

Financial Ombudsman Service Limited

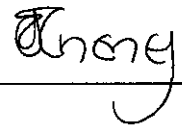
SPECIAL RESOLUTION

THAT

1. the wording of the Memorandum of Association be amended as set out in the printed document marked "A" attached to this Notice and submitted to the extraordinary general meeting of the Company, and for the purpose of identification initialled by the Chairman; and
2. the wording of the Articles of Association be amended as set out in the printed document marked "B" attached to this Notice and submitted to the extraordinary general meeting of the Company, and for the purpose of identification initialled by the Chairman.



Andreas Whittam Smith
Chairman



Barbara Cheney
Company Secretary

1 November 2001

Registered Office: South Quay Plaza
183 Marsh Wall
London
E14 9SR



Registered in England No. 3725015

THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

Ans.

MEMORANDUM OF ASSOCIATION

Of

FINANCIAL OMBUDSMAN SERVICE LIMITED

- 1 The Company's name is "FINANCIAL OMBUDSMAN SERVICE LIMITED".
- 2 The Company's registered office will be situated in England.
- 3 The Company's objects are:-
 - (a) To do all such things as may be necessary or expedient in order that the Company may exercise the functions and powers of the Scheme Operator of ~~the Financial Ombudsman Service as envisaged by the draft Financial Services and Markets Bill published by HM Treasury in July 1998~~ **described in Part XVI of the Financial Services and Markets Act 2000** and conferred by any ~~legislation implementing such proposals or any amendments made thereto.~~
 - (b) To establish, promote, manage ~~and~~ **or** administer (whether alone or jointly with any other person or persons) a scheme or schemes to advise on, and for the investigation, mediation, conciliation, adjudication and resolution of, complaints (including by satisfaction, settlement or withdrawal) made by consumers relating to the provision of financial **or other** services.
 - (c) Without prejudice to the generality of paragraphs (a) and (b) above to appoint Ombudsmen and to appoint and instruct counsellors, mediators, conciliators, arbitrators and experts for any of the purposes referred to in paragraphs (a) and (b) above.
 - (d) To seek recognition as a complaints handling body under any domestic legislation dealing with the business of financial services.
 - (e) To collaborate with any governments or authorities (whether supreme, municipal, local or otherwise); the Financial Services Authority (FSA); any other regulator or any other companies, corporations or persons on matters relating to the business of financial **or other** services and the settlement of complaints in relation thereto.

- (f) To promote public awareness and understanding of the services and facilities provided by the Company, including by way of publication of relevant material in such manner as may be thought expedient.
- (g) To co-operate with the FSA in the promotion of public awareness in those areas which relate to the principal objects of the Company.
- (h) To engage, retain or employ skilled, professional or technical advisers or workers in connection with the objects of the Company and to pay such fees, remuneration or benefits as may be thought expedient.
- (i) To encourage research in and to carry out or commission such investigations or research as may seem necessary in connection with any of the objects of the Company.
- (j) To levy, charge, collect and receive subscriptions, levies, fees and other payments and expend the same in furthering all or any of the objects of the Company or providing for the expenses of the Company.
- (k) To establish, promote, co-operate with, become a member of, act as or appoint trustees, agents or delegates for, control, manage, superintend, or afford financial or other assistance to the work of, any associations and institutions and other bodies incorporated or not incorporated, whose objects may seem capable of furthering any of the objects of the Company.
- (l) To undertake and execute any trusts which may help to attain any of the objects of the Company.
- (m) To borrow or raise any money and obtain any form of credit or finance that may be required by the Company upon such terms and on such security as may be thought fit.
- (n) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange and other negotiable or transferable instruments.
- (o) To invest the moneys of the Company not immediately required in such manner as may be thought expedient.
- (p) To acquire all or any of the undertaking, property, assets, liabilities and activities of any organisation managing or administering a scheme having objects similar to any of the principal objects of the Company.
- (q) To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property, and in particular any land, buildings, offices and any rights or privileges necessary or convenient for the purposes of the Company, and to manage, develop, sell, demise, let, mortgage, dispose of, turn to account or otherwise deal with all or part of any such property, and to construct, erect, alter, improve and maintain any buildings which may be from time to time required for the purposes of the Company.
- (r) To pay all expenses preliminary or incidental to the formation of the Company and its registration.
- (s) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit

persons who are or were Directors or Officers of the Company or employed or engaged by the Company, or the dependants or connections of such persons, and to grant, and make arrangements for the grant of, pensions and allowances to and to make payments towards insurance of such persons.

