

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

THE PROPERTY OMBUDSMAN LIMITED (the "Company")
(Adopted by Special Resolution passed on 27 June 2018)
(Amended by a Special Resolution passed on 26 July 2018)
(Amended by a Special Resolution passed on 24 January 2019)
(Amended by a Special Resolution passed on 18 July 2023)

PART 1

INTERPRETATION, OBJECTS, DISSOLUTION AND GUARANTEE

1 INTERPRETATION

1.1 In these Articles, unless the context otherwise requires:

Adoption Date: means 18 July 2023;

Act: means the Companies Act 2006;

Articles: means the Company's Articles of association for the time being in force;

Auditors: means the auditors or accountants for the time being of the Company;

Bankruptcy: includes insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

Board: means the board of Directors of the Company from time to time or the Directors present at a duly convened meeting at which a quorum is present;

Business Day: means any day (other than a Saturday, Sunday or public holiday in England) when banks in London are open for business;

Chair: means the Chair of the board of Directors, who must be an Independent Director and has the meaning in Article 17.1;

Chief Executive: means the person with overall responsibility for the efficient running of the company;

Clear Days: means in relation to a period of notice, that period excluding the day on which notice is given or deemed to be given and the day for which it is given or on which it is to take effect and Clear Business Day shall be construed accordingly;

Committee: means the committees established by the Board and as amended by the Board from time to time;

Company: means The Property Ombudsman Limited (company number 3339975);

Company Member: means a person appointed as a Company Member pursuant to Article 29.2 and those whose names are entered in the statutory register of members of the Company on the date of adoption of these Articles, in each case for so long as they remain a Company Member in accordance with these Articles. For the avoidance of doubt, Company Member does not mean a member of the Company's Ombudsman Scheme(s);

Company Secretary: 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 and may be independent of the secretary to the Board;

Conflict: has the meaning given in Article 18.1;

Control: shall have the meaning given in section 1124 of the Corporation Tax Act 2010;

Director: means a director of the Company who is either an Independent Director or a Sector Director and includes any person occupying the position of director of the Company, by whatever name called;

Document: includes, unless otherwise specified, any document sent or supplied in Electronic form;

Electronic form: has the meaning given in section 1168 of the Act;

Eligible Director: 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 18, any Director whose vote is not to be counted in respect of the particular matter);

Governance Framework: means the document(s) setting out the governance of the Company and the Schemes operated by the Company, including, but not limited to the, terms of reference for the Board and its committees, its delegations and the applicable Terms of Reference for each Scheme;

Independent Director: means a non-executive Director who is a natural person, demonstrably and materially independent of the Company and of the Sector(s) in which the Company operates, with no close connection to the Sector(s) and the Company and whom the Board considers to be at the time of their appointment or reappointment representative of public or consumer interests concerned with any aspect of the Company's activities, or brings strategic expertise in a particular relevant field from outside the Sector(s) in which the organisation is engaged;

Close connection" in this context may include, but it is not limited to, the following:

- (a) An individual who is directly employed in the Sector(s) or reliant upon the Sector(s) for any material aspect of their earnings or wealth
- (b) An individual who, prior to appointment, within the last five years, was employed as a senior executive/officer or a director of a board, a member of a governing body or similar, in the Sector(s);
- (c) An individual who has close personal, family or business relationships with any of the Company's Directors or senior officers;

For the purposes of this definition, a director may be independent of the Company despite their registration as a Company Member in accordance with Article 29.2;

Interested Director: has the meaning given in Article 18.1;

Model Articles: 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;

Ombudsman: means an Ombudsman of a Scheme operated by the Company appointed from time to time in accordance with Article 42.

Ombudsman Association: means Ombudsman Association, a company registered in England and Wales with company number 11976831, or any successor organisation assuming its role for the accreditation of independent ombudsman services;

Ordinary resolution: has the meaning given in section 282 of the Act;

Parent Undertaking: has the meaning given in section 1162 of the Act;

Person: includes any legal or natural person, partnership, trust, company, government or local authority department or other body (whether corporate or unincorporate);

Proxy notice: has the meaning given in Article 39.1;

Relevant Services: means services provided to Scheme Subscribers pursuant to the Company's contractual and statutory obligations.

