

THE COMPANIES ACT 2006

SPECIAL RESOLUTION

THE BRITISH ASSOCIATION OF SNOWSPORT INSTRUCTORS LIMITED

Company Number: SC278963

(the “Company”)

At a general meeting of the Company, duly convened and held at Alpenbad Hotel Hohenhaus, Hohenhausgasse 774, 6294 Hintertux, Austria on 28 April 2019 at 6:30pm (CEST) the following resolution was passed as a special resolution:

THAT the regulations annexed hereto be adopted as the articles of the association of the Company in substitution for, and to the exclusion of, the existing articles of association.



Robert James Lister, Chairperson

07 May 2019

Date

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COMPANIES HOUSE



ARTICLES OF ASSOCIATION
OF
THE BRITISH ASSOCIATION OF SNOWSPORT INSTRUCTORS LIMITED

SC278963

1 Constitution of the Association

No regulations prescribing the form of articles contained in any statute or subordinate legislation, including the regulations contained in the Companies (Model Articles) Regulations 2008, SI 2008/3229, Schedules 1 to 3 shall apply as the regulations or articles of the Association. These Articles (as hereinafter defined) shall be construed and interpreted accordingly.

2 Defined Terms and Interpretation

2.1 In these Articles the following definitions shall apply:

"Accounting Records" has the meaning given in article 28.1;

"Act" means the Companies Act 2006;

"Affiliate Member" means a person (including an organisation and other legal persons) who the Board has (in its sole discretion) approved be invited to become an affiliate member with effect from the date of such person's valid acceptance of any such invitation and payment of the Annual Membership Fee (if any), all as further detailed in the Membership Policy;

"Amendment" has the meaning given in article 25.1;

"Annual Membership Fee" means the annual fee in the prescribed amount in respect of the relevant Membership Category as set out in the Membership Policy;

"Annual Report" has the meaning given in article 28.6;

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

"Associate Member" means a person who has paid the Annual Membership Fee but who does not hold a BASI Qualification, all as further detailed in the Membership Policy;

"Association" means The British Association of Snowsport Instructors Limited, a private company limited by guarantee without share capital, having company number SC278963;

"BASI Qualification" means an official record of achievement awarded by the Association on the successful completion and passing of all of the elements comprising a coaching or instruction assessment course run on behalf of and recognised as being valid by the Association, all as further detailed in the Membership Policy;

"Board" means, without prejudice to the ability of the board of Directors to delegate its powers and/or duties hereunder, the board of Directors of the Association as constituted in accordance with article 14;

"Brand Policy" means the policy adopted by the Board from time to time setting out the terms and conditions applicable to members' rights to benefit from the goodwill of the Association and to use certain intellectual property of the Association, including the Association's logo;

"Chairperson" has the meaning given in article 14.1.1;

"Chairperson Elect" has the meaning given in article 14.2;

"Clear Days" means that, when calculating a period of notice, the day after the notice is posted (or in the case of a notice contained in an Electronic Communication the day after it was sent) and also the day of the meeting shall be excluded;

"Code of Ethics" means the code of ethics of the Association together with associated procedures and policies including the disciplinary procedure of the Association as adopted by the Board from time to time;

"Conflict" has the meaning given in article 19.1;

"Co-optee" has the meaning given in article 14.4;

"Director" means any person referred to as a director in article 14 and any other person deemed under the Act to occupy the position of director (including, for the avoidance of doubt, any Co-optee and excluding, for the avoidance of doubt, the secretary to the Board and the Members' Ombudsman);

"Directors' Policy" means the policy documents adopted by the Board (if any) from time to time which set out, among other things, the roles and responsibilities of the Directors and other officers of the Association with respect to various matters including the Act, their expense entitlement (if any) and their remuneration (if any);

"Electronic Communication" means a communication transmitted (whether from one person to another, from one device to another or from a person to a device or vice versa) by means of an electronic communications network or by other means but in electronic form, all as further detailed in or, as the case may be, amended by the Electronic Communications Act 2000;

"Eligible Director" means, in relation to a particular matter, a Director who would be entitled to vote on such matter at a meeting of the Directors (but excluding in relation to the authorisation of a Conflict pursuant to article 19, any Director whose vote is not to be counted in respect of the particular matter);

"Full Member" means a person who holds a BASI Qualification, who has paid the applicable Annual Membership Fee, as further detailed in the Membership Policy, and who has otherwise met the applicable criteria set forth in the Membership Policy;

"Honorary Member" means a person whom the Board has (in its sole discretion) approved be invited to become an honorary member with effect from the date of such person's valid acceptance of any such invitation, all as further detailed in the Membership Policy;

"Interested Director" has the meaning given in article 19.1;

"Life Member" means a person whom the Board has (in its sole discretion) approved be invited to become a life member with effect from the date of such person's valid acceptance of any such invitation, all as further detailed in the Membership Policy;

"Member of the Group" means, for the purposes of article 31, any of the Association and any Subsidiary of the Association from time to time (including, as at the date hereof, BASI Promotions Limited, a private company limited by guarantee without share capital, having company number SC194930);

"member" means a member of the Association;

"Members' Ombudsman" has the meaning given in article 24.1;

"Membership Categories" has the meaning given in article 6.1;

"Membership Policy" means the policy adopted by the Board (in its sole discretion) setting out the terms and conditions applicable to the Membership Categories from time to time;

"Ombudsman's Recommendation" has the meaning given in article 24.2;

"Ordinary Resolution" means a resolution passed by a simple majority (not less than 50%) of votes cast by Voting Members (taking account only of those votes cast in favour as compared with those votes against a resolution) in accordance with these Articles and section 282 of the Act;