- (t) ***To promote, finance and assist in the incorporation of any company to carry on business of a type falling within the objects of the Company and in which the Company is to have an interest and to co-ordinate, finance and manage the business and operations of any such company.***
 - (u) To procure the Company to be registered or recognised in any foreign country or place.
 - (v) To do all such other lawful things as may be necessary for, incidental or conducive to the attainment of any of the above objects.
- 4
- (a) The Board shall be not less than six nor more than fifteen in number.
 - (b) One of the Directors shall be appointed as Chairman by the FSA, with the approval of H M Treasury.
 - (c) The Directors shall be persons appointed, and liable to removal from office, by the FSA (with the approval of H M Treasury in the case of the Chairman), but the terms of their appointment must be such as to secure their independence from the FSA in the operation of the Scheme. In particular, the power to remove a Director shall not be exercisable on any ground which relates directly or indirectly to the resolution of complaints.
 - (d) The FSA may appoint one of the Directors as Deputy Chairman of the Board.
 - (e) Appointments of Directors (including that of the Chairman) are to be for a period not exceeding four years, (save where paragraph (f) applies), and shall be effected by the FSA serving a notice to that effect on the Company at its Registered Office.
 - (f)
 - (i) Unless the office of a Director is vacated in accordance with Clause 4(j), the period of office shall terminate at the end of the Director's appointment; but a Director may be reappointed by the FSA, provided that, in the case of the Chairman, the reappointment is approved by HM Treasury.
 - (ii) A Director reappointed in accordance with the provisions of sub-paragraph (i) shall serve ~~only one period of reappointment, such~~ ***in total for a period not to exceeding six*** four years.
 - (g) A Director intending to resign his office before his period of office would otherwise be due to terminate shall give at least 3 months' notice in writing to the Company and to the FSA of that intention.
 - (h) The Directors shall be entitled to be paid such travelling, hotel and other expenses as are reasonably and properly incurred by them in connection with the business of the Company.
 - (i) The remuneration of the Directors shall from time to time be determined by the Board, subject to the approval of the FSA. Such remuneration shall be

deemed to accrue from day to day, unless the Company in General Meeting determines otherwise.

- (j) The office of a Director shall be vacated if:
- (i) the Board of the FSA resolves, in accordance with paragraph (c), that he be removed from office and serves a notice to this effect on the Company at the Registered Office; or
 - (ii) he ceases to be a Director by virtue of any provisions of the Acts or of the Financial Services Act 1986, or becomes prohibited by law from being a Director; or
 - (iii) he becomes bankrupt, a receiving order is made against him or he makes any arrangement or composition with his creditors generally; or
 - (iv) in the opinion of the Board he becomes of unsound mind; or
 - (v) he resigns his office by notice in writing to the Company and to the FSA in accordance with paragraph 4(g) above; or
 - (vi) he does any act which, in the opinion of the Board, is likely to bring him or the Company into disrepute; or
 - (vii) he shall for more than four consecutive months have been absent without permission of the Board from meetings of Directors held during that period and the Board resolves that his office be vacated.

In the case of the Chairman, the office of Director shall be vacated under (i), (iii), (iv), (vi) or (vii) only with the approval of HM Treasury.

- (k) No amendment to any provision of the Memorandum or Articles which could affect the meaning or operation of Clause 4 shall have effect unless the amendment is made by way of a special resolution passed at a general meeting of the Company and proposed with the prior written consent of the FSA.

- 5 The income and property of the Company from whatever source it may derive shall, subject to this Memorandum and also to the Articles of Association of the Company, be applied solely towards the promotion of the objects of the Company as set out in this Memorandum of Association, and no part of it shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to the Members of the Company.

