

"These are the Regulations submitted to an Extraordinary General Meeting of the Association on Wednesday 11th November, 1987 and marked "B"."

Gordon Polson
Secretary

COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL

1293232

New

ARTICLES OF ASSOCIATION

- of -

BRITISH INSURANCE AND INVESTMENT BROKERS' ASSOCIATION

(Adopted on 11th November, 1987
to take effect from 1st January, 1988)

INTERPRETATION

1. IN these Presents :-

"authorised person" means a person authorised under Chapter III of Part I of the Financial Services Act 1986

"the Act" means the Companies Act 1985

"the Association" means British Insurance and Investment Brokers' Association

"collective investments" means investments comprised in collective investment schemes

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

"the Council" means the Council for the time being of the Association

"employee broker" means (i) a Registered Insurance Broker who is employed by a sole proprietor who is a member or by a member firm or member company but shall not include a director; or (ii) an individual who is employed by a sole proprietor who is a member or by a member firm or member company (but shall not include a director) who or which is an investment broker and who is engaged in concluding transactions with or on behalf of clients or in advising clients in the course of investment business

"Enrolled Body Corporate" means a body corporate enrolled in the list maintained under Section 4(1) of the Registration Act

"firm" means a partnership within the Partnership Act 1890 or the Limited Partnerships Act 1907

"general business" means insurance business of any of the classes specified in Part I of Schedule 2 to the Insurance Companies Act 1982

"insurance broker" has the same meaning as in the Registration Act

"investment broker" means sole proprietors, firms or companies who are authorised persons and who market collective investments but who are not insurance brokers for any general business

"Lloyd's Brokers" means sole proprietors, firms or companies accepted as such by the Committee of Lloyd's

"member company" means a company which is a member of the Association and "member firm" means a firm having a representative pursuant to Article 5

"the Office" means the Registered Office of the Association

"Principal" means (i) a Registered Insurance Broker who is a partner of a member firm or director of a member company; or (ii) a person engaged in concluding transactions with or on behalf of clients in the course of investment business who is a partner of a member firm or director of a member company

"Registered Insurance Broker" and "registered" have the same meanings as in the Registration Act

"the Registration Act" means the Insurance Brokers (Registration) Act 1977 and any statutory modification or re-enactment thereof

"the seal" means the Common Seal of the Association

"Secretary" means any person appointed by the Council to perform the duties of the Secretary of the Association

"sole proprietor" means (i) a Registered Insurance Broker who carries on business as an insurance broker on his own account; or (ii) a person who carries on business as an investment broker on his own account

"these Presents" means the Articles of Association and any Regulations made thereunder from time to time in force

"month" means calendar month

"in writing" means written, printed, lithographed or photographically copied, or partly one and partly another, and other modes of representing or reproducing words in a visible form

Words importing the singular number only shall include the plural number, and vice versa

Words importing the masculine gender only shall include the feminine gender; and

Words importing persons shall include bodies of persons whether incorporated or unincorporated

Subject as aforesaid, any words or expressions defined in the Act or any statutory modification thereof in force at the date on which these Articles become binding on the Association shall, if not inconsistent with the subject or context, bear the same meanings in these Presents.

MEMBERS

2. THE Association is registered with an unlimited number of members.

3. SUBJECT to the provisions of these Articles membership of the Association shall be open to the following persons :-

(a) sole proprietors;

(b) firms all of whose partners are Registered Insurance Brokers or Enrolled Bodies Corporate;

(c) Enrolled Bodies Corporate;

(d) investment brokers;

(e) such other persons qualified under the Membership Regulations laid down by the Council from time to time hereunder as shall in the absolute discretion of the Council be admitted to membership.

4. ALL applications for membership shall be made in writing in such form as the Council shall from time to time prescribe and shall be accompanied by such application fee as may be required by the Council from time to time and applicants shall provide the Council with such information as the Council shall require in order to consider the application.

5. NO firm may as such become a member of the Association, but it may nominate one of its partners to act as its representative, apply in its name for membership and sign any application form as its representative and exercise the rights of membership on its behalf. Every person so admitted to membership shall have the same rights and be subject to the same liabilities and incidents as any person not so nominated, subject however to the provisions of Article 6. The firm shall deposit with the Secretary the nomination of such applicant for membership and shall give all information that may be required by the Council regarding such applicant.

6. A firm which has nominated one of its partners as its representative as aforesaid may from time to time revoke the nomination and nominate another representative who is also one of its partners in his place. Upon receipt by the Secretary of any such revocation, such member shall ipso facto cease to be a member of the Association, or act or be entitled or recognised as a representative of such firm, and any person nominated in his place shall be and become a member of the Association and the representative of such firm.

7. ALL nominations and revocations mentioned in Articles 5 and 6 shall be in writing, signed by all the partners, or one of the partners duly authorised in that behalf. If required to do so each such firm shall at the date of each nomination give to the Council in writing full particulars of the nature of the firm and its places of business, and of the names of each partner thereof, and all such further particulars as the Council shall require, and thereafter shall give such particulars when and as often as may be required by the Council.

SUBSCRIPTIONS

8. EACH member shall pay by way of entrance fee and annual subscription such amounts (if any) as may be determined from time to time by the Council in respect of each member provided that the Council shall be entitled in its absolute discretion to charge different amounts (if any) by way of entrance fees or subscriptions from different members. The Council may determine that one entrance fee or one subscription in each year shall be payable in respect of member companies having a common holding company and of the holding company.