"President" has the meaning given in article 16.1;

"Protected Policy" means the Code of Ethics, the Directors' Policy and the Membership Policy;

"Proxy Notice" has the meaning given in article 11.1;

"Register of Members" has the meaning given in article 6.3;

"Relevant Officer" means any Director or other officer or former Director or other former officer of the Association;

"Remuneration Committee" means the committee established by the Board under article 22 to determine, either solely or amongst other things, matters relating to remuneration and expenses in accordance with article 20 and which shall consist of at least three committee members;

"Special Resolution" means a resolution passed by a majority of not less than 75% of votes cast by Voting Members (taking account only of those votes cast in favour as compared with those votes against as resolution) in accordance with these Articles and section 283 of the Act;

"Trainers" means, as at the date of the relevant determination, the persons listed on the training sub-contractors list maintained by the Association;

"Trainers Director" has the meaning given in article 14.1.10; and

"Voting Member" means each Full Member and Life Member who is entitled to vote on the date of the relevant general meeting or a Full Member or Life Member on the date of their election or appointment (as applicable).

2.2 The following rules of construction and interpretation shall apply to these Articles:

2.2.1 the Interpretation Act 1978 shall apply to these Articles in the same way as it applies to an enactment;

2.2.2 a reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise;

2.2.3 unless the context requires otherwise, words or expressions contained in these Articles that are not defined in these Articles bear the same meaning as in the Act as in force on the date when these Articles become binding on the Association;

2.2.4 any words following the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;

2.2.5 where the context permits, "other" and "otherwise" are illustrative and shall not limit the sense of the words preceding them;

2.2.6 headings are used for convenience only and shall not affect the construction or interpretation of these Articles;

2.2.7 unless expressly provided otherwise in these Articles, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:

2.2.7.1 any subordinate legislation made under it, whether before or after the date of adoption of these Articles; and

2.2.7.2 any amendment or re-enactment, whether before or after the date of adoption of these Articles and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts;

- 2.2.8 a reference to a "Subsidiary" means a subsidiary (as the case may be) as defined in section 1159 of the Act, and a reference to a "Parent Company" means a parent company as defined in section 1162 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c) and sections 1162(b) and (d) of the Act, a company shall be treated as a shareholder of another company even if its shares in that other company are registered in the name of another person (or its nominee), by way of security or in connection with the taking of security, or its nominee;
- 2.2.9 "electronic form" has the meaning given in section 1168 of the Act;
- 2.2.10 "paid" means paid or credited as paid; and
- 2.2.11 "writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form (including by electronic mail) or otherwise, and "written" shall be construed accordingly.

3 Objects

- 3.1 The Association shall operate, in accordance with article 4.1, for the benefit of its members as a whole to promote and deliver:
- 3.1.1 training, assessments and qualifications for the snowsports disciplines in instruction and coaching, and related educational resources;
 - 3.1.2 recognised snowsports qualifications and working opportunities in snowsports instruction and coaching in the United Kingdom of Great Britain and Northern Ireland and elsewhere;
 - 3.1.3 continuous professional development programmes for its members; and
 - 3.1.4 membership value through a range of members' benefits.
- 3.2 The Association's permitted activities and powers will include anything which the Board (in its sole discretion) reasonably determines is necessary, incidental, conducive and/or expedient to help it achieve the objects set out in this article 3.
- 3.3 The Association shall use its commercially reasonable endeavours to operate in accordance with the prevailing standards of good corporate governance observed by similarly situated and resourced organisations.

4 Restriction on the use of the Association's assets

- 4.1 The profits and other income of the Association shall be applied solely towards promoting the Association's objects (as set out in article 3).
- 4.2 Without prejudice to article 29, no part of the income or property of the Association shall be paid or transferred (directly or indirectly) to the members (in their capacity as such), whether by way of dividend, bonus or otherwise. For the avoidance of doubt, the foregoing shall not prohibit, among other things, the payment of remuneration to apprentices, employees, contractors or other persons for any services that they provide to the Association in that capacity rather than their capacity as a member.

5 **Liability of Members**

5.1 The liability of each member is limited to £1, being the amount that each member undertakes to contribute to the assets of the Association in the event of its being wound up while he or she is a member or within one year after he or she ceases to be a member, for:

- 5.1.1 payment of the Association's debts and liabilities contracted before he or she ceases to be a member;
- 5.1.2 payment of the costs, charges and expenses of winding up; and
- 5.1.3 adjustment of the rights of the contributories among the members.

6 **Membership**

6.1 The Association shall have the following membership categories (together, the "**Membership Categories**");

- 6.1.1 Full Members;
- 6.1.2 Life Members;
- 6.1.3 Associate Members;
- 6.1.4 Affiliate Members;
- 6.1.5 Honorary Members; and
- 6.1.6 such other membership categories as the Directors may determine from time to time.

6.2 The terms and conditions applicable to the Membership Categories shall be set out in the Membership Policy and in the event of a conflict between the provisions of the Membership Policy and these Articles the provisions of these Articles shall prevail.

6.3 The Directors shall maintain a register of members (in electronic form or otherwise) (the "**Register of Members**") which shall set out in relation to each member (so far as such member has provided the relevant information) their full name, their electronic mail address, their postal address, the Membership Categories to which they belong, the date of their admission to membership, and (if applicable) the date of the termination of their membership. The Association shall endeavour to keep its Register of Members up to date using the information provided to it by its members. Each member shall to the fullest extent possible hold the Association and its officers, Directors, employees, members and agents harmless for any inaccuracy or omission in respect of their information in the Register of Members except in the event that such inaccuracy or omission arose from the gross negligence, wilful misconduct or fraud of such person. The Register of Members shall only be available to be inspected in accordance with the Act (and in particular its section 116) and applicable law.