Nothing in this Clause shall, however, prevent the payment in good faith of reasonable and proper remuneration and out of pocket expenses to any officer or employee of the Company or to any Member of the Company, in return for any services actually rendered to the Company, or for any information or advice supplied, nor prevent the payment of interest on money lent or payment of a reasonable and proper rent for premises demised or let by any Member to the Company.

- 6 The liability of Members is limited.

- 7 On a winding up or dissolution of the Company all assets which would otherwise be available to its Members generally shall be transferred either to another body with

objects similar to those of the Company or (if there is no such body) to another body the objects of which are the promotion of charity and anything incidental or conducive thereto.

- 8 Every Member of the Company undertakes to contribute to the assets of the Company if it should be wound up while he is a Member, or within one year after he ceases to be a Member, for payment of the Company's debts and liabilities 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 contributories among themselves, such amounts as may be required not exceeding one pound.
- 9 Expressions defined in the Articles of Association of the Company shall have the same meaning in this Memorandum.

THE COMPANIES ACT 1985

**COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL**

**ARTICLES OF ASSOCIATION
Of
FINANCIAL OMBUDSMAN SERVICE LIMITED**



DEFINITIONS

- 1 In these Articles unless there be something in the subject matter or context inconsistent therewith:-
- "the Acts" means the Companies Act 1985 and every other Act for the time being in force concerning companies and affecting the Company;
- "these Articles" means the Articles of Association for the time being of the Company;
- "the Auditors" means the auditors for the time being of the Company;
- "the Board" means the Board of Directors of the Company present at a duly convened meeting of the Board at which a quorum is present;
- "clear days", in relation to the period of a notice, means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
- "executed" includes any mode of execution;
- "FSA" means the Financial Services Authority;
- "Member" has the meaning ascribed by Article 2;
- "month" means calendar month;
- "the Memorandum" means the Memorandum of Association for the time being of the Company;
- "Notice" includes all written communications to Members;
- "Ombudsman" means any Ombudsman who is a member of the panel appointed in accordance with Article 16 and includes a Chief Ombudsman and any deputy ombudsman (where appointed).

"Participant" means a person who is authorised under the Financial Services Act 1986 or a person who has voluntarily agreed to submit to the jurisdiction of the Scheme.

"the Registered Office" means the registered office for the time being of the Company;

~~"Recognised Professional Body" or "RPB" means an organisation recognised by the FSA as a recognised professional body under section 18 of the Financial Services Act 1986.~~

"Secretary" means the Secretary for the time being of the Company, including an assistant or deputy secretary.

~~"Scheme" means the Financial Ombudsman Service and such other Ombudsman schemes as are established, promoted, managed or administered by the Company~~
Scheme provided for under Part XVI of the Financial Services and Markets Act 2000.

~~"Self-regulating organisation" or "SRO" means an organisation recognised by the FSA as a self-regulating organisation under section 10 of the Financial Services Act 1986;~~

"Service" means the Scheme and such other schemes as are established managed or administered by the Company.

"the United Kingdom" means Great Britain and Northern Ireland;

"in writing" and "written" include printing, lithography, photography and typewriting and all other modes of representing or reproducing words in enduring visible form.

Words importing the singular number include the plural, and the converse applies;

Words importing males include females;

Words importing persons include corporations;

References to any statute or statutory provision include a reference to that statute or statutory provision as from time to time modified or re-enacted.

These Articles are to be read and construed subject to Clause 4 of the Memorandum of Association of the Company and in the event of any conflict the provisions of such Clause shall prevail.

MEMBERS

- 2 The subscriber to the Memorandum of Association of the Company and any person who from time to time becomes a Director and who agrees to be a Member shall be Members of the Company. No other person may become a Member of the Company. The subscriber to the Memorandum of Association shall cease to be a Member of the Company upon the admission into membership of other persons who are eligible to be admitted as Members.
- 3 Membership shall not be transferable.
- 4 A Member (other than the subscriber) shall cease to be a Member of the Company upon ceasing to be a Director of the Company.