9. (a) IF for any year the Accounts of the Association show an excess of expenditure over income the Council may in its absolute discretion resolve that every person who shall have been a member for any part of that year shall be called upon to pay by way of additional subscription for that year such sum as may be necessary, with all other similar sums, to reimburse the Association in respect of such excess of expenditure over income and each person whether then a member or a former member liable under this Article shall pay such additional subscription within 21 days after notice requiring such payment shall have been given to him. No person shall be entitled to dispute the amount or liability to pay the amount of additional subscription and the Council shall be entitled in its

absolute discretion to call upon different members to pay different amounts by way of additional subscriptions. PROVIDED THAT the Council in exercising its discretion may have regard to any scale of subscriptions then in force when calculating the amount of additional subscriptions payable by different members.

(b) Unless the context otherwise requires the word "subscription" in these Presents shall include any additional subscription payable under this Article.

10. (a) THE Council 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.

(b) Applicants for membership shall pay their entrance fee and first subscription (if any) on election and they shall not become members or have their names entered on the Register of Members until such entrance fee and first subscription (if any) have been paid.

11. WITHOUT prejudice to the provisions of Article 32:
(a) if after the commencement of any financial year of the Association any member shall fail to pay any subscription within twenty-one days after being finally requested so to do neither the member nor, if the member is a company or the representative of a member firm, any Principal or employee of the company or firm shall be entitled to attend at General Meetings of the Association or at meetings of any Region and pending payment all such persons shall stand suspended from all rights and privileges of membership;

(b) notwithstanding the provisions of paragraph (a) of this Article any member whose subscription shall not be

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 9 within three months after notice requiring payment has been given to the member, shall, unless the Council shall decide 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;

(c) in the event that any member ceases to be a member of the Association under the provisions of paragraph (b) of this Article any Principal, partner or employee broker of the member who is a member of the Association shall also cease to be a member at the same time and their names shall also be removed from the Register of Members.

12. A member who resigns his membership at any time and who is indebted to the Association for any subscription, or becomes indebted for any additional subscription under Article 9, shall remain liable to pay the same to the Association notwithstanding that he shall have ceased to be a member of the Association and unless notice of resignation is given at least one month before the end of any financial year of the Association such member shall be liable to pay the full subscription, but not any additional subscription under Article 9, for or in respect of the following year.

GENERAL MEETINGS

13. 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; and 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 Council shall appoint.

14. ALL General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

15. THE Council may, whenever it thinks fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by Section 368 of the Act.

NOTICE OF GENERAL MEETINGS

16. AN Annual General Meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting of the Association other than an Annual General Meeting or a meeting for the passing of a special resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting, and in the case of special business, the general nature of that business and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Association in General Meeting, to such persons as are, under the Articles of the Association, entitled to receive such notices from the Association.

17. THE accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

18. ALL business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all that is transacted at an Annual General Meeting, with the exception of the consideration of the income and expenditure account and balance sheet, and the reports of the Council

and Auditors, reports of the elections of members to the Council, and the appointment of, and the fixing of the remuneration of, the Auditors.

19. NO business shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business; a quorum shall consist of not less than ten members or Principals who are entitled to vote at the meeting and are present in person.

20. IF within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the chairman may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, then the members or Principals present in person shall be a quorum.

21. THE Chairman of the Association shall preside as chairman at every General Meeting of the Association, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting, or is unwilling to act, the Council members present shall elect one of the Deputy Chairmen who is present and willing to act to be chairman of the meeting and failing him the Council members present shall elect one of their number to be chairman of the meeting.

22. IF at any meeting no Council member is willing to act as chairman, or if no Council member is present within fifteen minutes from the time appointed for holding the meeting, the members and Principals present shall elect one of their number to be chairman of the meeting.

23. THE chairman of the meeting may, with the consent of any meeting at which a quorum is present (and shall if so

directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

24. AT any General Meeting a resolution put to the vote at the meeting 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:-

(a) by the chairman; or

(b) by not less than five members or Principals present in person and entitled to vote thereat; or

(c) by any member or members or Principals present in person and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting.

Unless a poll be 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 the number or proportion of the votes recorded in favour of or against such resolution.

The demand for a poll may be withdrawn.

25. EXCEPT as provided in Article 27 if a poll be demanded in manner aforesaid, it shall be taken at such time and place and in such manner as the chairman of the meeting

shall direct, and such directions may (and shall if so required by not less than ten members or Principals present in person and entitled to vote thereat) include a postal ballot. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

26. IN the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

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

28. 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.

CORPORATIONS ACTING BY REPRESENTATIVES AT
GENERAL MEETINGS

29. A corporation being a member shall be invited to nominate a person to act as its Representative in the manner provided in Section 375 of the Act. Such Representative shall have the right on behalf of the corporation (and to the extent only to which the corporation would if a person be entitled to do so) to attend General Meetings of the Association and if so qualified vote thereat, and generally exercise all rights of membership on behalf of the corporation. A corporation may from time to time revoke the nomination of such Representative, and nominate another Representative in his place. All such nominations and revocations shall be intimated in writing to the Secretary.

