 9(1), 11(2) and (3), 13, 14(1) to (4), 21, 22(3), 30(2), 38 and 39 of the Model Guarantee Articles shall not apply to the Association.
- 1.4 No other regulations set out in any statute concerning companies, or in any statutory instrument or other subordinate legislation made under any statute, shall apply as the regulations or articles of the Association.

**2. INTERPRETATION**

- 2.1 Save as otherwise specifically provided in these articles of association, words and expressions which have particular meanings in the Model Guarantee Articles shall bear the same meanings in these articles of association.
- 2.2 In these articles of association:-
- "2006 Act"** means the Companies Act 2006 (as amended up to the date of adoption of these articles);

**"address"** in relation to electronic communications includes any number or address used for the purposes of such communications;

**"Articles"** means the articles of association of the Association;

**"Conflict"** shall have the meaning ascribed to it in Article 10.1;

**"Delegate"** means employees of a Subscribing Organisation or such other person who may be granted Delegate status on an honorary basis by a decision of the Board (whether for a period or for life), who will have the right to access all of the Association's resources, to attend an annual meeting, to attend courses and conferences provided by the Association and to obtain such qualifications as may be accredited or granted by the Association from time to time;

**"Delegate Meetings"** all meetings open to Delegates where such persons are presented with matters relating to the operation of the Association (including such matters as a report on the activities of the Association, a report of the financial position of the Association, a report on changes in the directors of the Association and other matters) and may be asked to make an advisory vote in relation to such matters, noting that such meetings are not regulated by the 2006 Act and other provisions of company law;

**"eligible director"** means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);

**"Interested Director"** shall have the meaning ascribed to it in Article 10.1;

**"Objects"** shall have the meaning ascribed to it in Article 3.1;

**"Office"** each of the offices set out in Article 13.1;

**"Officer"** means an individual who holds an Office from time to time;

**"Retiring Directors"** shall have the meaning ascribed to it in Article 12.4.2; and

**"Subscribing Organisation"** means a bank or other credit institution which pays an annual subscription fee to the Association to allow its staff to access the benefits offered by the Association and to attend the conferences, events and meetings arranged by the Association for attendance by Subscribing Organisations and the Delegates.

2.3 References in these Articles to writing include references to any method of representing or reproducing words in a legible and non-transitory form including by way of electronic communications where specifically provided in a particular Article or where permitted by the directors in their absolute discretion.

2.4 Unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing any gender shall include all other genders. Words denoting persons shall include bodies corporate and unincorporated associations.

2.5 If, and for so long as, the Association has only one member, these Articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to such a company.

2.6 Headings are for convenience only and shall not affect the construction of these Articles.

### **3. OBJECTS**

3.1 The Association's objects (the "**Objects**") are:-

3.1.1 to promote and encourage education, awareness and development of asset and liability management techniques within banks, building societies or similar financial institutions;

3.1.2 to create and provide opportunities to enhance knowledge through the sponsorship and active participation in the design of external educational courses; and

3.1.3 to stimulate discussion and co-ordinate views on regulatory proposals which impact asset and liability management.

3.2 The Association has power to do anything which is calculated to further its Objects or is conducive or incidental to doing so. In particular the Association has the power to:

3.2.1 raise funds;

3.2.2 buy, take on lease or in exchange, hire or otherwise acquire and property and to maintain and equip it for use;

- 3.2.3 sell, lease or otherwise dispose of all or any part of the property belonging to the Association;
- 3.2.4 co-operate with other membership associations, charities, voluntary bodies, educational establishments and statutory authorities and to exchange information and advise with them;
- 3.2.5 enter into partnership or joint venture arrangement with a charity, educational establishment or other relevant body;
- 3.2.6 set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;
- 3.2.7 employ and remunerate such staff as are necessary for carrying out the work of the Association; and
- 3.2.8 provide indemnity insurance for the directors in accordance with, and subject to conditions as laid out in the 2006 Act.
- 3.3 The income and any property of the Association shall be applied solely towards the promotion of the Objects. The directors are entitled to reimbursement from Company income for reasonable expenses properly incurred when acting on behalf of the Association. The directors must not receive any other financial benefits from the Association over and above such reimbursement when acting as directors. They may, however, be remunerated for other activities authorised by the Association e.g. writing or running courses.
- 3.4 None of the income or property of the Association may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member.