6.4 An application for membership shall not be refused on the grounds of race, sex, religious belief, political opinion or any other protected characteristic under the Equality Act 2010.

6.5 Each member shall be responsible for:

- 6.5.1 informing the Association, in a timely manner in such method as the Association may prescribe from time to time, of changes to be made to their entry in the Register of Members;

6.5.2 complying at all times with these Articles; and

6.5.3 complying at all times with the Code of Ethics.

6.6 Each member shall have the right to:

6.6.1 participate in the activities of the Association in accordance with the terms of their Membership Category as set out in these Articles and as may be set out in the Membership Policy;

6.6.2 wear the insignia adopted by the Association representing their Membership Category in accordance with the Brand Policy and Membership Policy; and

6.6.3 receive any information prepared by the Association for circulation to members.

6.7 Each member shall be deemed to be and be in fact bound by these Articles and any applicable laws, rules, bye-laws or codes, including those of the Association, including the Protected Policies (including the Code of Ethics) and the Association's anti-bribery and corruption policy (if any), and shall be required to co-operate in the enforcement of and adhere to any such laws, rules, bye-laws or codes.

7 Withdrawal of membership

7.1 *Membership of the Association is not transferable.*

7.2 Any person who wishes to withdraw from their membership of the Association shall sign and lodge with the Association a written notice in the manner prescribed from time to time in the Membership Policy. That person shall cease to be a member on the date specified within such notice or 10 days after the date on which such notice was duly lodged with the Association if no date is specified within such notice.

7.3 A person's membership of the Association terminates automatically if:

7.3.1 that member dies;

7.3.2 in the case of an Affiliate Member, the body to which that person belongs ceases to exist; or

7.3.3 that member does not pay all or part of any applicable Annual Membership Fee by its due date.

7.4 Notwithstanding any provision in these Articles, a person's membership of the Association may be terminated:

7.4.1 in accordance with and as provided for in the Code of Ethics;

7.4.2 in the case of an Affiliate Member only, if the Board determines (in its sole discretion) to revoke its membership for any reason whatsoever; or

7.4.3 in accordance with the Membership Policy.

8 General meetings

8.1 General meetings shall be convened and held in accordance with the Act. At least one general meeting will be held each year, without prejudice to the Directors' ability to convene general meetings at any time.

8.2 At least 28 Clear Days' notice must be given to all members of a general meeting unless a shorter period of notice has been agreed to by 90% of Voting Members under and in accordance with the Act.

- 8.3 The members may require the Association to circulate a statement of up to 500 words regarding an existing resolution that is to be proposed to a general meeting to the members entitled to receive notice of a general meeting. A request to circulate such a statement must be made by at least 50 Voting Members and received by the Association no later than 35 Clear Days before the date of the general meeting at which the relevant resolution is to be proposed.
- 8.4 The Directors must convene a general meeting if there is:
- 8.4.1 not more than once in a given six-month period, a valid requisition by 50 Voting Members (rather than the higher threshold stated in section 303(2) of the Act) under and in accordance with Part 13, Chapter 3 of the Act;
 - 8.4.2 a resigning auditor has required that the Directors of the Association forthwith duly convene a general meeting of the Association under and in accordance with the Act;
 - 8.4.3 a requirement to do so in the circumstances under the Act.
- 8.5 Without prejudice to members' rights under Part 13, Chapter 3 of the Act, Voting Members requesting the circulation of a statement or requisitioning a meeting in accordance with this article 8 must pay the expenses of the Association in circulating such statement to the members entitled to receive notice of a general meeting pursuant to article 8.3 or convening such a general meeting pursuant to article 8.4 in either case unless the Board determines otherwise or unless the Act otherwise requires. Furthermore, such members may be required by the Board to, to the extent permitted by the Act, prior to the circulation of such statement, acknowledge that the Association takes no responsibility for the content of any statement so circulated and to agree that it shall, to the extent permitted by the Act, hold harmless and indemnify the Association for any and all costs, charges, losses, expenses and liabilities occasioned as a result of the making or circulation of such a statement.
- 9 Attendance and speaking at general meetings**
- 9.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 9.2 A person is able to exercise the right to vote at a general meeting when:
- 9.2.1 that person is able to vote on resolutions put to the vote at the meeting; and
 - 9.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 9.3 The Directors may make whatever arrangements they consider appropriate to enable those members attending a general meeting to exercise their rights to speak or vote at it.
- 9.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other provided that, without prejudice to article 10.4, they are able to exercise any rights they have to speak and vote at that meeting.
- 10 Procedure at general meetings**
- 10.1 No business shall be dealt with at any general meeting unless a quorum of 12 Voting Members (at least one of whom shall be a Director) is present in person or by proxy. If a quorum is not present within 30 minutes

after the time at which a general meeting was due to commence or if, during a meeting, a quorum ceases to be present, the meeting shall stand adjourned to such time and place as may be fixed by the chair of the meeting.