VOTING AT GENERAL MEETINGS

30. (a) EVERY sole proprietor and the Chairman of the Association if not otherwise entitled shall have one vote.

(b) There shall be exercisable in respect of each member firm or company the same number of votes as it has Principals and votes at a General Meeting shall be given by the Principals who are present in person at the General Meeting and each Principal shall be entitled to cast only one vote. Principals of the same firm or company need not cast their respective votes in the same way.

(c) Except as provided in paragraphs (a) and (b) of this Article no member of the Association shall have a vote.

31. ON a show of hands or on a poll votes may only be given personally and not by proxy.

32. NO member or Principal or employee broker shall be entitled to vote at any General Meeting of the Association or at any meeting of a Region or in any ballot under these Presents unless all monies presently payable under these Presents by him or the firm or company of which he is a Principal or employee broker have been paid to the Association.

REGIONAL MEMBERSHIP

33. (a) THE world including the United Kingdom shall be divided up into such Regions as the Council shall from time to time decide and the Council shall be entitled from time to time to amend the boundary or boundaries of any particular Region or Regions.

(b) Every sole proprietor, member firm or company who only carries on business from one office shall belong to and be a member of the Region in which that office is situated PROVIDED THAT any member (which expression in this Article includes a member firm) who carries on business from more than one office shall be deemed to

be a member of each Region within which each such office is situate.

(c) Notwithstanding the provisions of these Articles the Council may in any particular case agree with a member that he shall be a member of a particular Region whether or not he carries on business from an office in that Region.

(d) A sole proprietor, Principal or employee broker shall be attached to the Region or only one of the Regions of which he or his firm or company or employer is a member and shall cast his vote in that Region only; and for these purposes:-

(i) a sole proprietor who is a member of more than one Region and a Principal or employee broker whose firm or company or employer is a member of more than one Region shall be attached to the Region in which the office where he spends the greater part of his time is situate;

(ii) a Principal or an employee broker who is a director or an employee broker of more than one company in a group of companies shall be attached to and vote in one Region only and that Region shall be the one in which the office of the company in the group of companies where he spends the greater part of his time is situate;

(iii) a sole proprietor, Principal or employee broker shall inform the Secretary in writing of the Region to which he is to be attached in accordance with the provisions of this Article and in the case of paragraph (ii) above of the name of the member Company of which he is to be regarded as a Principal or employee broker for the purposes of this Article;

(iv) notwithstanding the provisions of the foregoing paragraphs of this Article if in the opinion of the Council a sole proprietor, Principal or employee broker spends a greater part of his time at an office in one Region than at an office in another Region it may by notice in writing to the sole proprietor, Principal or employee broker designate the Region to which he is to be attached notwithstanding that such sole proprietor, Principal or employee broker has notified the Secretary of another Region to which he is to be attached under the provisions of paragraph (iii).

(e) Notwithstanding the provisions of these Articles the Council may in any particular case agree that a sole proprietor, Principal or employee broker shall be attached to a particular Region whether or not he or the firm or company of which he is a Principal or employee broker carries on business from an office in that Region or any other Region or Regions or whether or not he spends a majority of his time at such office.

(f) (i) Subject as hereinafter mentioned there shall be exercisable at meetings of Regions, at ballots for the election of Regional Committee Members and at ballots under Article 41 for the election of Council Members to represent Regions:-

(A) in respect of each member firm or company the same number of votes as it has Principals and employee brokers attached to that Region; and

(B) in respect of each member who is a sole proprietor the vote of the sole proprietor and in addition the same number of votes as he has employee brokers attached to that Region;

and votes shall be given by the sole proprietors, Principals and employee brokers attached to that Region Provided that notwithstanding the adoption of this Article the rights of employee brokers to vote as aforesaid shall not be exercisable until the Council has by an affirmative resolution of not less than three-quarters of those attending and voting agreed that votes shall be given to employee brokers in accordance with the provisions of this Article.

(ii) Each Principal, sole proprietor and (subject as aforesaid) each employee broker shall be entitled to cast only one vote. Votes at a meeting of the Region shall be given by sole proprietors and the Principals and (subject as aforesaid) employee brokers who are present in person at the meeting of the Region and Principals and employee brokers of the same firm or company need not cast their respective votes in the same way.

(iii) In respect of any ballots for the election of Regional Committee Members, sole proprietors, Principals, and (subject as aforesaid) employee brokers attached to that Region shall be entitled to one vote per vacancy on the Regional Committee for which the election is being held.

(iv) In respect of any ballot to be held under Article 41 for the election of Council Members to represent that Region each sole proprietor, Principal and (subject as aforesaid) employee broker who is attached to that Region shall be entitled to one vote per vacancy.

REGIONAL COMMITTEES

34. (a) EACH Region shall have a Regional Committee.

(b) Members of a Regional Committee must be either a sole proprietor or a Principal or an employee broker who is attached to that Region in accordance with the provisions of Article 33.

REGIONS AND REGIONAL COMMITTEE REGULATIONS

35. EXCEPT as may be provided by Articles 33 and 36 the Council shall have power to make Regulations from time to time in respect of all matters affecting or appertaining to Regions or Regional Committees and shall be entitled to decide 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 these Articles.