THE BOARD

- 5 Subject to the provisions of the Acts, and provided that he has disclosed to the Board the nature and extent of any material interest of his, a Director notwithstanding his office:-
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested (but a Director may not hold the office of Ombudsman);
 - (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
 - (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate, nor shall the same be liable to be avoided on the ground of any such interest or benefit.
- 6 For the purposes of Article 5:-
- (a) a general notice given to the Board that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
 - (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

POWERS AND RESPONSIBILITIES OF THE BOARD

- 7 Subject to the provisions of the Acts, the Memorandum and the Articles and to any directions given by special resolution, the business of the Company shall be managed by the Board who may exercise all the powers of the Company. No

alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Board by the Articles and a meeting of the Board at which a quorum is present may exercise all powers exercisable by the Board.

- 8 Without prejudice to Article 7, and to the powers and responsibilities set out elsewhere in these Articles, the Board shall have the following powers and responsibilities:
- (a) to appoint a panel of Ombudsmen in accordance with the provisions of Article 16 and to ensure, maintain and monitor their independence;
 - (b) to conduct the affairs and business of the ~~Scheme~~ **Service** for the year concerned in accordance with the financial budget adopted by the Board pursuant to Article 11;
 - (c) to determine who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, releases, contracts and other documents; and
 - (d) to **determine who shall be entitled to** institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or employees or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company.
- 9 In exercising its functions, the Board shall have regard to the effective, economic and efficient operation of the ~~Scheme~~ **Service**.
- 10 The Board may consult on, make, adopt or vary such rules or other arrangements as may be necessary for the purpose of fulfilling the objects of the Company; but the Board shall not make, adopt or vary any rules without the prior written approval of the FSA.
- 11
- (a) At least two months before the start of every financial year the Board shall approve a draft financial budget for recommendation to the FSA, each such budget to be prepared in respect of a period co-extensive with an accounting reference period of the Company and distinguishing between the various ~~schemes or functional elements of a scheme~~ **the Service**.
 - (b) Where the Board is, by agreement, fulfilling a complaints handling function on behalf of any body, it shall consult that body prior to approving such a budget.
 - (c) The Board shall submit each financial budget approved under paragraph (a) of this Article to the FSA for approval.
 - (d) The Board shall adopt any financial budget approved by the FSA pursuant to paragraph (c) of this Article (with such amendments, if any, as the FSA thinks fit).
 - (e) The Board may, after consultation with any body on behalf of which it is fulfilling a complaints handling function, and with the approval of the FSA, vary at any time a budget adopted under paragraph (d) of this Article.

- 12 The Board shall enter into appropriate arrangements to secure co-operation between the Company and the FSA (including arrangements for the sharing of information relevant to the functions of each other) in order to enable the Company and the FSA to attain their proper objectives.
- 13 The Board may at any time and from time to time obtain money for the purposes of the Company, including by raising a levy or case fees from participants, in accordance with rules approved by the FSA.
- 14 The Board may procure the establishment and maintenance of, or participate in, or contribute to, any non-contributory or contributory pension or superannuation fund, scheme or arrangement of life assurance for the benefit of, and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, benefits or emoluments to, any persons (including Directors and other officers) who are or shall have been at any time in the employment or service of the Company (or of any other body concerned with the adjudication and resolution of complaints made by consumers whose functions have been taken over by the Company) and their wives, widows, families or dependants and to make payments for or towards the insurance of any such person.
- 15 Except so far as otherwise provided by statute, the Board may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as it determines, including authority for the agent to delegate all or any of his powers.