- 10.2 The Association shall use its reasonable commercial endeavours to ensure that an independent, moderator which shall be appointed by the Board (in its sole discretion) has the opportunity to review in full the votes cast in connection with every resolution put to a vote at a general meeting. In connection with the discharge of such duties, such moderator shall have access to all books, records, data and other information which he or she reasonably and properly requires; provided, however, that he or she first enters into a confidentiality undertaking with respect to the Association in a form which is satisfactory to the Board. The Board may in its sole discretion appoint and remove such moderator at any time and for any reason.
- 10.3 A resolution put to the vote at a general meeting shall be decided by a poll and, if passed, shall be passed on the date of the general meeting. Each Voting Member shall have one vote which may be cast in person, by proxy or in advance of the meeting electronically in accordance with article 10.4. For the avoidance of doubt, Associate Members, Affiliate Members, Honorary Members and any other categories of member which are expressed to be non-voting under the Membership Policy shall have no voting rights.
- 10.4 Votes cast on a resolution electronically or otherwise in advance of the general meeting to which they relate shall be counted, provided that they are received by the Association from day after the date on which the notice of the general meeting was sent to all members (i.e., the first Clear Day) in accordance with article 8 until 48 hours prior to the general meeting to which they relate.
- 10.5 The number of those voting in favour, against or abstaining from voting in relation to a particular resolution put to a vote at a general meeting together with the number of spoiled or ineligible votes, shall generally be communicated to the members in whatever manner the Board (in its sole discretion) acting in good faith deems appropriate not later than four weeks after the conclusion of the relevant general meeting. Notwithstanding the foregoing, such disclosure will be made in compliance with applicable laws and regulations and shall not oblige the Association to disclose any information which could allow for a particular Voting Member's voting preference to be identified.
- 10.6 The Chairperson shall, if present and willing to act, preside as chair of each general meeting. Otherwise, the Directors present at the meeting shall elect from among themselves the person who will act as chair of that meeting. If there is only one Director present at the meeting, that Director shall act as chair of that meeting.
- 10.7 The chair of a general meeting may with the consent of the meeting adjourn the meeting to such time and place as the chair of the meeting may determine and must adjourn a general meeting if directed to do so by a majority of the Voting Members present at the meeting. No business shall be transacted at any adjourned meeting other than the business to be transacted at the meeting that was adjourned.
- 10.8 When adjourning a general meeting, the chair of the meeting must:
- 10.8.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
 - 10.8.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 10.9 If the continuation of an adjourned meeting is to take place more than 30 days after it was adjourned, the Association must give notice of such adjourned meeting in accordance with article 8.2:

- 10.9.1 to the same persons to whom notice of the Association's general meetings is required to be given; and
- 10.9.2 containing the same information which such notice is required to contain.

11 Content of Proxy Notices

11.1 Proxies may only validly be appointed by a notice in writing (a "Proxy Notice") which:

- 11.1.1 states the name and membership number of the member appointing the proxy;
- 11.1.2 identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
- 11.1.3 is signed by or on behalf of the member appointing the proxy, or is otherwise authenticated in such manner as the Directors may require; and
- 11.1.4 is delivered to the Association in accordance with these Articles and any supplementary instructions contained in the notice of the general meeting to which they relate.

11.2 The Board may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes provided that the form of the Proxy Notice to be used in relation to a particular general meeting is made available to the members not later than the date by which notice of such general meeting must be given pursuant to article 8.2.

11.3 Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

11.4 Unless a Proxy Notice indicates otherwise, it must be treated as:

- 11.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
- 11.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

11.5 For the avoidance of doubt, a person attending as a proxy shall exercise only those voting rights as are analogous to the eligibility to vote of the member for whom they are a proxy.

12 Delivery of Proxy Notices

12.1 Any notice of a general meeting must specify the address or addresses at which the Association or its agents will receive Proxy Notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.

12.2 A Proxy Notice delivered or submitted in accordance with article 11 must be received by the Association not less than 48 hours (or such shorter period as may be required by the Act) before the time of the relevant meeting or adjourned meeting.

12.3 A person who is entitled to attend, speak or vote at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Association by or on behalf of that person.

- 12.4 An appointment under a Proxy Notice may be revoked by delivering to the Association a notice in writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given.
- 12.5 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 12.6 If a Proxy Notice is not executed by the person appointing the proxy, the Board may require that it be accompanied by written evidence of the authority of the person who executed it to execute it on the appointer's behalf.

13 **Number of Directors**

The number of Directors shall not be subject to a maximum and shall not be less than six.

14 **Composition of the Board**

- 14.1 The Board shall be composed of the following persons each of whom shall: meet the criteria set forth below as at the date of the general meeting or meeting of the Board, as applicable, at which he or she is to be appointed; for the duration of his or her appointment, be a Voting Member (unless otherwise expressly indicated); and be appointed as set forth below:
- 14.1.1 subject and without prejudice to article 14.2, a chairperson (the "**Chairperson**") who shall be elected based on the votes cast at (or in advance of) a general meeting by the Voting Members on a first-past-the-post basis;
 - 14.1.2 a marketing director who shall be elected based on the votes cast at (or in advance of) a general meeting by the Voting Members on a first-past-the-post basis and who may be, but is not required to be, a Voting Member;
 - 14.1.3 a financial director who shall be elected based on the votes cast at (or in advance of) a general meeting by the Voting Members on a first-past-the-post basis and who may be, but is not required to be, a Voting Member;
 - 14.1.4 a legal director who shall be elected based on the votes cast at (or in advance of) a general meeting by the Voting Members on a first-past-the-post basis and who may be, but is not required to be, a Voting Member;
 - 14.1.5 an alpine director who shall be elected based on the votes cast at (or in advance of) a general meeting by the Voting Members holding a BASI Qualification for the alpine discipline on a first-past-the-post basis in accordance with these Articles;
 - 14.1.6 a snowboard director who shall be elected based on the votes cast at (or in advance of) a general meeting by the Voting Members holding a BASI Qualification for the snowboard discipline on a first-past-the-post basis in accordance with these Articles;
 - 14.1.7 a nordic director who shall be elected based on the votes cast at (or in advance of) a general meeting by the Voting Members holding a BASI Qualification for the nordic discipline on a first-past-the-post basis in accordance with these Articles;
 - 14.1.8 a telemark director who shall be elected based on the votes cast at (or in advance of) a general meeting by the Voting Members holding a BASI Qualification for the telemark discipline on a first-past-the-post basis in accordance with these Articles;

- 14.1.9 an adaptive director who shall be elected based on the votes cast at (or in advance of) a general meeting by the Voting Members holding a BASI Qualification for the adaptive discipline on a first-past-the-post basis in accordance with these Articles;
- 14.1.10 a Trainers director (the "**Trainers Director**") who shall be elected based on the votes cast at (or in advance of) a general meeting by the Voting Members who are Trainers on a first-past-the-post basis in accordance with these Articles; and
- 14.1.11 a Chief Executive Officer who shall be a full-time salaried employee that is appointed by the Board for a period as determined by it and who may be, but is not required to be, a Voting Member.

