

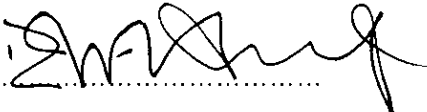
Company number: 01293232

ANNUAL GENERAL MEETING RESOLUTION
of
BRITISH INSURANCE BROKERS' ASSOCIATION
(the "Association")

At an annual general meeting of the Association duly convened and held on 11 July 2017 at 12.30pm the following special resolution was duly passed:

SPECIAL RESOLUTION

1. THAT, the articles of association attached to the notice of the annual general meeting be adopted as the articles of association of the Association in substitution for, and to the exclusion of, the existing articles of association.

Signed:
Director

FRIDAY



A24 *A6AO2F5F* #375
14/07/2017
COMPANIES HOUSE

COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY
GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION
of
BRITISH INSURANCE BROKERS' ASSOCIATION
Incorporated 1st January 1977

Adopted by special resolution of the Association passed on 11 July 2017



PART 1
INTERPRETATION

1. Definitions and interpretation

1.1 In these Articles, unless the context requires otherwise:

"**Act**" means the Companies Act 2006;

"**Advisory Boards**" means the advisory boards constituted pursuant to article 25;

"**Advisory Board Chairman**" means any person from time to time appointed as the chairman of an Advisory Board pursuant to article 26;

"**Advisory Board Members**" has the meaning given to it in article 25.1.1 and "**Advisory Board Member**" shall be construed accordingly;

"**Affiliate Member**" means an affiliate member of the Association, as defined and being subject to the limitations set out in article 35.2.2;

"**Annual General Meeting**" has the meaning given in article 41;

"**Articles**" means these articles of association (as varied or amended from time to time) and any regulations thereunder from time to time in force;

"**Association**" means the British Insurance Brokers' Association;

"**Associate Member**" means an associate member of the Association, as defined and being subject to the limitations set out in article 35.2.3;

"**bankruptcy**" includes individual 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 for the time being of the Association;

"**Chair of Regional Chairs**" means the person from time to time appointed as the chairman of the Regional Chairmen's Committee pursuant to article 33.2;

"Chair of the Insurance Brokers' Standards Committee" means the person from time to time appointed as chairman of the Insurance Brokers' Standards Committee pursuant to article 29;

"chairman" in respect of a General Meeting means the person appointed as chairman of that General Meeting in accordance with article 45;

"Chairman of the Board" means the chairman of the Board, appointed pursuant to article 11.2.1;

"Chief Executive" means the CEO of the Association;

"Code of Conduct" means any rules or code of conduct in place from time to time, created pursuant to article 7;

"Company" in the context of membership means any body corporate (wherever incorporated);

"Deputy Chairman" means the deputy to the Chairman of the Board, appointed pursuant to article 11.2.2;

"Deputy Chair of the Smaller Brokers' Advisory Board" means any person from time to time appointed as the deputy Chairman of the Smaller Brokers' Advisory Board pursuant to article 26;

"director" means a director of the Association and includes any person occupying the position of director, 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 Companies Act 2006;

"Executive Directors" means the representatives of the executive of the Association appointed pursuant to article 11.2.5;

"Extraordinary General Meetings" has the meaning given in article 42;

"Full Member" means a full member of the Association, as defined and being subject to the limitations set out in article 35.2.1;

"General Meeting" means Annual General Meetings and Extraordinary General Meetings;

"Insurance Brokers' Standards Committee" means the committee constituted pursuant to article 28;

"Insurance Business" means insurance business of any of the classes specified in schedule 1 part 1 to the Financial Services and Markets Act (Regulated Activities) Order 2001 No 544;

"Member" means a member of the Association, being either a Full Member, an Associate Member and/or an Affiliate Member and "Membership" shall be construed accordingly;

"month" means calendar month;

"Non-Executive" means the non-executive director of the Association, appointed pursuant to article 11.2.3;

"ordinary resolution" has the meaning given in section 282 of the Companies Act 2006;

"participate", in relation to a directors' meeting, has the meaning given in article 19.1;

"proxy notice" has the meaning given in article 53.1;

"Region" means the regions established pursuant to article 31.1;

"Regional Chairmen's Committee" means the committee comprising the chairmen of the Regional Committees created in accordance with article 33.1;

"Regional Committees" means the regional committees constituted in accordance with article 32;

"Regulations" means any rules or regulations in place from time to time pursuant to article 8;

"Representative" means any person nominated by a Full Member to act as its representative to the Association in accordance with article 37;

"Secretary" means any person appointed by the Board to perform the duties of the secretary of the Association;

"Smaller Brokers" means a Member which employs 30 or less full time employees;

"Smaller Brokers' Advisory Board" means an Advisory Board to represent the interests of smaller brokers;

"special resolution" has the meaning given in section 283 of the Companies Act 2006;

"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;

words in the singular shall include the plural and vice versa;

a reference to one gender shall include a reference to the other genders;

a reference to an **"article"** is a reference to the relevant article of the Articles; and

a reference to a person shall include a natural person or a body of persons whether incorporated or unincorporated.

1.2 Any phrase introduced by the terms "including", "includes" or "in particular" (or any similar expression) shall be construed as illustrative and shall not limit the sense of the words preceding such terms.