OMBUDSMEN

- 16
 - (a) The Board shall appoint individuals as Ombudsmen who appear to it to have appropriate qualifications and experience to fulfil that function, and shall maintain a panel of such persons.
 - (b) The Board shall also appoint a Chief Ombudsman who will be a member of that panel.
 - (c) A person's appointment as Ombudsman shall be on such terms (including terms as to the duration and termination of his appointment and as to remuneration) as the Board considers consistent with the independence of the Ombudsman and otherwise appropriate.
- 17
 - (a) The Board may appoint a person to act as a deputy ombudsman in such cases as the Chief Ombudsman considers appropriate in the light of that person's qualifications and experience.
 - (b) A person's appointment as a deputy ombudsman shall be on such terms (including terms as to the duration and termination of his appointment and as to remuneration) as the Board considers consistent with his independence and otherwise appropriate.
- 18 The Board shall ensure that an Ombudsman vacates his office upon the occurrence, in relation to him, of any of the following events:
 - (a) he becomes bankrupt, a receiving order is made against him or he makes any arrangement or composition with his creditors generally; or

- (b) in the opinion of the Board, he becomes of unsound mind; or
 - (c) he resigns his office by notice in writing to the Company; or
 - (d) he does any act which, in the opinion of the Board, is likely to bring him or the Company into disrepute.
- 19 The Board shall ensure that an Ombudsman is not, or is not an employee of, or does not hold any office or place of profit under, a participant; that he is not a Director of the Company and that he does not hold any other office or place of profit under the Company or act in a professional capacity for the Company.
 - 20 The Board shall ensure that each Ombudsman acts in accordance with the rules made by the Board and any applicable complaints handling rules made by the FSA. ~~the SROs or RPBs.~~
 - 21 The Board shall ensure that each Ombudsman co-operates with the FSA by the sharing of information and otherwise in accordance with the arrangements referred to in Article 12 above.
 - 22 An Ombudsman shall be entitled to be paid such travelling, hotel and other expenses as are reasonably and properly incurred by him in connection with the business of the Company.
 - 23 The Chief Ombudsman shall furnish the Board with an annual report for publication on the discharge of their functions by the Ombudsmen.

POWERS AND RESPONSIBILITIES OF OMBUDSMAN

- 24 The powers and responsibilities of an Ombudsman shall be:-
 - (a) to resolve complaints made in accordance with the rules relating to the ~~Scheme~~ **Service** by the making of recommendations or awards or by such other means as shall seem expedient.
 - (b) to contribute to and maintain the quality and consistency of the complaints handling process, and to ensure that complaints are resolved on a fair and reasonable basis; and
 - (c) as otherwise set out in the rules relating to the ~~Scheme~~ **Service**.

PROCEEDINGS OF THE BOARD

- 25 The Board may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Any Director may at any time request a meeting of the Board by notice duly served upon the Secretary and the Secretary shall convene such meeting within thirty days of the due service of such notice. Every Director shall be given not less than seven days' notice of a proposed meeting, provided that it shall not be necessary to give notice of a meeting of the Board to any Director for the time being absent from the United Kingdom.
- 26 The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed shall be one-half of the Directors or, if their number

is not a multiple of two, then the number nearest to but not exceeding one-half of the Directors.

- 27 The Board may act notwithstanding any vacancy in its body, but if and so long as the number of Directors is less than the minimum number fixed by or pursuant to the Memorandum they may act only for the purpose of summoning a General Meeting of the Company.
- 28 The Chairman of the Board or in his absence the Deputy Chairman of the Board (if any) shall take the chair at meetings of the Board but if they are unwilling to preside or are not present within fifteen minutes after the time fixed for the commencement of any such meeting the Board Members present shall choose one of their number to preside at the meeting.
- 29 Questions arising at any meeting of the Board shall be decided by a majority of votes. In the case of an equality of votes the person presiding at the meeting shall have a second or casting vote.
- 30 A resolution in writing, signed by all the Directors for the time being entitled to receive notice of a meeting of the Board or a committee of the Board, shall be as valid and effectual as if it had been passed at a meeting of the Board or (as the case may be) a committee of the Board duly convened and held and may consist of several documents in the like form each signed by one or more Directors.
- 31 Any Director or member of a committee of the Board may participate in a meeting of the Board or such committee by means of conference telephone or other communications equipment whereby all persons participating in the meeting can hear and speak to one another and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting.
- 32 The Board may (except in relation to any power or function of a kind ~~presently~~ described in paragraph 3(5) **(4)** of Schedule 8 **17** to the ~~draft~~ Financial Services and Markets Bill **Act 2000**) delegate all or any of its powers or functions which are not required by law to be performed by the Board either generally or for a specific purpose to a member or members of the Board, to any committee established by the Board (whether consisting of members of the Board or of other persons or of both), or to any officer or employee of the Company, or to an Ombudsman. Any such delegation may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by these Articles regulating the proceedings of the Board so far as they are capable of applying.
- 33 All acts done by any meeting of the Board or of any committee of the Board, or by any person acting as a Director or member of any such committee, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any of the persons comprising the Board, the committee or of any person acting as aforesaid, or that they or any of them were disqualified from holding office or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified to be a member thereof and had not vacated office and was entitled to vote.
- 34 The Board may appoint one or more advisory committees whose members need not be Directors but shall be such persons as the Board may from time to time determine.