14.2 A Voting Member shall be eligible to be elected based on the votes cast at (or in advance of) a general meeting by Voting Members on a first-past-the-post basis as the successor to the Chairperson up to one year in advance of the expected date of retirement of the Chairperson (such person being the "**Chairperson Elect**") and prior to such person becoming the Chairperson they shall, if they are not otherwise a Director, serve as an additional Director in such capacity or, in the event that such person is Chairperson, continue to serve as Chairperson until the end of the then current term. The Chairperson Elect shall automatically become Chairperson (or, if they are already the Chairperson, shall commence a new term as Chairperson) upon the retirement of the Chairperson unless they are removed or retire earlier in accordance with these Articles.

14.3 A person shall only be eligible to be elected as a Director (other than the Chief Executive Officer, but including for the avoidance of doubt the Chairperson Elect) at a general meeting if, in addition to meeting the relevant criteria set forth in article 14.1 or 14.2 (as applicable), not less than 42 Clear Days before the date of such general meeting two Voting Members have delivered to the Association a written notice (which, for the avoidance of doubt, may be given by electronic mail) in support of his or her application to stand for election as a Director.

14.4 Subject and without prejudice to article 14.1, the Board can co-opt a person that the Board considers is suitable to act as a Director (other than the Chief Executive Officer) where one of the Director's positions as set forth in article 14.1 is vacant (any such person so appointed is a "**Co-optee**"). A person to be appointed as a Co-optee shall meet the eligibility criteria (set forth in article 14.1) applicable to the relevant Director's role, and may serve as a Co-optee on the Board until they are removed by the Board or the Association in accordance with these Articles. A Co-optee shall have the same rights as the Director that would have been elected to the position filled by the Co-optee and accordingly will be subject to the duties and responsibilities of a Director. Any position held by a Co-optee shall be advertised to be filled at each general meeting and in the event that a Director is elected to the position held by the Co-optee at a general meeting the Co-optee shall immediately cease to be a Director (unless such Co-optee is the person elected as the relevant Director). Upon the removal from office or resignation of a Co-optee, such Co-optee shall be immediately eligible for election as a Director.

15 **Removal and Retirement of Directors**

15.1 A person shall be removed as a Director by an Ordinary Resolution which is passed at a meeting in respect of which special notice has been given to do so before the expiration of that Director's period in office in accordance with section 168 of the Act. Such removal shall take effect upon the date of the meeting at which the Ordinary Resolution is passed.

15.2 A person cannot become or remain as and shall immediately cease to be a Director if:

- 15.2.1 he or she ceases to meet the eligibility requirements set forth in article 14;

- 15.2.2 he or she ceases to be a Director through the operation of any provision of the Act or becomes prohibited by law from being a Director;
 - 15.2.3 a registered medical practitioner who is treating that person gives a written opinion to the Association stating that such Director has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
 - 15.2.4 not less than two-thirds of the Eligible Directors (or, rounding down, the nearest integer thereto) resolve to remove him or her from office as he or she is absent for more than three consecutive meetings of the Directors (without permission from either the Chairperson or the Board) or is not (in the opinion of such Eligible Directors) discharging his or her duties to the standard expected either in a material respect or consistently;
 - 15.2.5 he or she is declared bankrupt under the Bankruptcy (Scotland) Act 1985 or has been subject to equivalent insolvency proceedings in a jurisdiction other than Scotland which have an effect similar to that of bankruptcy;
 - 15.2.6 a composition is made with his or her creditors generally in satisfaction of his or her debts;
 - 15.2.7 he or she is a member and has been found to have failed to comply in a material respect with the Code of Ethics as determined by the disciplinary panel (or other adjudicator) in accordance with the Code of Ethics;
 - 15.2.8 he or she has been found to have failed to comply in a material respect with the Directors' Policy in the judgement of not less than two-thirds of the Eligible Directors (or, rounding down, the nearest integer thereto);
 - 15.2.9 he or she instigates a derivative action against the Association or is participating against the interests of the Association (unless compelled to do so by law or a court of competent jurisdiction) in any legal or similar proceedings in any court, tribunal or other forum against the Association, unless two-thirds of the Eligible Directors (or, rounding down, the nearest integer thereto) determine otherwise; or
 - 15.2.10 he or she is an employee of the Association or a Member of the Group and his or her contract of service is terminated, unless two-thirds of the Eligible Directors (or, rounding down, the nearest integer thereto) determine otherwise.
- 15.3 Without prejudice to articles 15.1 and 15.2, a duly elected Director shall remain a Director until he or she retires in accordance with the following articles:
- 15.3.1 a Director can retire from office at any time by giving the Association not less than three months' notice or such shorter period of notice as the Eligible Directors may agree; and
 - 15.3.2 a Director (other than the Chief Executive) shall retire after a period of three years in office but he or she shall immediately be eligible to be re-elected at the next general meeting unless he or she has served two consecutive three-year terms in the same position in which case he or she shall not be eligible for re-election at the general meeting immediately following his or her retirement, although having retired he or she may be elected at a subsequent general meeting. For the avoidance of doubt, any time spent by the then Chairperson in the role of Chairperson Elect shall be disregarded for the purposes of the application of the foregoing term limit.