1.3 Unless the context otherwise requires, words or expressions contained in the Articles bear the same meaning as in the Act or any statutory modification thereof as in force on the date when the Articles become binding on the Association.

- 1.4 The regulations contained in the model articles for private companies limited by guarantee contained in schedule 2 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall not apply to the Association.

PART 2

OBJECTS AND LIABILITY

2. Objects of the Association

- 2.1 The objects for which the Association is established are the promotion of the insurance broking profession and to promote, represent and protect the best interests of insurance brokers and intermediaries.
- 2.2 The Association shall have the power to do all such lawful things as are incidental or conducive to the pursuit or attainment of its objects.

3. Distribution

- 3.1 The income and property of the Association shall be applied solely in promoting the objects of the Association as set out in article 2.
- 3.2 No dividends or bonuses may be paid or capital otherwise returned to the Members, provided that nothing in the Articles shall prevent any good faith payment by the Association of:
- 3.2.1 reasonable and proper remuneration to any Member, officer or servant of the Association for any services rendered to the Association;
 - 3.2.2 any interest on money lent by any Member or any director at a reasonable and proper rate;
 - 3.2.3 reasonable and proper rent for premises demised or let by any Member or director; or
 - 3.2.4 reasonable out of pocket expenses properly incurred by any director.

4. Liability of Members

- 4.1 The liability of each Member is limited to £1, being the amount that each Member undertakes to contribute to the assets of the Association in the event of the Association being wound up while it is a Member or within one year after it ceases to be a Member, for:
- 4.1.1 payment of the Association's debts and liabilities contracted before it ceases to be a Member;
 - 4.1.2 payment of the costs, charges and expenses of winding up; and
 - 4.1.3 adjustment of the rights of the contributories among themselves.

PART 3

THE BOARD

POWERS AND RESPONSIBILITIES OF THE BOARD

5. The Board's general authority

The Board shall be responsible for the management of the Association's business, for which purpose it may exercise all the powers of the Association (subject to the Articles and the provisions of any Code of Conduct in place from time to time).

6. Delegation of the powers of the Board

- 6.1 Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the Articles to such person or committee, by such means, to such an extent and on such terms and conditions as they think fit.
- 6.2 If the directors so specify any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 6.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions, as they think fit.

7. Code of Conduct

- 7.1 The Board may in its absolute discretion introduce a code of conduct to, amongst other things, regulate and provide guidance to Members (and may consequently amend, replace or retract such code of conduct as it considers necessary or desirable from time to time).
- 7.2 If there is a conflict between any Code of Conduct and the Articles, the terms of the Articles shall prevail.

8. Rules and regulations

- 8.1 The directors may establish such rules and regulations governing matters relating to the Association which the Board considers to be necessary or desirable from time to time for the effective operation of the Association (including, for example, relating to categories of Members, fees and subscriptions, admission criteria for Members or selection criteria for directors).
- 8.2 If there is a conflict between any Regulations and the Articles, the terms of the Articles shall prevail.

9. Powers of attorney

- 9.1 The Board may from time to time and at any time by power of attorney appoint any one or more director to act as attorney or attorneys of the Association for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under the Articles) and for such period and subject to such conditions as it may think fit.
- 9.2 Any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise such attorney to delegate all or any of the powers, authorities and discretion vested in him.

CONSTITUTION OF THE BOARD

10. Constitution of the Board

- 10.1 Subject to the provisions of the Articles, the Board shall so far as possible comprise:
 - 10.1.1 the Chairman of the Board;

- 10.1.2 the Deputy Chairman;
- 10.1.3 the Non-Executive;
- 10.1.4 the Chief Executive;
- 10.1.5 up to two other Executive Directors in addition to the Chief Executive;
- 10.1.6 the Chair of Regional Chairs;
- 10.1.7 each Advisory Board Chairman;
- 10.1.8 the deputy Chair of the Smaller Brokers' Advisory Board; and
- 10.1.9 the Chair of the Insurance Brokers' Standards Committee.
- 10.2 The constitution of the Board shall be subject to periodical review at such times as the Board shall determine provided that such a review shall take place at least once in every 3 year period.

APPOINTMENT AND REMOVAL OF DIRECTORS

11. Appointment of directors

- 11.1 Subject to the Articles (in particular, article 10 and the remainder of this article 11) and to any Regulations, the Board shall be entitled to appoint as directors such persons who are willing to act and are permitted by law to do so.
- 11.2 Subject to the Articles, the directors shall appoint to the Board such persons to act:
 - 11.2.1 as the chairman of the Board for an initial term of three years at the end of which such Chairman of the Board, should he wish to continue to act, may be re-appointed at the discretion of the Board, provided that no Chairman of the Board shall be appointed or permitted to serve for more than two consecutive terms or for a period of more than six years;
 - 11.2.2 as the deputy to the Chairman of the Board for a maximum term of three years, provided that no Deputy Chairman shall be permitted to serve consecutive terms;
 - 11.2.3 as an independent non-executive director for a maximum initial term of three years, at the end of which such director, should he wish to continue to act, may be re-appointed at the discretion of the Board, provided that no Non-Executive shall be appointed or permitted to serve for more than two consecutive terms or for a period of more than six years;
 - 11.2.4 as the Chief Executive; and
 - 11.2.5 as representatives of the executive of the Association (subject to there being no more than two such Executive Directors appointed to the Board, not including the Chief Executive).
- 11.3 The Chair of Regional Chairs and each Advisory Board Chairman shall, in each case with effect from the date of his appointment to his respective position (for the purposes of this article 11.3, that person's "**Position**"), be automatically appointed as a director of the Board and shall, subject to the Articles and any Regulations, remain so appointed for so long as he continues to hold his Position.