Scheme: means any plan, programme, policy or set of rules and procedures, within any Sector, created for the purpose of providing dispute resolution services, redress schemes and related activities;

Scheme Subscriber: means a person, company or entity that is registered as a member or relevant party of a Scheme in any Sector(s) in which the Company delivers Relevant Services;

Sector: means the Sector(s) within which the Company has a contractual or statutory remit to deliver Relevant Services;

Sector Director: means a non-executive Director who is a natural person and in the opinion of the Board has recent and relevant senior industry experience in any part of a relevant Sector, but with no close connection with organisations that regulate or represent the interests of members in the Sector(s);

Special resolution: has the meaning given in section 283 of the Act;

Subscription: the amount paid by a Scheme Subscriber to be a member of a Scheme operated by the Company and to be eligible to receive Relevant Services;

Subsidiary: has the meaning given in section 1162 of the Act;

Terms of Reference: means the rules established by the Board and amended from time to time in accordance with Article 42 and constituting and governing the powers and duties of an Ombudsman (and in particular the scope of any complaints the Ombudsman may consider) pursuant to a Scheme operated by the Company;

Vice Chair: means the Vice Chair of the board of Directors, who must be an Independent Director and has the meaning in Article 17.1

Writing: 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 Unless otherwise provided in these Articles or 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 Words importing the singular number only include the plural and vice versa. Words importing persons include corporations.
- 1.5 A reference in these Articles to an Article is a reference to the relevant Article of these Articles unless expressly provided otherwise.
- 1.6 Unless expressly provided otherwise, a reference to a statute or statutory provision shall include any order, regulation, instrument or other subordinate legislation from time to time made under that statute or statutory provision for the time being in force.
- 1.7 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.
- 1.8 The Model Articles shall not apply to the Company.

2 OBJECTS AND POWERS

Objects

- 2.1 The objects for which the Company is established are:
 - 2.1.1 to carry out /perform and discharge any and all functions delegated to or conferred on the Company by any contractual obligation and by or under any statutory provision, as amended from time to time.
 - 2.1.2 to establish, operate, manage, promote or administer Schemes (whether alone or jointly with any other person or persons) and to appoint an Ombudsman in respect of each such Scheme whose activities may include the following:
 - 2.1.2.1 to receive complaints on behalf of individuals or companies, made in relation to the provision of Relevant Services in the Sector(s) and to investigate such complaints and to facilitate their resolution whether by agreement, determination, the making of recommendation or by such other means as the Company and/or the relevant Ombudsman shall deem expedient;
 - 2.1.2.2 to undertake through investigation, inspection or any other appropriate mechanism, activity to resolve or prevent service failures in the Sector(s), at an organisational or system wide level, in accordance with the Ombudsman function; and

- 2.1.3 to use, analyse and disseminate information acquired from such functions, for organisational or sector improvement or to aid policy making;
- 2.1.4 to carry out/perform any other function or exercise any power, which in the Company's view, may facilitate, support or enable the discharge of the functions referred to above including the provision of advice, information, training, data and support services; and
- 2.1.5 to make a commercial gain from such functions in order to fund its activities.

Powers

2.2 In pursuance of the objects set out in Article 2.1, the Company has the power to:

- 2.2.1 appoint an Ombudsman with power (on behalf of the Company) to receive complaints by or on behalf of individuals or other consumers of scheme subscribers' services;
- 2.2.2 appoint and instruct any staff, adjudicators, dispute resolution advisors and other experts or advisors for any of the purposes referred to in Article 2.1; and
- 2.2.3 to collaborate with any government or authorities (whether supreme, municipal, local or otherwise) or any corporation, company or persons on all matters relating to and affecting the business of carrying on services referred to in Article 2.1 and the resolution of complaints in relation thereto.
- 2.2.4 buy, lease or otherwise acquire and deal with any property real or personal and any rights or privileges of any kind over or in respect of any property real or personal and to improve, manage, develop, construct, repair, sell, lease, mortgage, charge, surrender or dispose of or otherwise deal with all or any part of such property and any and all rights of the Company;
- 2.2.5 borrow and raise money in such manner as the Directors shall think fit and secure the repayment of any money borrowed, raised or owing by mortgage, charge, lien or other security on the Company's property and assets;
- 2.2.6 invest and deal with the funds of the Company not immediately required for its operations in or upon such investments, securities or property as may be thought fit;
- 2.2.7 subscribe for, take, buy or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority in any part of the world;
- 2.2.8 lend and advance money or give credit on such terms as may seem expedient and with or without security to customers and others, to enter into guarantees, contracts of indemnity and suretyships of all kinds to receive money on deposit or loan upon such terms as the Company may approve and to secure or guarantee the payment of any sums of money or the performance of any obligation by any company, firm or person including any Parent Undertaking or Subsidiary Undertaking
- 2.2.9 advertise, publish, educate, examine, research and survey in respect of all matters of law, regulation, economics, accounting, governance, politics and/or other issues and to hold meetings, events and other procedures and co-operate with or assist any other body or organisation in each case in such way or by such means as may, in the opinion of the Directors, affect or advance the objects in any way;
- 2.2.10 pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company and to contract with any person, firm or company to pay the same;
- 2.2.11 enter into contracts to provide services to or on behalf of Scheme Subscribers and other bodies and to undertake commercial activities generally that are consistent with the Company's objects;
- 2.2.12 provide and assist in the provision of money, materials or other help;
- 2.2.13 open and operate bank accounts and other facilities for banking and draw, accept, endorse, issue or execute promissory notes, bills of exchange, cheques and other instruments;