## **DIRECTORS**

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

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 5.

**5. UNANIMOUS DECISIONS**

- 5.1 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.
- 5.2 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.
- 5.3 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.

**6. CALLING A DIRECTORS' MEETING**

- 6.1 Any director may call a directors' meeting by giving not less than five business days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the Association secretary (if any) to give such notice.
- 6.2 *Meetings of the directors shall be held at least six times per calendar year.*

**7. QUORUM FOR DIRECTORS' MEETINGS**

- 7.1 The quorum necessary for the transaction of business at a meeting of directors may be fixed by the directors and, unless and until so fixed, shall be three, one of whom must be an Officer.
- 7.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 10 to authorise a director's conflict, if there are not enough eligible directors present to form a quorum, the quorum for such meeting (or part of a meeting) shall be such number of eligible directors as are present.
- 7.3 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:-
- 7.3.1 to appoint further directors; or
- 7.3.2 to call a general meeting so as to enable the members to appoint further directors.

**8. CASTING VOTE**

8.1 In the case of an equality of votes the chairman of a meeting of the directors shall have a casting vote.

8.2 Article 8.1 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).

**9. INTEREST IN TRANSACTIONS OR ARRANGEMENTS**

A director who to his knowledge is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Association shall declare the nature and extent of his interest at a meeting of the directors in accordance with the requirements of sections 177 and 182 of the 2006 Act, as applicable. Subject where applicable to such disclosure, a director shall be entitled to vote in respect of any existing or proposed transaction or arrangement in which he is interested and, if he shall do so, his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present.

**10. DIRECTORS' CONFLICTS OF INTEREST**

10.1 The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an "**Interested Director**") breaching his duty under section 175 of the 2006 Act to avoid conflicts of interest (a "**Conflict**").

10.2 Any authorisation under this Article 10 will be effective only if:-

10.2.1 to the extent permitted by the 2006 Act, the matter in question has 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;

10.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and

10.2.3 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.

- 10.3 Any authorisation of a Conflict under this Article 10 may (whether at the time of giving the authorisation or subsequently):-
- 10.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- 10.3.2 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;
- 10.3.3 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;
- 10.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
- 10.3.5 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 Association) information that is confidential to a third party, he will not be obliged to disclose that information to the Association, or to use it in relation to the Association's affairs where to do so would amount to a breach of that confidence; and
- 10.3.6 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.
- 10.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 10.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 10.6 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 Association 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 or by the Association 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.

## **APPOINTMENT OF DIRECTORS**

### **11. NUMBER OF DIRECTORS**

Unless otherwise determined by ordinary resolution, the number of directors shall not be more than nine and shall be not less than five.

### **12. RETIREMENT BY ROTATION**

12.1 At every annual general meeting of the Association each director shall retire from office and may offer himself for re-appointment by the members.

12.2 A director who retires at an annual general meeting (whether by rotation or otherwise) may, if willing to act, be re-appointed. If he is not re-appointed or *deemed to have been re-appointed under Article 12.3*, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

12.3 If:

12.3.1 at the annual general meeting in any year any resolution or resolutions for the appointment or re-appointment of the persons eligible for appointment or re-appointment as directors are put to the meeting and lost; and

12.3.2 at the end of that meeting the number of Directors is fewer than any minimum number of Directors required under Article 11,

all retiring directors who stood for re-appointment at that meeting (the "**Retiring Directors**") shall be *deemed to have been re-appointed as directors* and shall remain in office but the Retiring Directors may only act for the purpose of convening general meetings of the Association and perform such duties as are essential to maintain the Association as a going concern, and not for any other purpose.