11.4 In the event that any doubt or question shall arise as to:

11.4.1 the eligibility of any person to be a director under the provisions of the Articles;

11.4.2 whether any person is due to retire under the provisions of the Articles;

11.4.3 the interpretation of any regulation made pursuant to the Articles; or

11.4.4 whether there is any matter of dispute relevant to the selection of any director under such regulations,

then the matter shall be referred to the Chairman of the Board or, in his absence or where such doubt or question arises in relation to the Chairman of the Board, the Deputy Chairman, who shall decide the matter in accordance with the principles set out in the Articles or any relevant Regulations and whose decision shall be final and binding upon the Association.

11.5 All acts done by any meeting of the Board or of a committee of the Board (or by any member of either of them) shall, notwithstanding that it is subsequently discovered that there was some defect in the appointment of any person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Board member or committee member.

12. Directors' remuneration

12.1 Directors may undertake any services for the Association that the directors decide and are entitled to such remuneration as the directors determine:

12.1.1 for their services to the Association as directors; and

12.1.2 for any other service which they undertake for the Association .

12.2 Subject to the Articles, a director's remuneration may:

12.2.1 take any form; and

12.2.2 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.

13. Directors' expenses

The Association may, at its discretion, pay any reasonable expenses which the directors properly incur in connection with their attendance at meetings of directors (or committees of directors) or general meetings or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Association.

14. Termination of director's appointment

14.1 A person ceases to be a director as soon as:

14.1.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;

14.1.2 that person is suspended or disqualified from being a director or from being engaged in or carrying on Insurance Business by the Financial Conduct Authority or any other relevant regulatory body or otherwise ceases to hold

any relevant professional qualification the holding of which is required by the Association as a condition of the person being a director;

- 14.1.3 a bankruptcy order is made against that person;
 - 14.1.4 a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - 14.1.5 a registered medical practitioner who is treating that person gives a written opinion to the Association stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
 - 14.1.6 by reason of that person's mental health, a court of competent jurisdiction makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
 - 14.1.7 notification is received by the Association from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms;
 - 14.1.8 that person is directly or indirectly interested in any contract with the Association and fails to declare the nature of his interest in manner required by section 182 - 187 of the Act and the Board resolves that his office be vacated, the director in question not being entitled to vote on such resolution;
 - 14.1.9 the term of his appointment ends pursuant to article 11;
 - 14.1.10 in the case of an Executive Director appointed pursuant to article 11.2.5, that person ceases to be a member of the executive;
 - 14.1.11 in the case of a director automatically appointed to the Board pursuant to article 11.3, that person ceases to hold their Position (as such term as defined in article 11.3);
 - 14.1.12 that person has for more than six months been absent without permission of the Board from meetings of the Board held during that period and the Board resolves that his office be vacated, the director in question not being entitled to vote on such resolution; or
 - 14.1.13 that person is removed from office by a resolution of the Board approved by three-quarters of the Board at a meeting specially convened for the purpose and at which the director in question has been given reasonable opportunity of speaking on his behalf, the director in question not being entitled to vote on such resolution.
- 14.2 The Association may by ordinary resolution, of which special notice has been given in accordance with section 312 of the Act, remove any director notwithstanding anything in the Articles or in any agreement between the Association and such director. Such removal shall be without prejudice to any claim such director may have for damages for breach of any contract of service between him and the Association.

15. **SECRETARY**

The Board may appoint a person who is willing to act as the secretary on such terms, at such remuneration and upon such conditions as it may think fit. and from time to time to remove such person and, if the directors so decide, appoint a replacement.

PROCEEDINGS OF THE BOARD

16. Directors to take decisions collectively

- 16.1 The directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit provided that the directors shall seek to arrange not less than four meetings of the Board in any one-year.
- 16.2 The general rule about decision-making by the Board is that any decision of the Board must be either:
 - 16.2.1 a majority decision at a meeting; or
 - 16.2.2 a unanimous decision taken in accordance with article 17.1.

17. Unanimous decisions

- 17.1 A decision of the Board of 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. Such a decision may take the form of a resolution in writing signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing. Any such resolution shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Any such resolution may consist of several documents in the like form each signed or agreed to in accordance with this article.
- 17.2 References to "eligible directors" are to all the Board members for the time being entitled to receive notice of a meeting of the Board and who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting. A decision may not be taken in accordance with article 17.1 if the eligible directors would not have formed a quorum at such a meeting.