15.4 In the event of the Chairperson being unable or unwilling to act as Chairperson either temporarily or permanently, the Directors may elect one of the Directors who is a member to assume that position until such time as the Chairperson is able to or wishes to reassume his or her role.

16 **President**

16.1 The Board may nominate a natural person to be the president of the Association (the "**President**"). For the avoidance of doubt, the President is not a Director and shall not have the power to legally bind the Association or duties to act in relation to the Association except to the extent that, if any, a Director delegates any powers and/or duties to the President pursuant to article 22.

16.2 A person cannot become or remain as President and shall immediately cease to be President if:

16.2.1 a registered medical practitioner who is treating him or her gives a written opinion to the Association stating that he or she has become physically or mentally incapable of acting as President and may remain so for more than three months;

16.2.2 not less than two-thirds of the Eligible Directors (or, rounding down, the nearest integer thereto) resolve to remove him or her from office as he or she is (in the opinion of such Eligible Directors) likely to bring the Association into disrepute or is not (in the opinion of such Eligible Directors) discharging his or her duties to the standard expected either in a material respect or consistently;

16.2.3 he or she is a member and has been found to have failed to comply in a material respect with the Code of Ethics as determined by the disciplinary panel (or other adjudicator) in accordance with the Code of Ethics;

16.2.4 he or she instigates a derivative action against the Association or is participating against the interests of the Association (unless compelled to do so by law or a court of competent jurisdiction) in any legal or similar proceedings in any court, tribunal or other forum against the Association, unless two-thirds of the Eligible Directors (or, rounding down, the nearest integer thereto) determine otherwise.

16.3 Without prejudice to articles 16.1 and 16.2, a duly appointed President shall remain President until he or she retires or is removed in accordance with the following articles:

16.3.1 the President can retire from office at any time by giving the Association not less than three months' notice or such shorter period of notice as the Eligible Directors may agree; and

16.3.2 the President may be removed by a determination of the Board for any reason.

17 **Powers of Directors**

17.1 Subject to these Articles (including any directions given by Special Resolution), the Directors are responsible for the management of the Association's business, for which purpose they may exercise all the powers of the Association.

17.2 Any or all powers of the Directors (or any of them) shall be restricted in such respects, to such extent and for such duration as the Voting Members may determine by Special Resolution.

17.3 No direction given by Special Resolution shall invalidate anything which the Directors have done before it was passed.

- 17.4 For the avoidance of doubt, the Board may, subject to the Act, exercise all powers of the Association to:
- 17.4.1 borrow money;
 - 17.4.2 indemnify and guarantee;
 - 17.4.3 mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Association;
 - 17.4.4 create and issue debentures and other securities; and
 - 17.4.5 give security either outright or as collateral security for any debt, liability or obligation of the Association or of any third party.
- 18 **Transactions or other arrangements with the Association**
- 18.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he or she has declared the nature and extent of his or her interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Association:
- 18.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Association or in which the Association is otherwise (directly or indirectly) interested;
 - 18.1.2 may act in a professional capacity for the Association (otherwise than as auditor) and shall be entitled to remuneration for professional services as if he or she was not a Director;
 - 18.1.3 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Association is otherwise (directly or indirectly) interested; and
 - 18.1.4 shall not, save as he or she may otherwise agree, be accountable to the Association for any benefit which he or she (or a person connected with him or her (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his or her duty under section 176 of the Act.
- 18.2 However, in any event such a Director shall not count in the quorum for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of an existing or proposed transaction or arrangement with the Association in which he or she is in any way, whether directly or indirectly, interested and shall not be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested. No authorisation under article 19 shall be necessary in respect of any such interest.
- 18.3 For the avoidance of doubt, the Chief Executive Officer shall not be an Eligible Director for the purposes of any decision of the Directors concerning his or her performance and/or remuneration as Chief Executive Officer.

19 Conflicts of Interest

- 19.1 The Eligible Directors may, in accordance with the requirements set out in this article 19, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an "**Interested Director**") breaching his or her duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**").
- 19.2 Any authorisation under this article 19 will be effective only if:
- 19.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles;
 - 19.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other Interested Director; and
 - 19.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other Interested Director's vote had not been counted.
- 19.3 Any authorisation of a Conflict under this article 19 may (whether at the time of giving the authorisation or subsequently):
- 19.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 19.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
 - 19.3.3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
 - 19.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
 - 19.3.5 provide that, where the Interested Director obtains, or has obtained (through his or her involvement in the Conflict and otherwise than through his or her position as a Director) information that is confidential to a third party, he or she will not be obliged to disclose that information to the Association, or to use it in relation to the Association's affairs where to do so would amount to a breach of that confidence; and
 - 19.3.6 require the Interested Director to absent himself or herself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 19.4 Where the Eligible Directors authorise a Conflict, the Interested Director will be obliged to conduct himself or herself in accordance with any terms and conditions (if any) imposed by the Eligible Directors in relation to the Conflict.
- 19.5 The Eligible Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.