12.4 The Retiring Directors shall convene a general meeting as soon as reasonably practicable following the meeting referred to in Article 12.3 and they shall retire

from office at that meeting. If at the end of any meeting convened under this Article the number of Directors is fewer than any minimum number of directors required under Article 11, the provisions of this Article shall also apply to that meeting.

**13. OFFICERS**

The Board shall at all times constituted of at least five persons, including those persons holding the following offices:

- Hon. Chairman;
- Hon. Chief Operating Officer;
- Hon. Chief Financial Officer; and
- Hon. Education Secretary.

In addition, the Board may from time to time resolve that one director shall hold the Office of President.

**14. DIRECTORS' GRATUITIES AND PENSIONS**

The directors may exercise all the powers of the Association to provide benefits, either by the payment of gratuities or pensions or by insurance or in any other manner whether similar to the foregoing or not, for any director or former director or the relations, connections or dependants of any director or former director and may contribute to any fund and pay any premiums for the purchase or provision of any such benefit. No director or former director shall be accountable to the Association or the members for any benefit provided pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the Association. Article 19 of the Model Guarantee Articles shall be modified accordingly.

**15. ALTERNATE DIRECTORS**

Directors shall not be entitled to appoint an alternate director.

**16. 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.

## **REGULATIONS, STATUS OF SUBSCRIBING ORGANISATIONS, DELEGATES AND ANNUAL MEETING FOR SUCH PERSONS**

### **17. REGULATIONS**

- 17.1 The directors may from time to time make such regulations as they may deem necessary or expedient for the proper conduct, management and business of the Association. All regulations made under these Articles shall be binding on all members, *Subscribing Organisations and Delegates*.
- 17.2 Without restriction, regulations may be related to or regulate the following matters:
- 17.2.1 the eligibility and status of *Subscribing Organisations and Delegates* and the rights and privileges of such persons (who are not members of the Association for the purposes of the 2006 Act);
- 17.2.2 subscriptions and other fees or payments to be made by *Subscribing Organisations* and other fees and payments to be made by or in respect of *Delegates*;
- 17.2.3 the procedure at all *Delegate Meetings*;
- 17.2.4 the manner in which information may be exchanged between *Subscribing Organisations, Delegates* and members in such a manner as to ensure that the Association does not contravene any anti-trust, anti-corruption or other applicable law;
- 17.2.5 generally, all other such matters as the directors may deem fit.
- 17.3 The directors must adopt such means as they think sufficient to bring regulations to the notice of the members, the *Subscribing Organisations* and the *Delegates*.
- 17.4 No regulation of the directors made pursuant to this Article 17 shall be inconsistent with, or shall amend, or vary or repeal anything contained in these Articles.

**18. SUBSCRIBING ORGANISATIONS AND DELGATES**

In addition to all regulation made under Article 17 the Board is required on an annual basis to issue terms upon which financial institutions may, upon payment of a fee, become Subscribing Organisations and the benefits available to Delegates.

**19. DELEGATE MEETING**

In addition to all regulation made under Articles 17 and 18 the board is required to convene a *Delegate Meeting to be held between 15 January and 15 March* in each year.

**MEMBERSHIP – BECOMING AND CEASING TO BE A MEMBER**

**20. APPLICATION FOR MEMBERSHIP**

20.1 No person shall become a member of the Association unless:-

20.1.1 that person has completed and delivered to the Company a duly executed application for membership and declaration of trust substantially in the form annexed hereto; and

20.1.2 the directors have approved the application; and

20.1.3 the applicant has paid the subscription fee(s) as determined by the directors.

**21. TERMINATION OF MEMBERSHIP**

A person's membership terminates when that person ceases to fulfil the requirements of Article 20.1.1, ceases to exist, or if that person has not paid the subscription fee(s) as determined from time to time by the directors, as and when due.