- 2.2.14 incorporate Subsidiary companies to carry on any trade including in any jurisdiction outside England;
- 2.2.15 to undertake and establish any trusts;
- 2.2.16 to retain or employ skilled, professional technical advisers or workers in connection with the objects of the Company and to pay such fees or remuneration as may be thought expedient in respect thereof;
- 2.2.17 to encourage research in and carry out or commission such investigations or research as may seem necessary in connection with any of the objects of the Company;
- 2.2.18 to levy, charge, collect and receive subscriptions, levies, fees and other payments from persons whether Scheme Subscribers 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; and
- 2.2.19 do all such other lawful things as are incidental or conducive to the pursuit or to the attainment of any of the objects set out in Article 2.1 provided always that the Company's objects shall not extend to the regulation of relations between workers and their employers or organisations of workers and organisations of employers.

3 INCOME

- 3.1 The income and property of the Company from wherever derived shall be used and applied only in promoting the Company's objects.
- 3.2 No distribution shall be paid or capital otherwise returned to the Company Members.
- 3.3 The Company may make payment in good faith to Company Members or Directors in the following circumstances:
 - 3.3.1 reasonable and proper remuneration for any services rendered to the Company (and including payment to Company Members or Directors in their capacity as officers or servants of the Company);
 - 3.3.2 interest on money lent at a reasonable and proper rate by any Company Member or any Director to the Company;
 - 3.3.3 reasonable and proper rent for premises leased or conveyed to the Company by a Company Member or Director; or
 - 3.3.4 reasonable out-of-pocket expenses properly incurred by a Director.

4 WINDING UP

If upon the winding-up or dissolution of the Company, after provision has been made for all its debts and liabilities, there remains any assets or property whatsoever this shall not be paid to or distributed amongst the Company Members. Instead any property or assets so remaining shall be paid or distributed to the Scheme Subscribers at the date of such winding up or dissolution pro rata according to the amount paid by each in Subscriptions for the last complete financial year of the Company preceding the commencement of the winding up or dissolution of the Company.

5 GUARANTEE

The liability of each Company Member is limited to £1, being the amount that each Company Member undertakes to contribute to the assets of the Company in the event of its being wound up while that Company Member is a Company Member or within 1 year after that Company Member ceases to be a Company Member, for

- 5.1 payment of the Company's debts and liabilities contracted before the relevant Company Member ceased to be a Company Member,
- 5.2 payment of the costs, charges and expenses of the winding up, and
- 5.3 adjustment of the rights of the contributories among themselves.

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

6 DIRECTORS' GENERAL AUTHORITY

- 6.1 Subject to these Articles, the Directors are responsible for the management of the Company's business in accordance with its objects for which purpose they may exercise all the powers of the Company.

7 POWER TO DELEGATE

- 7.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles:

- 7.1.1 to such person or committee;
- 7.1.2 by such means (including by power of attorney);
- 7.1.3 to such an extent;
- 7.1.4 in relation to such matters or territories; and
- 7.1.5 on such terms and conditions they think fit, excluding the following items which are reserved to the Board:
 - 7.1.6 Approval of the Budget, Strategic Plan and Auditors report
 - 7.1.7 Approval of the Terms of Reference of any Ombudsman Scheme(s) operated by the Company
 - 7.1.8 Appointment of an Ombudsman
 - 7.1.9 Appointment of the Chair and Director(s)
 - 7.1.10 Appointment of the Auditors

- 7.2 The power to delegate shall be effective in relation to the powers, authorities and discretions of the Directors generally and shall not be limited by the fact that in certain of the Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Directors or by a committee authorised by the Directors.