- 19.6 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Association for any remuneration, profit or other benefit which he or she derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the Association in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation (if any)) and no contract shall be liable to be avoided on such grounds.
- 19.7 For the purposes this article 19:
- 19.7.1 a person is connected with a Director if that person is connected for the purposes of section 252 of the Act; and
- 19.7.2 an interest (whether of the Director or of such a connected person) 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 or hers.
- 20 **Remuneration and Expenses**
- 20.1 Directors may undertake any services for the Association that the Directors decide (subject to the other provisions these Articles) and shall be entitled to such reasonable remuneration for their services to the Association as determined from time to time by the Remuneration Committee; provided, however, that the nature and amount of remuneration (if any) paid to each Director in their capacity as a Director for each financial year or fraction thereof be noted in the minutes of the Remuneration Committee at which the decision to award remuneration to such Director was taken. Such minutes or an extract thereof relating to the award of such remuneration shall be made available to the members not later than three months after the date of the relevant meeting.
- 20.2 For the avoidance of doubt, the Chief Executive Officer shall not be entitled to receive remuneration from the Association for acting in his or her capacity as a Director (in addition to remuneration for being an employee of the Association) but shall be entitled to his or her reasonable expenses in accordance with article 20.5.
- 20.3 The secretary to the Board may undertake any services for the Association that the Directors decide (subject to the other provisions these Articles) and shall be entitled to such reasonable remuneration for his or her services to the Association as determined from time to time by the Remuneration Committee.
- 20.4 The Members' Ombudsman shall be entitled to reasonable remuneration for his or her services to the Association as determined from time to time by the Remuneration Committee; provided, however, that the nature and amount of remuneration paid to the Members' Ombudsman in his or her capacity as such for each financial year or fraction thereof be noted in the minutes of the Remuneration Committee at which the decision to award remuneration to the Members' Ombudsman was taken. Such minutes or an extract thereof relating to the award of such remuneration shall be made available to the members not later than three months after the date of the relevant meeting.
- 20.5 The Association may pay or reimburse any reasonable expenses which the Directors (including any Co-optee), secretary to the Board and the Members' Ombudsman properly incur in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Association, including in connection with their attendance at meetings of the Board or general meetings. The nature and amount of expenses so paid or reimbursed in respect of such persons shall be approved by the Board and thereafter made available to the members not later than the end of the quarter following the quarter in which such expenses were

incurred. For the avoidance of doubt, such information may be made available on an anonymised and/or aggregated basis.

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21 Procedure at Directors' meetings

- 21.1 Any Director may call a meeting of the Directors or request the secretary to the Board (if applicable) to call a meeting of the Directors, subject to there being at least four meetings of the Directors in every year.
- 21.2 A meeting of the Directors shall be called by at least seven Clear Days' notice but may be called by shorter notice if it is so agreed by the Directors. The notice calling a meeting of the Directors shall specify the date, time and place of the meeting and shall set out in reasonable detail the general nature of the business to be transacted at the meeting. The accidental omission to give notice of a meeting of the Directors to, or the non-receipt of notice of a meeting by, any Director shall not invalidate the proceedings at that meeting.
- 21.3 Questions arising at a meeting of the Directors shall be decided by a majority of votes of the Eligible Directors. If an equality of votes arises, the chair of the meeting, provided that he or she is an Eligible Director, shall have a casting vote. If any procedural issue arises which is not dealt with in terms of these Articles, the chair of the meeting at which such procedural issue arises, provided that he or she is an Eligible Director, shall decide how the issue shall be dealt with and such decision shall be final and binding on the other Directors.
- 21.4 No business shall be dealt with at a meeting of the Directors unless a quorum is present. The quorum for Directors' meetings shall be six Directors; provided that solely for the purposes of any meeting (or part of a meeting) held pursuant to article 19 to authorise a Conflict, if there are fewer than six Eligible Directors in office other than the Interested Directors, the quorum for such meeting (or part of a meeting) shall be such lesser number of Eligible Directors.
- 21.5 If at any time the number of Directors in office falls below the number fixed as the quorum, the remaining Eligible Directors may continue to act but may act only for the purpose of filling any vacancies on the Board to the extent that they are permitted to do so in accordance with these Articles or of calling a general meeting.
- 21.6 Unless he or she is unwilling to do so or unable to do so as he or she is not an Eligible Director, the Chairperson shall preside as chair at every Directors' meeting at which he or she is present. If the Chairperson is unwilling to act as chair of the meeting or is not present within 15 minutes after the time when the meeting was due to commence, the Directors present shall elect from among themselves an Eligible Director who will act as chair of the meeting.
- 21.7 The Directors may, at their discretion, allow any person who they reasonably consider appropriate, to attend and speak at any meeting of the Directors. For the avoidance of doubt, any such person who is invited to attend a Directors' meeting shall not be entitled to vote and shall not be deemed to constitute a Director for the purposes of the Act or any provision of these Articles. Subject to this article 21.7, the Members' Ombudsman and secretary to the Board (if appointed) may attend and have the right to speak at Directors' meetings; provided that the Members' Ombudsman shall only have the right to attend Directors' meetings to the extent necessary to discharge his or her functions as set forth in article 24 and, for the avoidance of doubt, shall otherwise have no entitlement to be involved in the business of the Board.
- 21.8 All acts by any person acting as a Director shall be valid as if any such person had been duly elected and was qualified to be a Director notwithstanding that it is afterwards discovered that: there was a defect in his or her appointment; he or she was disqualified from holding office; he or she had ceased to hold office; and/or he or she was not entitled to vote on the matter in question.