LLOYD'S BROKERS

36. (a) NOTWITHSTANDING any other provisions of these Articles Lloyd's Brokers who are members of the Association shall constitute a Region in themselves ("the Lloyd's Region") and subject to the provisions of paragraph (e) of Article 33 all such Lloyd's Brokers shall be members of that Region wherever their office or offices may be situate. Subject to the provisions of paragraph (d) of Article 33 a Principal or employee broker of a Lloyd's Broker shall be attached to the Lloyd's Region and shall cast his vote (if any) in that Region only.

(b) The Regional Committee for the Lloyd's Region shall be called the Lloyd's Insurance Brokers' Committee ("LIBC").

(c) Except insofar as the individual rights of membership of any member of the Association may be affected LIBC shall deal with all matters on behalf of the Association specifically affecting Lloyd's Brokers.

(d) Notwithstanding any of the provisions of these Presents LIBC shall have power to make Regulations from time to time governing the constitution, the election and removal of LIBC members and the procedures for meetings of LIBC and any sub-committee thereof. Such Regulations so far as possible shall be consistent with the provisions of Article 34. Subject thereto the provisions of these Presents relating to Regions and Regional Committees shall apply to the Lloyd's Region and LIBC.

(e) The provisions of this Article may not be varied, whether or not the Association is being wound up, without the consent in writing of three-fourths of the members of the Lloyd's Region or without the sanction of an extraordinary resolution passed at a separate meeting of the members of the Lloyd's Region. For the purposes of this Article members of the Lloyd's Region shall be deemed to constitute a separate class of membership of the association and to every separate meeting as aforesaid the provisions of these Articles relating to General Meetings and voting thereat shall apply mutatis mutandis, but so that the necessary quorum shall be twenty members of the Lloyd's Region or Principals who are attached thereto present in person at the Meeting and so that any three members of the Lloyd's Region or Principals who are attached thereto present in person at the meeting may demand a poll.

EMPLOYEE BROKERS

37. NOTWITHSTANDING the definition of employee broker contained in Article 1 if any doubt is raised as to whether or not a person is to be regarded as an employee broker the Council shall in its absolute discretion be entitled to decide the question.

THE COUNCIL

38. EACH Region shall be entitled to elect one Council Member for every 300 persons (in aggregate) who are sole proprietors or Principals attached to that Region at the date in each case that the requests for nominations are sent out under Article 41 PROVIDED THAT the Council may from time to time before the commencement of each election procedure under Article 41 alter the said number of 300. In calculating such number of sole proprietors or Principals a fraction of 300 (or the number laid down by the Council) shall be counted as a complete 300 (or the number laid down by the Council). Notwithstanding the foregoing provisions of this Article each Region shall be entitled to elect a minimum of one Council Member.

39. COUNCIL Members must be either sole proprietors or Principals attached to that Region of a member firm or company who are members of that Region or employee brokers attached to that Region of sole proprietors, member firms or companies who are members of that Region provided such employee brokers shall have been members of a Regional Committee for a period or periods of not less than one year. In respect of elections under Article 40 they shall consent in writing to their nominations and be proposed and seconded by sole proprietors, firms or companies who are members of that Region.

40. (a) No Council Member shall serve as a Council Member for a continuous period of office exceeding three years without being the subject of re-election under the

provisions of these Articles. In consequence the Council shall arrange for ballots to be held to elect Council Members in accordance with the provisions of Article 41 each calendar year for the purpose of electing Council Members in the place of those retiring as follows:-

- (i) where a Region has elected only one Council Member to hold office that Council Member shall retire from the Council at the end of his third year of office;
- (ii) where a Region has elected only two Council Members to hold office the person who is the longer serving Council Member shall retire by rotation after three years;
- (iii) where a Region has elected three or more Council Members to hold office then in every year one-third of the Council Members elected for that Region for the time being, or, if their number is not three or a multiple of three, then subject to no Council Member serving for a continuous period of office exceeding three years, the number nearest one-third shall retire from office;

PROVIDED THAT if in accordance with the provisions of Article 38 a Region becomes entitled to elect a greater or lesser number of Council Members then the Council shall prior to the date that requests for nominations are sent out under Article 41 decide what amendments (if any) are required to the provisions for rotation set out in paragraphs (i), (ii) or (iii) hereof in respect of the Council Members elected by that Region in order to provide that the amended number of Council Members to be elected by that Region shall be so subject to re-election that no such person shall serve for a continuous period of office exceeding three years. In the event that it is impracticable for the

Council so to decide prior to the said date the matter shall be referred to the Chairman of the Association or, failing him, a Deputy Chairman or to a Member of the Council appointed for that purpose by the Council to decide and the decision of the Council or of any such person shall be final and binding upon the Association and the members thereof.

(b) The Council Members to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Council Members on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

(c) A retiring Council Member shall be eligible for re-election but shall not be entitled to serve on the Council for more than two consecutive periods of office so that a person who has served for two such consecutive periods shall not then be entitled to stand for re-election at the end of such second period but shall be entitled to stand for election again in the year following that in which he ceases to be a Council Member PROVIDED THAT the first period of office of a person appointed under Articles 42 or 43 to fill a casual vacancy shall be disregarded for the purposes of this Article if such period is less than 12 months' duration.