- 7.3 If the Directors so specify, and subject to Article 7.4, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.

- 7.4 Subject to Article 42.2 and 42.9, the Directors may revoke, or amend the terms of, any delegation to any Committee or otherwise in whole or part as set out within the Governance Framework.

8 COMMITTEES (GENERAL)

- 8.1 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.

- 8.2 The Directors may make rules of procedure for all or any Committee which shall prevail over rules derived from the Articles if they are not consistent with them.

- 8.3 Committees may consist of the Directors and such other persons as the Board may determine from time to time.

9 STANDING COMMITTEES

- 9.1 The Directors shall without prejudice to the generality of Article 7.1 establish the Committees to whom it may delegate any or all of its functions, excluding those which are reserved to the Board as set out in Article 7.1.

- 9.2 The Board shall appoint the Chair of each Committee.

- 9.3 A member of a committee need not be a director.

- 9.4 The membership and Terms of Reference of the Committees will be set out within a Governance Framework, as approved and amended by the Board, subject to the provisions in Article 8.

10 DEFECTS IN APPOINTMENTS

Notwithstanding that it may be subsequently discovered that there was some defect in their appointment or that such person was disqualified or had vacated office or was not entitled to vote, all acts done by any meeting of the Board or any Committee or by any person acting as a Director or member of any Committee shall be as valid as if such person had been duly appointed and qualified, had not vacated office and was entitled to vote.

11 DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 11.1 The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting in accordance with this Article 11, or a decision taken in accordance with Article 12 (by unanimous decision).

- 11.2 On each decision of the Board, each Eligible Director shall have 1 vote.

- 11.3 If the numbers of votes for and against a proposal at a meeting of Directors are equal the Chair or other Director chairing the meeting (under Article 17.3) has a casting vote.

- 11.4 However, Article 11.3 does not apply if the person chairing the meeting is:

11.4.1 not an Independent Director; and/or

11.4.2 not an Eligible Director for the purposes of that meeting (or part of a meeting).

In which circumstances there shall be no casting vote.

- 11.5 Subject to these Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

- 11.6 If:

11.6.1 the Company only has 1 Director; and

11.6.2 no provision of the Articles requires it to have more than 1 Director,

the general rule does not apply, and the Director may take decisions without regard to any of the provisions of the Articles relating to the Directors' decision-making.

12 UNANIMOUS DECISIONS BY DIRECTORS

- 12.1 A resolution in Writing signed by all Eligible Directors (whether or not each signs the same document) or to which each Eligible Director has otherwise indicated agreement in Writing shall be valid and effective as if it has been passed at a duly convened and held quorate meeting of the Board.

- 12.2 A decision may not be taken in accordance with Article 12.1 if the Eligible Directors would not have formed a quorum at such a meeting of the Board.

13 CALLING A DIRECTORS' MEETING

- 13.1 Any Director may call a Directors' meeting by giving not less than 10 Clear Business Days' notice of the meeting (or such lesser reasonable notice to all the Directors in the event of an urgent meeting) to the Directors or by authorising the Company Secretary (if one has been appointed) to give such notice.

- 13.2 Notice of a Directors' meeting shall be given in Writing to each Director.

- 13.3 The written notice of a Directors' meeting must indicate:

13.3.1 its proposed date and time;

13.3.2 where it is to take place; and

13.3.3 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 FREQUENCY OF MEETINGS

- 14.1 Board meetings shall be held no less than 3 times per year.

15 PARTICIPATION

15.1 Subject to these Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:

15.1.1 the meeting has been called and takes place in accordance with the Articles, and

15.1.2 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 participation, it is irrelevant where any Director is or how they communicate with each other. Any Director who is not able to be present in person may participate in a Directors' meeting by means of a conference telephone, video conferencing facility or similar communications equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at such meeting and shall be entitled to vote and be counted in the quorum.

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 one 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. Subject to Article 16.4, the quorum for the transaction of business at a meeting of Directors is the greater of:

16.1.1 3 Eligible Directors; and

16.1.2 one third of the Directors in office (or if their number is not divisible by 3 then the number closest to but less than one third of the Board members);

of which the majority must be Independent Directors.