18. Calling a Board meeting

- 18.1 The Chairman of the Board or three Board members may, and the secretary on the requisition of the Chairman of the Board or three Board members shall, at any time, summon a meeting of the Board.
- 18.2 At least four days' notice of a meeting of the Board shall be given, except in cases of emergency.
- 18.3 Notice of any meeting of the Board must indicate:
 - 18.3.1 its proposed date and time;
 - 18.3.2 where it is to take place; and
 - 18.3.3 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.
- 18.4 Notice of a Board meeting must be given to each director, but need not be in writing.
- 18.5 Notice of a Board meeting need not be given to directors who waive their entitlement to notice of that meeting by giving notice to that effect to the Association either generally during a particular period or specifically, and in either case either before or not more than 7 days after the date on which the meeting in question is held. Where

such notice is given after the meeting has been held, that does not affect the validity of the meeting or of any business conducted at it.

19. Participation in Board meetings

19.1 Subject to the Articles, directors participate in a Board meeting, or part of a Board meeting, when:

19.1.1 the meeting has been called and takes place in accordance with the Articles; and

19.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting.

19.2 Subject to the Articles and the Act, directors participating in a Board meeting in accordance with article 19.1.2 shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the person chairing the meeting then is.

20. Quorum for Board meetings

20.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

20.2 The quorum for the transaction of the business of the Board shall be fixed from time to time by the Board but shall not be less than four directors, at least one of whom must be an Executive Director, eligible to count in the quorum and vote.

20.3 If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision:

20.3.1 to appoint further directors; or

20.3.2 to call a General Meeting so as to enable the Members to appoint further directors.

21. Chairing the meeting

If at any meeting the Chairman of the Board is not present within five minutes of the time appointed for holding the same, the Deputy Chairman shall act as chairman of the meeting and if the Deputy Chairman is not present the directors present may elect one of their number to be chairman of the meeting.

22. Casting vote

If the numbers of votes for and against a proposal are equal, the Chairman of the Board or other director chairing a meeting of the Board shall have a second or casting vote except where, in accordance with the Articles, that person is not to be counted as participating in the decision-making process for quorum or voting purposes.

23. Conflicts of interest

23.1 If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the Association in which a director is interested, that

director is not to be counted as participating in the decision-making process for quorum or voting purposes unless:

23.1.1 the Association by ordinary resolution disapplies the provision of the Articles which would otherwise prevent a director from being counted as participating in the decision-making process;

23.1.2 the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or

23.1.3 the director's conflict of interest arises from a permitted cause,

in which case, a director who is interested in an actual or proposed transaction or arrangement with the Association is to be counted as participating in the decision-making process for quorum and voting purposes.

23.2 For the purposes of article 23.1.3, the following are permitted causes:

23.2.1 a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the Association or any of its subsidiaries;

23.2.2 subscription, or an agreement to subscribe, for securities of the Association or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and

23.2.3 arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the Association or any of its subsidiaries which do not provide special benefits for directors or former directors.

23.3 For the purposes of the Articles, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

23.4 Subject to article 23.5, 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 Chairman of the Board whose ruling in relation to any director other than the Chairman of the Board is to be final and conclusive.

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

24. Directors' discretion to make further rules

Subject to the 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.

PART 4 COMMITTEES AND ADVISORY BOARDS ADVISORY BOARDS

25. Constitution

- 25.1 The Board shall constitute such Advisory Boards as it considers necessary or desirable from time to time to represent its Members, each Advisory Board to comprise such persons as the Board thinks fit provided that:
- 25.1.1 each Advisory Board shall comprise a maximum of 12 Members (the "**Advisory Board Members**");
- 25.1.2 each Advisory Board Member shall be a Representative of a Full Member;
- 25.1.3 each Advisory Board Member shall serve for a fixed term, to be determined by the Board.
- 25.2 The Board shall produce terms of reference for each Advisory Board.
- 25.3 The Board shall undertake a periodical review of the Advisory Board structure at least once in every five year period.

26. Chairman of each Advisory Board

- 26.1 Each Advisory Board shall appoint its own chairman. The chairman shall be an Advisory Board Member and consequently an Advisory Board Chairman's appointment shall cease automatically should that Advisory Board Chairman cease to qualify as an Advisory Board Member (whether pursuant to the Articles, any Regulations or any rules that apply to that Advisory Board pursuant to article 34.1).
- 26.2 On the appointment of any Advisory Board Chairman, the relevant Advisory Board shall promptly inform the Board of the appointment and provide the Board with such information about that Advisory Board Chairman as it shall acting reasonably request.
- 26.3 Each Advisory Board Chairman shall be appointed for a maximum initial term of three years, at the end of which such Advisory Board Chairman, should he wish to continue to act, may be re-appointed at the discretion of the relevant Advisory Board, provided that no Advisory Board Chairman shall be appointed or permitted to serve as an Advisory Board Chairman for more than two consecutive terms or for a period of more than six years.
- 26.4 An Advisory Board Chairman shall automatically cease to hold his position as chairman of the relevant Advisory Board on, and with effect from the date of, termination of his appointment with the Board.

27. Meetings of Advisory Boards

- 27.1 Each Advisory Board shall meet at least three times a year.
- 27.2 Any of the Chairman, Deputy Chairman, the Non-Executive, the Chief Executive, any Executive Director or any other person forming part of the Association's executive shall be entitled to attend any meeting of any Advisory Board.