(d) In the event that any doubt shall arise as to whether any person is due to retire or whether there shall be an election in any Region in any year under the provisions of this Article the matter shall be referred to the Chairman of the Association who shall decide the matter in accordance with the principles set out in this Article and whose decision shall be final and binding upon the Association and the members and whose decision shall be given before the time for the holding of the ballot in accordance with the provisions

of Article 41.

41. NOT less than eight weeks before every Annual General Meeting there shall be circulated to the sole proprietors, firms or companies who are members of a Region for whose Council member or members an election is to be held to fill a vacancy arising under Article 40 a request for nominations for candidates for elections as that Region's Representative(s) on the Council. Such nominations shall be made within 21 days and on the receipt of such nominations a ballot shall be held if the nominations exceed the number of vacancies available for that Region. Subject to the provisions of these Articles the ballot shall be held in such form as the Council may from time to time direct and the result of the ballot in each Region shall be reported to the members of the Association at the next Annual General Meeting. The persons whose names are reported to the Annual General Meeting as having been nominated or, if ballots are held, elected in the ballots shall hold office from the termination of the Annual General Meeting.

42. (a) THE Association may by ordinary resolution, of which special notice has been given in accordance with Section 379 of the Act, remove any Council Member notwithstanding anything in these Articles or in any agreement between the Association and such Council Member. Such removal shall be without prejudice to any claim such Council Member may have for damages for breach of any contract of service between him and the Association.

(b) Notwithstanding the powers of the Regional Committee to fill vacancies arising in the Council the Association in General Meeting may appoint another duly qualified person in place of a Council Member removed from office under the provisions of paragraph (a) of this Article or to fill a casual vacancy.

43. IN the event that a vacancy or casual vacancy arises in the Council Members representing a particular Region the Regional Committee shall have power at any time, and from time to time, to appoint a duly qualified person to be a Council Member as that Region's Representative but so that the total number of Council Members of that Region shall not at any time exceed the number fixed in accordance with Article 38, including those appointed under this Article.

44. A person appointed under Articles 42 and 43 shall be subject to retirement at the same time as if he had become a Council Member on the day on which the Council Member in whose place he is appointed was last elected a Council Member.

45. THE Council shall have power from time to time to co-opt persons to be Members of the Council provided that no such appointment shall be made if following the co-option the number of co-opted members would then exceed one-fifth in number of the Council Members elected to represent Regions at any one time. Persons appointed to the Council under the provisions of this Article shall be either sole proprietors or Principals or employee brokers provided such employee brokers have been members of the Council or of a Regional Committee for a period or periods of not less than one year. Persons appointed under this Article shall hold office during such time as the Council shall decide but the Council shall review all such appointments annually at its first meeting after any election is held under Article 40.

46. COUNCIL Members shall be entitled to receive notice of all General Meetings of the Association and to attend and speak thereat but unless they are so entitled under Article 30 not to vote thereat.

SUBSTITUTES FOR COUNCIL MEMBERS

47. (a) THE Regional Committee of a Region shall from time

to time be entitled to appoint, and thereafter to rescind such appointment and appoint another in his place, one of the Regional Committee who is otherwise qualified to be a Council Member under the provisions of Article 39 but who is not such a Council Member, to be a substitute for the Council Members for that Region.

(b) The Regional Committee shall notify the Secretary of the Association in writing of any appointment or rescission of an appointment under this Article and no such appointment or rescission of such an appointment shall be effective until such notification is received by the Secretary.

(c) Every substitute shall be entitled, in the absence of all the Council Members for the Region, to attend and vote at meetings of the Council as one Member, and to exercise all the powers, rights, duties and authorities of the Council Member for a Region.

(d) The appointment of a substitute shall ipso facto determine:-

(i) on the happening of any event which if he were a Council Member would render him legally disqualified, or disqualified under the provisions of Article 65, from acting as a Council Member or a substitute; and

(ii) if all the Council Members for whom he is a substitute cease to be Council Members.

(e) Every person acting as a substitute shall be an officer of the Association and shall alone be responsible to the Association for his own acts and defaults and he shall not be deemed to be the agent of the Council Members for whom he is a substitute.

PRESIDENT VICE-PRESIDENTS AND HONORARY VICE-PRESIDENTS

48. THERE may be a President of the Association who may be appointed from time to time by the Council and shall hold office during such time as the Council shall from time to time decide.

49. WHETHER or not there is a President for the time being there may be:-

(a) one or more Vice-Presidents of the Association; and

(b) one or more Honorary Vice-Presidents of the Association

who may be appointed from time to time by the Council and shall hold office during such period as the Council shall from time to time decide.

50. ANY person may be appointed as and be President or an Honorary Vice-President although not a Principal or a member of the Association but a Vice-President must, unless the Council otherwise decides, be a Registered Insurance Broker, a Principal or an employee broker: and the President, Vice-President or Honorary Vice-President shall not by reason only of his being appointed President, Vice-President or Honorary Vice-President be a member of the Association or liable to pay any entrance fee or annual subscription or entitled to any of the rights of a member. The President or any Vice-President may, however, attend General and Council Meetings of the Association but shall not by virtue of that office be entitled to vote thereat.