16.2 However, for the purposes of any meeting (or part of a meeting) held pursuant to Article 18 to authorise a Conflict, if there is only 1 Eligible Director in office after excluding the Interested Director(s) for the purposes of calculating the quorum, or if as a consequence of excluding the Interested Directors the number of Independent Directors is fewer than the majority then the quorum for such meeting (or part of a meeting) shall be any 1 Eligible Director but no business shall be transacted other than to adjourn the meeting.

16.3 Subject to Article 16.5, 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 Chair whose ruling in relation to any Director (other than the Chair) is to be final and conclusive.

16.4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chair, the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

16.5 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 to appoint further Directors.

17 CHAIRING OF DIRECTORS MEETINGS

17.1 The Directors shall appoint a Chair of the Board to chair their meetings and a Vice Chair. The Chair and Vice Chair will be Independent Directors. The Directors may terminate the Chair's or Vice Chair's appointment at any time.

17.2 If the Chair is not participating in a Directors' meeting within 10 minutes of the time at which it was due to start, the Vice Chair shall chair it.

17.3 If neither the Chair nor the Vice Chair are present then the Directors shall appoint any Independent Director to chair the meeting.

18 AUTHORISATION OF DIRECTORS' CONFLICTS OF INTEREST

- 18.1 For the purposes of these Articles a Conflict 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. A Director subject to such a Conflict is an Interested Director.
- 18.2 The Directors may, in accordance with the requirements set out in this Article, authorise any Conflict proposed to them by any Interested Director which would, if not authorised, involve such Interested Director breaching their duty to avoid conflicts of interest under section 175 of the Act.
- 18.3 Any authorisation under this Article 18 shall be effective only if:
- 18.3.1 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;
 - 18.3.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - 18.3.3 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.
- 18.4 Any authorisation of a Conflict under this Article 18 may (whether at the time of giving the authorisation or subsequently):
- 18.4.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 18.4.2 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;
 - 18.4.3 provide that the Interested Director shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict, but may vote on matters where they do not have a direct interest and their interest arises only by virtue of membership of and/or subscription to a scheme;
 - 18.4.4 provide that, where the Interested Director obtains, or has obtained (through that Interested Director's involvement in the Conflict and otherwise than through that Interested Director's position as a Director of the Company) information that is confidential to a third party, that Interested Director 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;
 - 18.4.5 permit the Interested Director to be absent 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; and/or
 - 18.4.6 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit.
- 18.5 Where the Directors authorise a Conflict, the Interested Director(s) shall be obliged to conduct themselves in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 18.6 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.
- 18.7 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 that Director 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 CONFLICTS OF INTEREST (GENERALLY) BY DIRECTORS

- 19.1 Subject to Article 18.4 and to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act, and provided that the relevant Director has declared the nature and extent of their 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:
- 19.1.1 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;
 - 19.1.2 shall not 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 that Director is interested;
 - 19.1.3 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
 - 19.1.4 (unless the relevant Director consents otherwise) shall not be accountable to the Company for any benefit which that Director (or a person connected with them (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 that Director's duty under section 176 of the Act.
- 19.2 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.
- 19.3 A Director shall be treated as interested in any matter by being an officer or employee of a Scheme Subscriber which is or may be interested in that matter.
- 19.4 An interest of which a Director has no knowledge and of which it is unreasonable to expect that Director to have knowledge shall not be treated as an interest for the purposes of this Article 19.
- 19.5 The Board shall maintain a register of interests of the Directors, an Ombudsman and appropriate staff members.

APPOINTMENT AND TERMINATION OF DIRECTORS

20 COMPOSITION OF BOARD

- 20.1 Unless otherwise determined by Ordinary resolution, the number of Directors shall be a minimum of 3 and a maximum of 12.
- 20.2 The directors shall comprise:
- 20.2.1 Sector Directors and Independent Directors; and
 - 20.2.2 A majority of Independent Directors (including the Chair and Vice Chair of the Board);

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:
- 21.1.1 by Ordinary resolution of the Company Members, or
 - 21.1.2 by a decision of the Directors.
- 21.2 The Directors shall also appoint a Chair and a Vice Chair who must be Independent Directors
- 21.3 The Directors shall only make such appointment if they consider that such person holds the skills and experience required to be a Sector Director or an Independent Director or the Chair of the Board or the Vice Chair (as appropriate).
- 21.4 The Directors will require appointees to comply with the Nolan Principles on Standards in public life and any other standards that the Board may set for Directors and adapt from time to time

22 TERM OF OFFICE FOR DIRECTORS

- 22.1 All Directors shall be appointed for a term of a maximum 4 years ("Term") and will be eligible for re-appointment for one further Term only. In exceptional circumstances, by the determination of the Board, a Director may be extended by one further year
- 22.2 A person shall automatically cease to be a Director following the end of their Term, unless they are eligible for re-appointment and their re-appointment takes effect following the end of their Term.