- 35 (a) Except where otherwise provided by these Articles, a Director shall not vote at a meeting of the Board or of any committee of the Board on any resolution concerning a matter in which he has, directly or indirectly, an interest which is material and which conflicts or may conflict with the interests of the Company.
- (b) For the purposes of this Article:
- (i) a Director shall not be treated as interested in any matter solely by reason of his being an officer or employee of a participant which is or may be interested in that matter; and
 - (ii) an interest of a person who is, for any purpose of the Companies Act 1985 (excluding any statutory modification thereof not in force when this regulation becomes binding on the Company), connected with a Director shall be treated as an interest of the Director.
- (c) A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
- (d) The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a Director from voting at a meeting of the Board or of any committee of the Board.
- (e) If a question arises at a meeting of the Board or any committee of the Board as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive.

MINUTES

- 36 (a) The Board shall cause minutes to be made in books kept for the purpose:
- (i) of all appointments of officers made by the Directors;
 - (ii) of the names of the Directors present at each meeting of the Board, and of the members present at each meeting of any committee of the Board;
 - (iii) of all resolutions and proceedings of General Meetings and of meetings of the Board and committees of the Board.
- (b) Any such minutes of any meetings of the Board or of any committee, or of the Company, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be receivable as prima facie evidence of the matters stated in such minutes.

SEAL

- 37 The Board shall provide for the safe custody of the Seal, and the Seal shall be used only with the authority of the Board or a committee thereof authorised by the Board. The Board may determine who shall sign any instrument to which the Seal is affixed and unless determined otherwise it shall be signed by a Director and by the Secretary or by a second Director.

GENERAL MEETINGS

- 38 All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
- 39 The business of an Annual General Meeting shall be:
- (a) To receive and consider the accounts, the balance sheet and the reports of the Board and of the Auditors, and (if not adopted by the Board in its report) any report of the Ombudsmen;
 - (b) To appoint Auditors and fix their remuneration;
 - (c) To transact any other business which under these Articles ought to be transacted at an Annual General Meeting.

All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special business.

- 40 The Board may call General Meetings and on the requisition of Members pursuant to the Acts shall convene an Extraordinary General Meeting for a date not later than eight weeks after receipt of the requisition.
- 41 An Annual General Meeting and a General Meeting called for the passing of a Special Resolution shall be called by at least twenty-one clear days' notice in writing. All other Extraordinary General Meetings shall be called by at least fourteen clear days' notice in writing. The notice 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 mentioned below or in such other manner, if any, as may be prescribed by the Company in General Meeting to the Members, the FSA and such other persons (including the Auditors) as are, under these Articles or the Acts, entitled to receive such notices from the Company.
- 42 Even if a General Meeting is called by shorter notice than that specified by Article 41 it shall be deemed to have been duly called if it is so agreed:
- (a) In the case of a General Meeting called as the Annual General Meeting, by all the Members entitled to attend and vote at that meeting; and
 - (b) In the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the General Meeting, being a majority, together representing not less than 95 per cent of the total voting rights at that General Meeting of all the Members.
- 43 The accidental omission to give notice of a General Meeting to, or the non-receipt of a notice of a General Meeting by, any person entitled to receive notice shall not invalidate the proceedings at that General Meeting.