**DECISION-MAKING BY MEMBERS**

**22. QUORUM FOR GENERAL MEETINGS**

22.1 The quorum at any general meeting of the Association, or adjourned general meeting, shall be such three members, present in person or by proxy, of whom at least one shall be an Officer.

- 22.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

## **23. VOTES**

- 23.1 At any general meeting every member who is present in person shall on a show of hands have one vote and shall on a poll vote have one vote.

- 23.2 At a general meeting a poll may be demanded by any qualifying person (as defined in section 318 of the 2006 Act) present and having the right to vote at the meeting.

- 23.3 A demand withdrawn in accordance with article 30(3) of the Model Guarantee Articles shall not invalidate the result of a show of hands declared before the demand was made.

## **24. PROXIES**

The members shall not be entitled to appoint a proxy.

## **ADMINISTRATIVE ARRANGEMENTS**

### **25. NOTICES**

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

- 25.1.1 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);

- 25.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;

- 25.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- 25.1.4 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.
- 25.1.5 In calculating a period of time for the purposes of delivery, no account shall be taken of any part of a day that is not a working day.
- 25.1.6 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the 2006 Act.

## **DIRECTORS' INDEMNITY AND INSURANCE**

### **26. INDEMNITY**

- 26.1 Subject to Article 26.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:-
  - 26.1.1 each relevant officer shall be indemnified out of the Association's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them 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 Association's (or any associated company's) affairs; and
  - 26.1.2 the Association 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 26.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 26.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the 2006 Act or by any other provision of law.

26.3 In this Article:-

26.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

26.3.2 a "**relevant officer**" means any director or other officer or former director or other officer of the Association or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the 2006 Act), but excluding in each case any person engaged by the Association (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).

## 27. **INSURANCE**

27.1 To the extent permitted by the 2006 Act, the directors may exercise all the powers of the Association to purchase and maintain insurance, at the expense of the Association, for the benefit of any relevant officer in respect of any relevant loss.

27.2 In this Article:-

27.2.1 a "**relevant officer**" means any director, alternate director, secretary or other officer or former director or other officer of the Association or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the 2006 Act), but excluding in each case any person engaged by the Association (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);

27.2.2 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 Association, any associated company or any pension fund of the Association or associated company; and

27.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

## ANNEX

### Application for Membership and Declaration of Trust

*[On the Headed Notepaper of the Applicant]*

The Directors  
Asset and Liability Management Association Limited  
[■ADDRESS]  
[■ADDRESS]  
[■ADDRESS]

[■DATE]

Dear Sirs

**Asset and Liability Management Association Limited (Company Number: [■]) (the "Company")**

#### Application for Membership

I, [■NAME] of [■ADDRESS] hereby apply for membership of the Company [with immediate effect] **OR** [with effect from [■DATE]].

#### Objects

The principal objects for which the Company is established are :

- to promote and encourage education, awareness and development of asset and liability management techniques within bank, building societies or similar financial institutions;
- to create and provide opportunities to enhance knowledge through the sponsorship and active participation in the design of external educational courses; and
- to stimulate discussion and co-ordinate views on regulatory proposals which impact asset and liability management.

#### Declaration of Trust

In recognition of the objects for which the Company is established, in the event that I, the undersigned, ever receive a distribution of whatever type from the Company at any point I will hold all and any interest in such asset on trust for and as nominee of:

- 1 the Company, for so long as it is in existence; or
- 2 in the event of the dissolution of the Company (howsoever arising), such other organisation as I determine which has objects that are as closely aligned to the objects of the Company as possible.

#### General

This letter and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.



No term of this letter shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by a third party.

This letter has been executed as a deed on the date first above written.

**SIGNED** as a **DEED** by the said )  
 [■INSERT NAME] )  
 in the presence of:- )

**Signature of Witness:**

**Name of Witness:**

**Address:**

**Occupation:**