23 TERMINATION OF DIRECTOR'S APPOINTMENT

- 23.1 A person ceases to be a Director as soon as;
- 23.1.1 their Term ends in accordance with Article 22 unless they are re-appointed under Article 22;
 - 23.1.2 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;
 - 23.1.3 a Bankruptcy order is made against that person;
 - 23.1.4 an arrangement or composition order is made with that person's creditors generally in satisfaction of that person's debts;
 - 23.1.5 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than 3 months;
 - 23.1.6 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
 - 23.1.7 that person is in breach of the standards referred to in 21.4 above;
 - 23.1.8 that person absents themselves from meetings of the board for two consecutive meetings without adequate explanation and/or permission and the board of directors resolves that his office be vacated;
 - 23.1.9 that person does any act or thing which, in the opinion of the Board, is likely to bring them or the Company into disrepute; or
 - 23.1.10 the Director resigns in accordance with Article 23.2.
 - 23.1.11 if in the opinion of the other Directors, that a person appointed as an Independent Director, ceases to qualify as an Independent Director and the Board (excluding that Independent Director) resolves that he or she should cease to hold office.
- 23.2 A Director may resign their appointment at any time by giving notice to the Company and such resignation shall take effect on the date given by the Director in such notice.

24 DIRECTORS' EXPENSES

- 24.1 The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at;
- 24.1.1 meetings of Directors or committees of Directors,
 - 24.1.2 general meetings, or
- or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

25 DIRECTORS' REMUNERATION

- 25.1 Directors are entitled to such remuneration as the Directors determine;
- 25.1.1 for their services to the Company as Directors, and
 - 25.1.2 for any other service which they undertake for the Company.
- 25.2 Subject to the Articles, a Director's remuneration may take any form, and

25.2.1 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.

25.3 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.

26 SERVICES BY DIRECTORS

26.1 Directors may undertake any services for the Company that the Directors decide at a quorate meeting of the Board to be appropriate, subject to the provisions at Article 19 and in accordance with the rules set out in the Governance Framework, as amended from time to time, provided always that Directors shall not hold any executive position in the Company and shall not be employees.

27 ENSURING A SOLE DIRECTOR

In any case where the Company has no Company Members and no Directors, the Ombudsman or if the Ombudsman is unable to act, deputy Ombudsman shall have the right, by notice in Writing, to appoint a natural person (which may include the appointor), who is willing to act and permitted to do so, to be a Director of the Company.

28 COMPANY SECRETARY

The Directors may appoint any person who is willing to act as the Company 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.

PART 3
COMPANY MEMBERS

MEMBERS: BECOMING AND CEASING TO BE A COMPANY MEMBER

29 MEMBERSHIP

- 29.1 No person shall become a Company Member unless they are a Director.
- 29.2 Each person appointed to the Board in accordance with these Articles shall, unless otherwise determined by the Board, be registered as a Company Member.
- 29.3 No Company Member shall transfer such membership to another person.
- 29.4 A Company Member shall immediately cease to be a Company Member when they cease to be a Director.

DECISION MAKING BY COMPANY MEMBERS

30 GENERAL MEETINGS

- 30.1 There is no obligation to hold general meetings, but these provisions set out the procedure if it is decided to hold one.
- 30.2 Notice of all general meetings shall be given to the Company Members and such other persons (including the Auditors) who are entitled to receive notice of such meetings under these Articles or the Act.
- 30.3 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.
- 30.4 A person is able to exercise the right to vote at a general meeting when;
 - 30.4.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - 30.4.2 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.
- 30.5 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.
- 30.6 In determining attendance at a general meeting, it is immaterial whether any 3 or more Company Members attending it are in the same place as each other.
- 30.7 Any 3 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 the transaction of business at a general meeting is the greater of:
 - 31.1.1 any 3 Company Members; and
 - 31.1.2 one third of the Company Members from time to time (or if their number is not divisible by 3 then the number closest to but not exceeding one third of such members);of which the majority must be Independent Directors.
- 31.2 No business other than the appointment of the chair 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 appoint a chair, the chair shall chair general meetings if present and willing to do so.
- 32.2 If the Directors have not appointed a chair, or if the chair is unwilling to chair the meeting or is not present within 10 minutes of the time at which a meeting was due to start, the Company Members

present must appoint a Director or a Company Member to chair the meeting, and the appointment of the chair 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 chair of the meeting".