BORROWING POWERS

51. THE Council may exercise all the powers of the Association to borrow money, and 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

POWERS AND DUTIES OF THE COUNCIL

52. THE business of the Association shall be managed by the Council, who may exercise all such powers of the Association as are not, by the Act, or by these Articles, required to be exercised by the Association in General Meeting subject nevertheless to the provisions of the Act or these Articles, and to such regulations, not being inconsistent with the aforesaid provisions, as may be prescribed by the Association in General Meeting; but no regulation made by the Association in General Meeting shall invalidate any prior act of the Council which would have been valid if that regulation had not been made.

53. THE Council may from time to time and at any time by Power of Attorney appoint any one or more of their body to act as Attorney or Attorneys of the Association for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Council under these Articles) and for such period and subject to such conditions as they may think fit, and any such Powers of Attorney may contain such provisions for the protection and convenience of persons dealing with any such Attorney as the Council may think fit and may also authorise such Attorney to delegate all or any of the powers, authorities and discretions vested in him.

54. 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 Council shall from time to time by resolution determine.

55. THE Council shall cause Minutes to be made in

books provided for that purpose:-

- (a) of all appointments of officers made by the Council;
- (b) of the names of those present at each meeting of the Council and of any Committee of the Council;
- (c) of all resolutions and proceedings at all meetings of the Association, and of the Council, and of Committees of the Council.

PROCEEDINGS OF THE COUNCIL

56. THE Council may meet together for the despatch of business, adjourn, and otherwise regulate their meetings, as they think fit provided that the Council shall seek to arrange not less than four Council Meetings in any one year. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote. The Chairman or three Council Members may, and the Secretary on the requisition of three Council Members shall, at any time, summon a meeting of the Council. It shall not be necessary to give notice of a meeting of the Council to any Member for the time being absent from the United Kingdom. At least four days' notice of a meeting of the Council shall, except in cases of emergency, be given.

57. THE quorum for the transaction of the business of the Council shall be one-quarter of the number of elected members excluding those co-opted under the provisions of Article 45. The Council may act notwithstanding a vacancy in its membership.

58. (a) THERE shall be a Chairman of the Council who shall also be the Chairman of the Association. He need not be one of their number but must unless the Council otherwise decides be a Registered Insurance Broker, a

Principal or an employee broker and he shall be elected by the Council for such period and on such terms as it may decide. If he is not a Council Member on election he shall then become a Member of the Council.

(b) Whenever a vacancy occurs in the office of Chairman the Council shall elect another person to be Chairman of the Council for such period and on such terms as it may decide.

(c) The Council may elect two or more of its number to be Deputy Chairmen for such period and on such terms as it may decide.

(d) The Chairman and Deputy Chairmen shall be members *ex officio* of all committees of the Council.

59. IF at any meeting the Chairman is not present within five minutes of the time appointed for holding the same, one of the Deputy Chairmen present, to be elected by the Council Members present, shall be chairman of the Meeting and if no Deputy Chairman is present the Council Members present may elect one of their number to be chairman of the Meeting.

60. NOTWITHSTANDING the provisions of Article 61 there shall be two committees of the Council to be known as the Investigating Committee and the Disciplinary Committee. The Investigating Committee and the Disciplinary Committee shall perform the functions and exercise the powers from time to time conferred upon them by or pursuant to these Presents. The Council shall from time to time make Regulations concerning the powers and functions of the Investigating Committee and the Disciplinary Committee and shall in such regulations provide for all matters appertaining to or affecting the Investigating Committee and the Disciplinary Committee, including without prejudice to the generality of the foregoing their respective proceedings, including their

meetings and constitutions, and the delegation of their powers and functions to sub-committees. No Regulations under this Article shall be inconsistent with any other provisions of these Articles.

61. SUBJECT to the provisions of Article 60 the Council may delegate any of its powers to Committees consisting of such person or persons as it thinks fit; any Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Council.

62. SUBJECT to the Regulations not being inconsistent with the provisions of these Articles the Council shall from time to time make Regulations (either generally or in relation to any particular Committee of the Council) concerning all matters relating to Committees of the Council including their powers, duties and constitution and the procedure for their meetings including the quorum therefor, voting thereat and appointment of chairmen of such meetings.

63. ALL acts done by any meeting of the Council or of a Committee of the Council or by any person acting as a member of the Council or a Committee, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such member or 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 Council or Committee member.

64. A resolution in writing signed by all the Council or Committee members, as the case may be, for the time being entitled to receive notice of a meeting of the Council or a Committee, shall be as valid and effectual as if it had been passed at a meeting of the Council or Committee duly convened and held. Any such resolution may consist of several documents in the like form each signed by one or more of the Council or Committee members for the time being

entitled to receive notice of a meeting of the Council or Committee.

DISQUALIFICATION OF COUNCIL MEMBERS

65. THE office of a Member of the Council shall be vacated if the Council Member :-

- (a) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (b) becomes prohibited from being a Council Member by reason of any order made under the Company Directors Disqualification Act 1986; or
- (c) in the opinion of the Council becomes incapable by reason of mental disorder of discharging his duties as a Council Member; or
- (d) resigns his office by notice in writing to the Association; or
- (e) 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 317 of the Act; or
- (f) being a member of the Association, ceases to be a member; or
- (g) ceases to be qualified under Article 39 or if the firm or company of which he is a Principal or the sole proprietor, firm or company by whom he is employed ceases to be a member of the Association or a member of the Region which he represents; or
- (h) being a member co-opted under the provisions of Article 45, ceases to be qualified for appointment thereunder; or

(i) is removed from office by a resolution of the Council approved by three-quarters of those attending and voting at a meeting of the Council specially convened for the purpose and at which the Council Member in question has been given reasonable opportunity of speaking on his behalf. The Council Member in question shall not be entitled to vote on such resolution.