INSURANCE BROKERS' STANDARDS COMMITTEE

28. Constitution

- 28.1 The Insurance Brokers' Standards Committee shall be constituted in the same manner as an Advisory Board in accordance with article 25.

29. Chairman of the Insurance Brokers' Standards Committee

- 29.1 The Insurance Brokers' Standards Committee shall appoint a chairman in the same manner as an Advisory Board in accordance with article 26.

30. Proceedings of the Insurance Brokers' Standards Committee

- 30.1 The Insurance Brokers' Standards Committee shall meet at least three times a year.
- 30.2 Any of the Chairman, Deputy Chairman, the Non-Executive, the Chief Executive, any Executive Director or any other person forming part of the Association's executive shall be entitled to attend any meeting of the Insurance Brokers' Standards Committee.
- 30.3 In addition to the Articles, the Insurance Brokers' Standards Committee shall be operated by its members in accordance with the Insurance Brokers' Standards Committee's terms of reference (as amended from time to time).

REGIONS

31. Regions

- 31.1 The Board shall establish Membership regions and may subsequently amend the boundaries of any such Region.
- 31.2 Subject to article 31.4, every Full Member shall belong to and be deemed to be:
- 31.2.1 a Full Member of the Region where its office is located (where such Member has only one office); or
- 31.2.2 where such Member has more than one office or carries on business from more than one location, a Full Member of each Region within which it has an office or carries on its business.
- 31.3 In the event of any question or dispute arising concerning the Region or Regions to which a Full Member is deemed to belong, the decision of the Board shall be final and binding.
- 31.4 Notwithstanding the provisions of the Articles and in particular article 31.2.1, the Board may agree with a Full Member that it shall be deemed to be a Full Member of and belong to a particular Region notwithstanding that it does not carry on business from an office in that Region.

32. Regional Committees

- 32.1 Each Region shall have a Regional Committee.
- 32.2 Members of a Regional Committee must be Representatives of Full Members deemed to belong to such Region. Affiliate Members and representatives of Associate Members may be co-opted from time to time to Regional Committees but as observers only.
- 32.3 The Board shall have the power to make regulations from time to time in respect of, and to make decisions on, all matters affecting or appertaining to Regions or Regional Committees. Without prejudice to the generality of the foregoing such regulations may govern the powers, functions and procedures of Regions and Regional Committees and of meetings thereof and the constitution of Regional Committees and the election, appointment and removal of Regional Committee members. No such regulations under this article shall be inconsistent with any provisions of the Articles.

- 32.4 Subject to article 32.5, each Regional Committee shall appoint a chairman who shall be selected from the Members of that Regional Committee and, when appointed, shall continue to serve for a period of 1 year or until such time as he ceases to qualify as a member of that Regional Committee, whichever is sooner, provided that no chairman of a Regional Committee shall be appointed or permitted to serve for more than two consecutive terms or for a period of more than two years.
- 32.5 The appointment of the chairman of each Regional Committee must be approved by the Board. Each Regional Committee shall submit details of its proposed chairman to the Board as soon as reasonably practicable after that person's appointment has been proposed. Such person's appointment as chairman of the relevant Regional Committee will take effect on the date on which the Board notifies the relevant Regional Committee of its approval of the appointment. If the Board does not approve the appointment of any chairman of a Regional Committee in accordance with this article 32.5, that Regional Committee must submit details of a proposed alternative chairman.

33. Regional Chairmen's Committee

- 33.1 With effect from his appointment, the chairman of each Regional Committee shall automatically become a member of the Regional Chairmen's Committee (and shall cease to be a member on termination of his position as chairman of the relevant Regional Committee).
- 33.2 The Regional Chairmen's Committee shall appoint its own chairman who shall be appointed for a maximum initial term of one year, at the end of which time such person, should he wish to continue to act, may be re-appointed as Chair of the Regional Chairs at the discretion of the Regional Chairmen's Committee, provided that the Chair of the Regional Chairs shall at all times be a member of the Regional Chairmen's Committee. No person shall be appointed or permitted to serve as Chair of the Regional Chairs for more than two consecutive terms or for a period of more than two years.
- 33.3 On the appointment of a person as its chairman, the Regional Chairmen's Committee shall promptly inform the Board of the appointment and provide the Board with such information about that person as it shall acting reasonably request.
- 33.4 The Chair of the Regional Chairs shall automatically cease to hold his position as Chair of the Regional Chairs:
- 33.4.1 on termination of his appointment from the Board; or
- 33.4.2 on ceasing to be a member of the Regional Chairmen's Committee.

REGULATIONS

34. Committees: General

- 34.1 Each committee to which the directors delegate any of their powers, including the Advisory Boards, the Regional Committees and the Regional Chairmen's Committee, shall be permitted from time to time to make its own rules and regulations to govern all matters relating to it (including its powers, duties, constitutions and proceedings for its meetings including the quorum, voting thereat and appointment of chairmen and the delegation of its powers and functions to sub-committees) except that:
- 34.1.1 committees 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; and

34.1.2 the provisions of:

- (a) the Articles;
- (b) any Code of Conduct; or
- (c) any Regulations,

shall take precedence over any rules created pursuant to this article 34, in the event of inconsistency between them.