PROCEEDINGS AT GENERAL MEETINGS

- 44 The Chairman of the Board or, in his absence, the Deputy Chairman of the Board (if any) shall take the chair of every General Meeting but, if no such person should be present and willing to act within fifteen minutes after the time appointed for the Meeting, the Directors present shall elect one of their number to be Chairman of the meeting.

- 45 Subject to Article 46, no business shall be transacted at any General Meeting unless there is a quorum of six Members present at the time when the meeting proceeds to business.
- 46 If within half an hour from the time appointed for a General Meeting a quorum is not present, the meeting shall stand adjourned to the same day in the next week at the same time and place (or such time and place as the Directors may determine), and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting those Members who are present shall be a quorum and may transact the business for which the meeting was called.
- 47 The chairman of a General Meeting at which a quorum is present may, with the consent of the meeting (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 which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, notice of the adjourned meeting shall be given as in the case of an original meeting but it shall not otherwise be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 48 At any General Meeting a resolution put to the vote of a 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 of the meeting; or
 - (b) by at least two Members.
- Unless a poll is duly demanded a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously or by a particular majority, or lost or not carried by a particular majority and an entry to that effect in the minutes of proceedings of the Company 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.
- 49 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the Chairman of the meeting. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 50 Except as provided in Article 52, if a poll is duly demanded it shall be taken in such manner as the chairman of the meeting directs. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 51 In the case of an equality of votes the Chairman of the meeting shall both on a show of hands and on a poll have a casting vote in addition to any other vote he may have.
- 52 A poll demanded on the election of a chairman of a meeting or a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs, not being more than thirty days after the poll is demanded, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

- 53 A resolution in writing executed by all the members for the time being entitled to receive notice of and to attend and vote at General Meetings shall be as valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held.

VOTES OF MEMBERS

- 54 On a show of hands and on a poll every Member shall have one vote.
- 55 All votes shall be given personally.

SECRETARY

- 56 The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by it.
- 57 The Board may from time to time appoint an assistant or deputy Secretary, and any person so appointed may act in place of the Secretary if there is no Secretary or no Secretary capable of acting.

REPORTS

- 58 The Board shall, at least once a year, make a report to the FSA on the discharge of its functions in such form as the FSA shall from time to time require. This shall include the report furnished to the Board by the Chief Ombudsman under Article 23 above and shall be published.
- 59 The Board shall also provide the FSA with reports on such matters as the FSA may from time to time reasonably request.

ACCOUNTS

- 60 The Board shall cause accounting records to be kept in accordance with the Acts.
- 61 The books of account shall be kept at the registered office of the Company or, subject to the Acts, at such other place or places as the Board thinks fit, and shall always be open to the inspection of the Directors.
- 62 The Board shall from time to time in accordance with the Acts cause to be prepared and to be laid before the Company in General Meeting such accounts and reports as are required by the Acts to be so prepared and laid.
- 63 A copy of every balance sheet (including every document required by law to be annexed or attached to it) which is to be laid before the Company in General Meeting shall not less than twenty-one days before the date of the meeting be sent to every Member and to the FSA.

AUDIT

- 64 Auditors shall be appointed and their duties regulated in accordance with the provisions of the Acts.

NOTICES

- 65 A notice may be given by the Company to any Member either personally or by sending it by post (or by facsimile) to him at his last known address or by leaving it at that address. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and to have effect at the expiration of 48 hours after the envelope containing it was posted. Where notice is given by facsimile, it shall be deemed to have been given on the date of despatch of the facsimile, provided that it is confirmed by delivering or sending a written confirmation by letter to the party to whom the notice is given.
- 66 A Member present at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

WINDING UP

- 67 Clauses 7 and 8 of the Memorandum of Association of the Company relating to the winding up and dissolution of the Company shall have effect as if their provisions were repeated in these Articles.

INDEMNITY

- 68 Subject to the provisions of the Acts but without prejudice to any indemnity to which he may otherwise be entitled, an Ombudsman and every Director, Secretary, auditor or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities suffered or incurred by him in or in relation to the execution and discharge of his duties.