66. A Council Member shall not vote in respect of any contract in which he is interested or any matter arising therefrom, and if he does so vote his vote shall not be counted.

67. SECTION 293 of the Act shall not apply to the Association.

MEMBERSHIP REQUIREMENTS

68. THE Council shall be entitled from time to time to make Regulations ("the Membership Regulations") governing the continuing requirements, qualifications and conditions on which persons shall be admitted to and remain in membership.

69. THE rights of a member as such shall be personal and shall not be transferable and shall cease upon his death, bankruptcy or liquidation (whether voluntary or otherwise).

70. MEMBERSHIP of the Association shall cease forthwith:-

(a) on a member submitting his resignation in writing to the Secretary provided that a member who is subject to disciplinary proceedings under the provisions of these Presents shall not be deemed to have resigned until such proceedings are finally concluded;

(b) on non-payment of subscription as provided by Article 11(b) or (c);

(c) if a member shall fail to comply with any provisions of the Membership Regulations or if it shall be resolved by the Council that he shall cease to be a member PROVIDED THAT no such resolution shall be effective unless it is passed either

(i) by a meeting of the Council at which the member shall have been given reasonable opportunity to speak on his own behalf; or

(ii) pursuant to a recommendation by the Disciplinary Committee before which the member shall have been given such opportunity as aforesaid.

DUTIES OF MEMBERS

71. MEMBERS shall at all times comply with these Presents and any Regulations made hereunder.

72. IT shall be the duty of every member on any request in that behalf by the Council to give such information as the Council may from time to time require in connection with that member's business or the business of any partnership or body corporate of which the member is a Principal.

OFFICERS

73. THE Council shall appoint a Secretary and a Regional Officer and shall have power to appoint such other officers and employees as it may think fit for such terms, at such remuneration and upon such conditions as it may think fit.

THE SEAL

74. THE Council shall provide for the safe custody of the seal, which shall only be used by the authority of the Council, and every instrument to which the seal shall be affixed shall be signed by a Council Member and shall be countersigned by the Secretary or by a second Council Member or by some other person appointed by the Council for the purpose.

AUDIT

75. 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.

76. AUDITORS shall be appointed and their duties regulated in accordance with Sections 236-7, 247 to 255, 262 and 384 to 392 of the Act.

ACCOUNTS

77. THE Council shall cause accounting records to be kept in accordance with Sections 221 to 223 of the Act.

78. THE accounting records shall be kept at the Office, or, subject to Section 222 of the Act, at such other place or places as the Council shall think fit, and shall always be open to the inspection of the Council Members and other officers of the Association.

79. THE Council shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Association or any of them shall be open to the inspection of members, not being Council Members or officers of the Association, and no member (not being a Council Member) shall have any right of inspecting any account or

book or document of the Association except as conferred by statute or authorised by the Council or by the Association in General Meeting.

80. AT the Annual General Meeting in every year the Council shall lay before the Association a proper income and expenditure account for the period since the last preceding account made up to a date not more than six months before such meeting, together with a proper balance sheet made up as at the same date. Every such income and expenditure account and balance sheet shall be accompanied by proper reports of the Council and the Auditors and copies of such accounts, balance sheet and reports (all of which shall be framed in accordance with any statutory requirements for the time being in force) and of any other documents required by law to be annexed or attached thereto or to accompany the same shall not less than twenty-one clear days before the date of the meeting be sent to the Auditors and to all other persons entitled to receive notice of General Meetings in the manner in which notices are hereinafter directed to be served. The Auditors' report shall be open to inspection and be read before the meeting as required by Section 241(2) of the Act.

NOTICES

81. A notice may be given by the Association to any member either personally or by sending it by post to him or to his registered address or to the address, if any, within the United Kingdom supplied by him to the Association for the giving of notice to him. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice by first-class post, and to have been effected in the case of a notice of a meeting at the expiration of twenty-four hours after the letter containing the same is posted, and in any other case at the time at

which the letter would be delivered in the ordinary course of first-class post.

82. NOTICE of every General Meeting of the Association shall be given in any manner hereinbefore authorised to:-

- (a) every member except those members who (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;
- (b) the Auditor for the time being of the Association; and
- (c) every Council Member.

No other person shall be entitled to receive notices of General Meetings.

83. ANY notice to be served hereunder on an individual, except a Council Member, who is a Principal or employee broker of a member firm or company or an employee broker of a sole proprietor may be given by the Association to the member firm or company or sole proprietor and such service shall for all purposes of these Presents be sufficient service on each such Principal and employee broker.

INDEMNITY

84. EVERY Member of the Council, substitute and every officer of the Association and any person employed by the Association as Auditor shall if the Council so determine be indemnified out of the funds of the Association against all liability incurred by him as such member, officer or Auditor in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted, or in connection with any application under

Section 727 of the Act in which relief is granted to him by the Court.

WINDING UP

85. IF upon the winding-up or dissolution of the Association, there remains, after the satisfaction of all its 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 to some other institution or institutions, not formed or carrying on business for profit having objects similar to the objects of the Association at or before the time of dissolution, and if and so far as effect cannot be given to the aforesaid provision, then to some charitable object.