PART 5
MEMBERS
BECOMING AND CEASING TO BE A MEMBER

35. Classes of membership

35.1 The Association is registered with an unlimited number of Members. Members of the Association may be Full Members, Affiliate Members or Associate Members.

35.2 Subject to the provisions of the Articles:

35.2.1 Full Membership of the Association shall be open to any business (whether or not incorporated and however constituted) operating as an intermediary of Insurance Business;

35.2.2 Affiliate Membership shall be open to any business (whether or not incorporated and however constituted) outside the primary general insurance area at the invitation of the Association. For the avoidance of doubt Affiliate Members have no voting rights;

35.2.3 Associate Membership shall be open to insurance professionals and intermediaries operating in the secondary market (that is outside the primary general insurance area) and applications for Membership will be made via the insurance professionals and intermediaries' trade body or institution. Applications for Associate Membership will be vetted by the Association. For the avoidance of doubt Associate Members have no voting rights; and

35.3 Membership shall be open to such other businesses (whether or not incorporated and however constituted) qualified under any Regulations laid down by the Board from time to time.

35.4 All applications for:

35.4.1 Full Membership shall be made in writing in such form as the Board shall from time to time prescribe;

35.4.2 Affiliate Membership may only be made after receipt by the applicant of an invitation from the Association; and

35.4.3 Associate Membership must be made in writing.

35.5 Applicants for all categories will be required to provide such information and application fees as may be required by the Board.

35.6 Notwithstanding article 35.2, all admissions to Membership shall be at the absolute discretion of the Board.

35.7 It shall be the duty of every Member to give to the Association such information as the Board may from time to time require in connection with that Member's business.

36. Termination of membership

36.1 In respect of any Member, Membership of the Association shall cease forthwith:

36.1.1 on that Member submitting his resignation in writing to the Secretary;

36.1.2 on non-payment by that Member of subscription as provided by article 40.3;

36.1.3 if that Member fails to comply with any provisions of the Articles or of its Membership or any Regulations and, where such non-compliance is capable of remedy, it fails to remedy the same within 14 days of receipt by it of notice from the Association requiring it to do so;

36.1.4 if the Board resolves that its Membership shall cease, provided that no such resolution shall be effective unless it is passed by a meeting of the Board at which the Member shall have been given reasonable opportunity to speak on his own behalf;

36.1.5 if a Member ceases to be eligible in accordance with the Articles or any Regulations; or

36.1.6 if a Member dies or ceases to exist.

36.2 Membership is not transferable.

MEMBERS' REPRESENTATIVES

37. Members' Representatives

37.1 In order to exercise any of the rights of Full Membership of the Association and subject to meeting the necessary criteria for Full Membership, a Full Member is required to nominate a person to act as its Representative to the Association with the power to generally exercise all rights of Membership on behalf of that Full Member. A Full Member may revoke a nomination and nominate another Representative in his place. A Full Member shall give all information that may be required by the Board regarding such Representative. Affiliate and Associate Members have no right to nominate representatives.

37.2 All nominations and revocations shall be effective only upon being notified in writing to the Secretary. Upon receipt by the Secretary of any revocation, such person shall ipso facto cease to be a Representative of such Full Member, and any person nominated in his place shall be and become the Representative.

MEMBERSHIP SUBSCRIPTIONS

38. Annual subscription

Each Member shall pay by way of annual subscription such amounts (if any) as may be determined from time to time by the Board in respect of each Member provided that the Board shall be entitled in its absolute discretion to charge different amounts (if any) by way of annual

subscription from different Members. The Board can determine that one annual subscription in each year shall be payable in respect of Member Companies having a common holding Company and of the holding Company.

39. Additional subscription

- 39.1 If in respect of any financial year the accounts of the Association show an excess of expenditure over income (the "**Excess**") the Board may in its absolute discretion resolve that those persons who were Members during that financial year (or any part thereof) (the "**Relevant Members**") shall be liable to pay to the Association such Excess (or a proportion thereof, as determined by the Board). Where the Board resolves that such payment must be made, it will issue to each of the Relevant Members a notice setting out the amount that Member must pay, following which each Relevant Member shall pay to the Association the amount set out in the notice, in accordance with the notice, within 21 days after the date thereof.
- 39.2 No Member shall be entitled to dispute the amount of or liability to pay any additional subscription and the Board shall be entitled in its absolute discretion to call upon different Members to pay different amounts by way of additional subscriptions, provided that the Board in exercising its discretion may have regard to any scale of subscriptions payable by different Members.
- 39.3 Unless the context otherwise requires, the word "subscription" shall include any additional amount payable under this article 39.

40. Payments

- 40.1 The Board shall from time to time determine the times and manner of payment of subscriptions and shall be entitled to make provision for payment of an appropriate part of any subscription where, in the year of admission, Membership is not held for the full year for which such subscription is payable.
- 40.2 Applicants for Membership shall pay their first subscription (if any) on election and they shall not become Members or have their names entered on the register of Members until such first subscription (if any) has been paid.
- 40.3 Without prejudice to the provisions of article 53.5, any Member whose subscription is not paid within three months of the commencement of the financial year for which the subscription is due, or in the case of an additional subscription payable under article 39 within three months after notice requiring payment has been given to the Member, shall, unless the Board shall decide otherwise before the expiration of such period, ipso facto, cease to be a Member of the Association and his name shall thereupon be removed from the register of Members.
- 40.4 A member which ceases to be a Member at any time and which is indebted to the Association for any subscription, or becomes indebted for any additional subscription under article 39, shall remain liable to pay the same to the Association notwithstanding that it shall have ceased to be a Member of the Association.