33 ATTENDANCE AND SPEAKING BY DIRECTORS AND PERSONS WHO ARE NOT COMPANY MEMBERS

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

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

34 ADJOURNMENT

34.1 If the persons attending a general meeting within 30 minutes 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 chair of the meeting must adjourn it.

34.2 The chair of the meeting may adjourn a general meeting at which a quorum is present if

34.2.1 the meeting consents to an adjournment, or

34.2.2 it appears to the chair 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 chair of the meeting must adjourn a general meeting if directed to do so by the meeting.

34.4 When adjourning a general meeting, the chair of the meeting must either:

34.4.1 specify the time and place to which it is adjourned; or

34.4.2 state that it is to continue at a time and place to be fixed by the Directors, and 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:

34.5.1 to the same persons to whom notice of the Company's general meetings is required to be given, and

34.5.2 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.

35 VOTING: GENERAL

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 Article 38.

36 VOTES OF COMPANY MEMBERS

36.1 Subject to the Act, at any general meeting:

36.1.1 every Company Member who is present in person (or by proxy) shall on a show of hands have 1 vote; and

36.1.2 every Company Member present in person (or by proxy) shall on a poll have 1 vote.

36.2 In the case of an equality of votes the chair of the meeting shall both on a show of hands and on a poll have a casting vote in addition to any other vote the chair may have.

37 ERRORS AND DISPUTES

37.1 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

37.1.1 every vote not disallowed at the meeting is valid; and

37.1.2 any such objection must be referred to the chair of the meeting whose decision is final.

38 POLL VOTES

38.1 A poll on a resolution may be demanded:

38.1.1 In advance of the general meeting where it is put to the vote; or

38.1.2 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

38.3.1 The poll has not yet been taken; and

38.3.2 The chair of the meeting consents to the withdrawal.

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

38.5 Polls must be taken immediately and in such manner as the chair of the meeting directs.

39 PROXIES

Content of Proxy notices

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

39.1.1 states the name and address of the Company Member appointing the proxy;

39.1.2 identifies the person appointed to be that Company Member's proxy and the general meeting in relation to which that person is appointed;

39.1.3 is signed by or on behalf of the Company Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and

39.1.4 is delivered to the Company in accordance with these 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 but each Proxy notice shall contain, as a minimum, the information set out in Article 39.1.

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 1 or more resolutions.

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

39.4.1 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

39.4.2 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.

Delivery of Proxy notices

39.5 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.

39.6 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.

39.7 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.

- 39.8 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.
- 40 WRITTEN RESOLUTIONS
- 40.1 Any resolution of the Company Members may be taken by written resolution in accordance with section 288 of the Act.
- 40.2 A resolution in Writing signed by the required majority of Company Members shall be as valid and effective as if it had been passed at a duly convened and held quorate meeting of the Company Members.
- 41 AMENDMENTS TO RESOLUTIONS
- 41.1 An Ordinary resolution to be proposed at a general meeting may be amended by Ordinary resolution if:
- 41.1.1 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 chair of the meeting may determine), and
 - 41.1.2 the proposed amendment does not, in the reasonable opinion of the chair 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:
- 41.2.1 the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
 - 41.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 41.3 If the chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chair's error does not invalidate the vote on that resolution.