"This is the amended Memorandum of Association submitted to an Extraordinary General Meeting of the Association on Wednesday 11th November, 1987 and marked "A"."

Gordon Polson
Secretary

COMPANIES ACT 1985

1293232

COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION

(Including revisions approved on 11th November, 1987,
to take effect from 1st January, 1988)

-of-

BRITISH INSURANCE AND INVESTMENT BROKERS' ASSOCIATION

1. The name of the Association is "BRITISH INSURANCE AND INVESTMENT BROKERS' ASSOCIATION".*
2. The Registered Office of the Association will be situate in England.
3. The objects for which the Association is established are :~
 - (A) To provide a central organisation for insurance brokers and investment brokers and generally to do all such things as from time to time may be considered calculated to safeguard the interests of the community and procure the general efficiency and proper professional conduct of insurance brokers and investment brokers, with a view to ensuring for the community the existence of a class of insurance brokers and investment

* The name of the Association was changed from "The British Insurance Brokers' Association" by Special Resolution passed on 11th November, 1987 to take effect on 1st January, 1988.

brokers who can be relied upon as being trustworthy and duly qualified to perform their duties.

- (B) To collect and disseminate amongst the members information in regard to all matters relating to insurance and investment business wherever or to the practice, duties and obligations of insurance brokers and investment brokers, by affording facilities for the reading of papers and by the delivery of lectures, the circulation of a Journal or other publications, the formation and maintenance of a library, or otherwise.
- (C) To enter into any discussions or negotiations with Governments, companies, firms or any other persons in regard to all matters relating to insurance, investment, insurance brokers or investment brokers, and to assist or co-operate with any such bodies or persons on all matters of common interest which may be considered calculated to be for the benefit of insurance brokers or investment brokers, or such brokers and the general public.
- (D) To watch over legislation affecting insurance brokers and investment brokers, and to promote, or support and assist in any legitimate manner the carrying into effect of any legislation having for its object the common good of such brokers, or of such brokers and the general public.
- (E) To afford means of arbitration on, or for settling, disputes or questions between members of the Association or between members of the Association and third parties.
- (F) To ascertain the law and practice relating to insurance and investment business, and to register cases for the information of members, to take

steps to obtain or to assist any person to obtain legal advice upon, or the judicial determination of, any question of general importance or interest to insurance brokers or investment brokers.

- (G) To apply for, take out, purchase or otherwise acquire and maintain patents, trademarks, copyrights and licences and to use, develop, protect and grant licences in respect of, or otherwise turn to account, all forms of know-how and any rights or information acquired.
- (H) To promote, participate in or otherwise engage in any scheme, venture or activity which in the opinion of the Council is conducive to the furtherance of the businesses of the members of the Association.
- (I) To invest and turn to account any moneys for the time being not required by the Association, or which it may hold from time to time, in or upon the security of any property, real or personal, of any nature whatsoever or by placing the same on deposit at any bank or in such other manner as the Council shall deem appropriate.
- (J) To acquire all or any part of the property, assets or liabilities of any association, society or corporation in any part of the world, whose objects are in general similar to the objects of the Association.
- (K) To amalgamate, affiliate, or co-operate with, or subscribe to any association, society or corporation in any part of the world, whose objects are in general similar to the objects of the Association.
- (L) To transfer all or any part of the property,

assets or liabilities of the Association to any association, society or corporation with which the Association is authorised to amalgamate.

- (M) To promote any other company or body for any purpose which may seem directly, or indirectly, calculated to benefit the Association.
- (N) To support and subscribe to any charitable institute, society or club which may be for the benefit of necessitous insurance brokers or investment brokers, and give charitable aid to any former member or to any employee, or former employee, of the Association, or to any insurance broker or investment broker, or to the wives, widows, children or other dependants of any such persons who may be in need of such aid, and to grant pensions or gratuities to any employees, or former employees, of the Association or the relations, connections or dependants of any such employees, or former employees, and for this purpose to establish and administer a pension scheme or pension fund (either contributory or non-contributory).
- (O) To purchase, rent, lease, hold or otherwise acquire and dispose of any lands or buildings or any other property, real or personal, required for any purpose of the Association, and to hold, sell, lease, develop, deal with and dispose of the same in such manner as may be thought expedient.
- (P) To borrow or raise money, and to issue debentures or other securities, and for the purposes of securing any debt or obligation of the Association, to mortgage and charge all or any part of the property of the Association.
- (Q) To apply, petition for, or promote any Act of

Parliament, Royal Charter, or other authority with a view to the attainment of the above objects or any of them.

- (R) To do all such other lawful things as are incidental or conducive to the attainment of the above objects or any of them.

Provided that the objects of the Association shall not extend to the regulation of relations between workers and employers or organisations of workers and organisations of employers.

4. The income and property of the Association shall be applied solely towards the promotion of its objects as set forth in the Memorandum of Association and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to members of the Association
5. The liability of the members is limited.
6. Every member of the Association undertakes to contribute to the assets of the Association, in the event of the same being wound up during the time that he is a member, or within one year afterwards, for payment of the debts and liabilities of the Association contracted before he ceases to be a member and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required not exceeding £1.