ORGANISATION OF GENERAL MEETINGS

41. Annual General Meeting

- 41.1 The Association shall in each year hold a General Meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it.

- 41.2 Not more than fifteen months shall elapse between the date of one Annual General Meeting of the Association and that of the next. The Annual General Meeting shall be held at such time and place as the Board shall determine.

42. Extraordinary General Meetings

- 42.1 All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
- 42.2 The Board may, whenever it thinks fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisitions as provided by sections 303 to 305 of the Act.

43. Notice of General Meetings

- 43.1 General Meetings shall be called by at least fourteen days' notice in writing (exclusive of the day on which such notice is given).
- 43.2 Every notice of a General Meeting shall specify the place, the day and the time of the General Meeting and the general nature of the business to be considered at that meeting.
- 43.3 Notice of every General Meeting of the Association shall be given to:
- 43.3.1 every Full Member, except those which (having no registered address within the United Kingdom) have not supplied to the Association an address within the United Kingdom for the giving of notice to them;
 - 43.3.2 the auditor for the time being of the Association; and
 - 43.3.3 every Board member.
- 43.4 No other party shall be entitled to receive notices of General Meetings.
- 43.5 Notice shall be given in the manner set out in this article 43 or in such other manner as may be prescribed by the Association in General Meeting.
- 43.6 The accidental omission to give notice of a General Meeting to, or the non-receipt of notice of a General Meeting by, any person entitled to receive notice shall not invalidate the proceedings at that General Meeting.

44. Quorum for General Meetings

- 44.1 No business other than the appointment of the chairman is to be transacted at any General Meeting if the persons attending it do not constitute a quorum at the time when the General Meeting proceeds to business. A quorum shall consist of not less than six Full Members who are entitled to vote at the General Meeting and are present by their respective Representatives or by proxy.
- 44.2 If within half an hour from the time appointed for the General Meeting, a quorum is not present, the General Meeting, if convened upon a requisition of Members, shall be dissolved. In any other case, the Representatives and proxies present shall constitute a quorum.

45. Chairing General Meetings

- 45.1 The Chairman of the Board shall preside as chairman at every General Meeting or, if he is not present within fifteen minutes after the time appointed for the holding of the

General Meeting or is unwilling to act, the Deputy Chairman shall be chairman of the General Meeting or, failing him, the Board members present shall elect one of their number to be chairman of the General Meeting.

- 45.2 If at any General Meeting no Board member is willing to act as chairman, or if no Board member is present within fifteen minutes from the time appointed for holding the General Meeting, the Representatives present shall elect one of their number to be chairman of the General Meeting.

46. Adjournment

- 46.1 The chairman of the General Meeting may, with the consent of any General Meeting at which a quorum is present (and shall, if so directed by the General Meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned General Meeting other than the business left unfinished at the General Meeting from which the adjournment took place.
- 46.2 The chairman of the General Meeting may adjourn the meeting if it appears to him 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.
- 46.3 When adjourning a General Meeting, the chairman must:
- 46.3.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and
- 46.3.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 46.4 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Association must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given) and notice of the adjourned General Meeting shall be given as in the case of an original General Meeting.
- 46.5 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.
- 46.6 Save as aforesaid, it shall not be necessary to give notice of an adjournment or of the business transacted at an adjourned General Meeting.

ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

47. Members acting by Representative at General Meetings

- 47.1 Subject to articles 47.2 and 53, each Member's attendance at a General Meeting shall be by its Representative.
- 47.2 A Member may appoint a corporate representative which is not its Representative to act on its behalf at a General Meeting provided that it gives notice of the same to the Association (prior to the commencement of the General Meeting at which that representative will attend).

48. Attendance and speaking at General Meetings

- 48.1 A person is able to exercise the right to speak at a General Meeting when that person is in a position to communicate to all those attending the meeting, during the meeting,

any information or opinions which that person has on the business of the meeting. A person is able to exercise the right to vote at a General Meeting when:

48.1.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

48.1.2 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.

48.2 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.

48.3 In determining attendance at a General Meeting, it is immaterial whether any two or more Members attending it are in the same place as each other.

48.4 Two or more persons who are not in the same place as each other attend a General Meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

49. Attendance and speaking by directors and non-Members

49.1 Directors may attend and speak at General Meeting, whether or not they are Members.

49.2 The chairman of a General Meeting may permit other persons who are not:

49.2.1 Members of the Association, or

49.2.2 otherwise entitled to exercise the rights of Members in relation to General Meeting,

to attend and speak at a General Meeting.