PART 4

42 OMBUDSMAN

- 42.1 The Board of directors shall appoint an Ombudsman in respect of each Scheme that it operates in accordance with the provisions of this article.
- 42.2 An Ombudsman shall be appointed by the Board for a period (such period being not less than 5 years) and on such terms and conditions of engagement as the Board shall think fit, provided that such terms and conditions must:
- 42.2.1 enshrine the independence of the Ombudsman in the performance of their duties;
 - 42.2.2 reflect any relevant requirements imposed by the Ombudsman Association as a condition of accreditation of the relevant Scheme (if applicable) or any statutory requirements relating to the relevant Scheme; and
 - 42.2.3 not contain any provisions entitling the Company to terminate their appointment other than those set out in article 42.4:
- 42.3 An Ombudsman may be re-appointed at the expiry of any period of office for a further term in accordance with article 42.2.
- 42.4 A majority of the Independent Directors may terminate an Ombudsman's employment contract and/or appointment pursuant to article 42.2 by notice in Writing to the Board if:
- 42.4.1 a Bankruptcy order is made against that person;
 - 42.4.2 an arrangement or composition order is made with that person's creditors generally in satisfaction of that person's debts;
 - 42.4.3 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that, that person has become physically or mentally incapable of acting as an Ombudsman and may remain so for more than 3 months;
 - 42.4.4 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
 - 42.4.5 an Ombudsman' resigns, retires, or otherwise terminates their contract of employment or contract for services with the Company;
 - 42.4.6 the Company (acting by a majority vote of the Independent Directors) terminates an Ombudsman's employment contract on the grounds of gross misconduct;
 - 42.4.7 an Ombudsman, ceases to meet the requirements of Article 42.6 or ceases be eligible for the role of Ombudsman based on mandatory criteria set by a supervisory or relevant accreditation body having jurisdiction over the relevant Scheme; or
 - 42.4.8 an Ombudsman commits any act, or fails to act, in a way which in the reasonable opinion of a majority of the Independent Directors means that confidence in the relevant Scheme cannot be maintained.
- 42.5 In the event that an Ombudsman shall be indisposed or otherwise unable to carry out their duties in circumstances that do not give rise to a termination of their appointment, the Board shall appoint any person to act as substitute for the Ombudsman on a temporary basis until the Ombudsman is able to resume their duties. Whilst such substitute shall hold office these Articles shall apply to such person mutatis mutandis in every respect as if they were the Ombudsman (save with respect to the duration of their appointment).
- 42.6 An Ombudsman shall be entitled and required to act in a manner that is impartial and free from bias and shall be independent of the Sector(s) and shall not during the period of 5 years immediately prior to their appointment have held an appointment in the Sector(s) subject to the Ombudsman's jurisdiction.

- 42.7 An Ombudsman shall be entitled to be paid such travelling, hotel and other expenses as are reasonably and properly incurred by the Ombudsman in connection with the business of the Company.
- 42.8 The powers and duties of the Ombudsman shall be set out in the Terms of Reference for the relevant Schemes.
- 42.9 The Board may amend the Terms of Reference of the Scheme(s) from time to time as it sees fit, but in doing so, may not fetter the Ombudsman's independence in running the Scheme(s).
- 42.10 Subject to Article 42.1, an Ombudsman may also be appointed as the Chief Executive of the Company, but may not be a Director or Company Secretary.
- 42.11 The powers and duties of the Chief Executive shall be set out in the Governance Framework. The Chief Executive shall be an employee of the Company and subject to article 42.10, may also hold any other office of the company including as a Director and/or the Company Secretary.

PART 5

ADMINISTRATIVE ARRANGEMENTS

43 MEANS OF COMMUNICATION TO BE USED

- 43.1 Subject to the Articles, 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.
- 43.2 Subject to the Articles, 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, subject to the rules set out within the Governance Framework (as amended from time to time).
- 43.3 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.
- 43.4 Any notice, Document or other information shall be deemed served on or delivered to the intended recipient:
- 43.4.1 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 5 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 5 Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
 - 43.4.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - 43.4.3 if properly addressed and sent or supplied by electronic means, 1 hour after the Document or information was sent or supplied; and
 - 43.4.4 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.

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

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.

- 43.5 Any notice required to be given by the Company to the Company Members and not expressly provided for by these Articles shall be sufficiently given if advertised once in 1 London morning newspaper.

44 NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

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 Company Member.

45 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

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

- 46.1 Subject to Article 47.2 (but without prejudice to any indemnity to which a relevant officer is otherwise entitled):

46.1.1 a relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by that person as a relevant officer:

46.1.1.1 in the actual or purported execution and/or discharge of their duties, or in relation to them; and

46.1.1.2 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 them in defending any civil or criminal proceedings, in which judgment is given in their favour or in which they are acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on their part or in connection with any application in which the court grants that person, in their 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

46.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by that officer in connection with any proceedings or application referred to in Article 46.1.1 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.

47 INSURANCE

47.1 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.

47.2 In this Article:

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

47.2.2 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 Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and

47.2.3 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 they are also a Director or other officer), to the extent they act in their capacity as Auditor).

48 RECORDS OF DECISIONS TO BE KEPT

48.1 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.

48.2 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.

49 CHANGE OF COMPANY NAME

49.1 The name of the Company may be changed by:

49.1.2 a decision of the Directors; or

49.1.3 a Special resolution of the Company Members,

or otherwise in accordance with the Act.