VOTING AT GENERAL MEETINGS

50. Voting: General

50.1 Subject to the Act, at any General Meeting every Full Member who is present in person or by proxy shall:

50.1.1 on a show of hands, be entitled to one vote; and

50.1.2 on a poll, be entitled to one vote for every £1,000 of subscription or part thereof paid by or on behalf of that Full Member in the calendar year in which the vote is cast (excluding any additional subscription paid or payable in accordance with article 39). In the absence of manifest error, the decision of the chairman on the number of votes a Member may cast shall be conclusive provided that person

50.2 Subject to article 51.7, the chairman if not otherwise entitled shall have one vote.

51. Poll votes

51.1 At any General Meeting a resolution put to the vote shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:

51.1.1 by the chairman;

51.1.2 by not less than five Members present and entitled to vote thereat; or

51.1.3 by any Members present in person or by Representative or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote on the resolution.

51.2 Unless a poll is so demanded, a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Association shall be conclusive evidence of the fact without proof of number or proportion of the votes recorded in favour of or against such resolution.

51.3 If a poll is demanded, any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

51.4 A poll may not be demanded on the election of a chairman, or on a question of adjournment.

51.5 The demand for a poll may be withdrawn if:

51.5.1 the poll has not yet been taken; and

51.5.2 the chairman consents to the withdrawal.

51.6 Subject to article 51.4, if a poll is demanded it shall be taken at such time and place and in such manner as the chairman shall direct, with the exception that the Association will not conduct a postal ballot. The result of the poll shall be deemed to be the resolution of the General Meeting at which the poll was demanded.

51.7 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a second or casting vote.

52. Errors and disputes

52.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

52.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

53. Voting by proxy

53.1 Votes may be given by proxy in accordance with this article 53.

53.2 In order to be valid, proxies must be submitted by not later than 48 hours before the General Meeting to which they apply.

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

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

53.4.1 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

53.4.2 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.

53.5 No Member shall be entitled to vote at any General Meeting or at any meeting of a Region or in any ballot unless all monies presently due and payable by that Member have been paid to the Association. The decision of the chairman shall be conclusive as to whether a Member is so entitled to vote.

54. Delivery of proxy notices

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

54.2 An appointment under a proxy notice may be revoked by delivering to the Association a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

54.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

54.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

54.5 A proxy notice which is not delivered in such manner shall be invalid unless the directors in their absolute discretion accept such notice at any time before the meeting to which it relates.

55. Amendments to resolutions

55.1 An ordinary resolution to be proposed at a General Meeting may be amended by ordinary resolution if:

55.1.1 notice of the proposed amendment is given to the Association in writing by a person entitled to vote at the General Meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman may determine); and

55.1.2 the proposed amendment does not, in the reasonable opinion of the chairman, materially alter the scope of the resolution.

55.2 A special resolution to be proposed at a General Meeting may be amended by ordinary resolution, if:

55.2.1 the chairman of the meeting proposes the amendment at the General Meeting at which the resolution is to be proposed; and

55.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

55.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 6

ADMINISTRATIVE ARRANGEMENTS

56. Means of communication to be used

- 56.1 Subject to the Articles, anything sent or supplied by or to the Association under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Association.
- 56.2 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.
- 56.3 A director may agree with the Association 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.

57. No right to inspect accounts and other records

Except as provided by law or authorised by the directors or an ordinary resolution of the Association, no person is entitled to inspect any of the Association's accounting or other records or documents merely by virtue of being a Member.

58. Records

- 58.1 The Board shall cause minutes to be made in books provided for that purpose:
- 58.1.1 of all appointments of officers made by the Board;
 - 58.1.2 of the names of those present at each meeting of the Board and of any committee of the Board;
 - 58.1.3 of all resolutions and proceedings at all General Meetings of the Association, and of all meetings the Board, and of committees of the Board.
- 58.2 The directors must ensure that the Association 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.

59. Finance

- 59.1 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Association, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.
- 59.2 The Board may exercise all the powers of the Association to borrow money, to mortgage or charge its undertaking and property, or any part thereof, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Association.
- 59.3 Once at least in every year the accounts of the Association shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by one or more properly qualified auditor or auditors.
- 59.4 The Board shall cause accounting records to be kept in accordance with sections 386-389 of the Act.

DIRECTORS' INDEMNITY AND INSURANCE

60. Indemnity

60.1 Subject to article 60.2, but without prejudice to any indemnity to which the director or other officer may otherwise be entitled every director or other officer of the Association shall be indemnified out of the assets of the Association against:

60.1.1 any liability incurred by that director or other officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Association;

60.1.2 any liability incurred by that director or other officer in connection with the activities of the Association in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006); and

60.1.3 any other liability incurred by that director or other officer of the Association.

60.2 Article 60.1 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

61. Insurance

The Association shall purchase and maintain for all directors or other officers of the Association insurance against any loss or liability which by virtue of any rule of law would otherwise attach to him in respect of negligence, default, breach of duty or breach of trust of which he may be guilty in connection with that director's duties or powers in relation to the Association.

62. Winding Up

62.1 If upon the winding-up or dissolution of the Association there remains, after the satisfaction of all the Association's debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members of the Association but shall be given or transferred:

62.1.1 to some other institution not formed or carrying on business for profit having objects similar to the objects of the Association (such institution to be determined by the Members of the Association at or before the time of dissolution); or

62.1.2 if and so far as effect cannot be given to the aforesaid provision, to some other charitable object.