- 21.9 A resolution in writing, signed by all the Eligible Directors, for the time being in the United Kingdom or elsewhere, shall be as valid and effectual as if it had been passed at a Directors' meeting.
- 21.10 All or any of the Directors may participate in a Directors' meeting by means of a conference telephone or any other communication equipment which allows all of those participating in the meeting to communicate with each other. Subject to these Articles, a Director so participating shall be deemed to be present, in person, at the meeting and, accordingly, shall be entitled to vote and shall be taken into account in determining whether a quorum is present. Such a meeting shall be deemed to take place where the largest group of Directors is assembled or, if there is no such group, where the chair of the meeting is at the time of the meeting.
- 22 Delegation to sub-committees and others**
- 22.1 Subject to these Articles, the Directors, the Members' Ombudsman or the secretary to the Board, as the case may be, may delegate any of the powers and/or duties which are conferred on them under these Articles:
- 22.1.1 to such person or committee;
 - 22.1.2 by such means (including by power of attorney);
 - 22.1.3 to such an extent;
 - 22.1.4 in relation to such matters or territories; and
 - 22.1.5 on such terms and conditions,
- as they think fit.*
- 22.2 If the Directors, the Members' Ombudsman or the secretary to the Board, as the case may be, so specify, any such delegation may authorise further delegation of their powers by any person to whom they are delegated.
- 22.3 The Directors, the Members' Ombudsman or the secretary to the Board, as the case may be, may revoke any delegation in whole or part, or alter its terms and conditions.
- 22.4 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by Directors.
- 22.5 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not consistent with them. For the avoidance of doubt, such rules may relate to procedural matters only and may not replace, amend and/or supplement any substantive powers, limitations and/or responsibilities set forth in these Articles.
- 23 Chief Executive Officer**
- 23.1 The Chief Executive Officer shall be appointed by the Board upon such terms and for such duration as the Board thinks fit. The duties of the Chief Executive Officer shall, in addition to those set out at article 28.2, include being responsible for the overall day-to-day management of the business of the Association, implementing the Association's strategic aims as identified by the Board in light of the Association's objects as set out at article 3 from time to time and liaising between the Board, the Association's management team and employees and any other relevant stakeholders.

- 23.2 Subject to the terms of these Articles, the Board may amend the duties of the Chief Executive Officer from time to time. The Chief Executive Officer shall report directly to the Chairperson and, whom failing, the Board.
- 24 **Members' Ombudsman**
- 24.1 The members' ombudsman shall be either a member or a professional having relevant qualifications and/or experience who in either case shall be elected by the members at a general meeting to fill the role of members' ombudsman for a period of three years (the "**Members' Ombudsman**"). The Members' Ombudsman may not also be a Director during at any time during which he or she is appointed as the Members' Ombudsman. The Members' Ombudsman shall immediately be eligible for re-election at the next general meeting following the expiry of the applicable three-year term of his or her appointment as Members' Ombudsman for a further three-year period; provided that he or she does not hold the office of Members' Ombudsman for a period of more than three consecutive terms (i.e., nine consecutive years in total).
- 24.2 The role of the Members' Ombudsman is to investigate and make recommendations (each such recommendation being an "**Ombudsman's Recommendation**") to the Board in relation to complaints made by members (in their capacity as such) against the Association, other than complaints which are of a disciplinary nature as they relate to alleged infringements of the Code of Ethics. The Members' Ombudsman may consider and make recommendations to the Board in relation to more than one complaint at the same time if he or she reasonably considers that the complaints concerned are related.
- 24.3 A summary of every Ombudsman's Recommendation shall be made available to the members in a timely manner for inspection by the members (and shall in any event be made available not later than three months after the date of the relevant determination). For the avoidance of doubt, this article 24.3 shall not oblige the publication of any information which the Members' Ombudsman, any three Directors or any two Directors and the secretary to the Board determines in good faith not to disclose having regard to applicable laws, rules and regulations, or for any other reason. In the event that only information of a generic nature is to be made available to the members in relation to an Ombudsman's Recommendation, the basis for keeping the subject matter confidential (e.g., compliance with laws) shall be made available to the members in a timely manner for inspection by the members (and shall in any event be made available not later than three months after the date of the relevant determination) in place of a summary of the Ombudsman's Recommendation.
- 24.4 A person cannot become or remain as and shall immediately cease to be the Members' Ombudsman if:
- 24.4.1 a registered medical practitioner who is treating him or her gives a written opinion to the Association stating that, that he or she has become physically or mentally incapable of acting as the Members' Ombudsman and may remain so for more than three months;
 - 24.4.2 he or she not discharging his or her duties to the standard expected either in a material respect or consistently, and in any such case not less than two-third of the Eligible Directors (or, rounding down, the nearest integer thereto) resolve to remove him or her from office;
 - 24.4.3 he or she is declared bankrupt under the Bankruptcy (Scotland) Act 1985 or has been subject to equivalent insolvency proceedings in a jurisdiction other than Scotland which have an effect similar to that of bankruptcy;
 - 24.4.4 a composition is made with his or her creditors generally in satisfaction of his or her debts;

- 24.4.5 he or she is a member and has failed to comply in a material respect with the Code of Ethics in the judgement of the disciplinary panel in accordance with the Code of Ethics; or
- 24.4.6 he or she is involved in any derivative action against the Association or is involved in any legal or similar proceedings in any court, tribunal or other forum by or against the Association, unless the Directors determine otherwise.
- 24.5 Without prejudice to articles 24.1 and 24.4, a duly elected Members' Ombudsman shall remain the Members' Ombudsman until he or she retires by giving the Association not less than three months' notice or such shorter period of notice as the Eligible Directors may agree.
- 24.6 The Directors may from time to time set forth additional requirements and/or procedures in respect of the Members' Ombudsman; provided that such requirements and/or procedures are not inconsistent with these Articles.
- 24.7 For the avoidance of doubt, the Members' Ombudsman is not a Director and therefore cannot exercise the powers of a Director.
- 25 **Approval of Protected Policies**
- 25.1 Any material amendment, modification, supplementation or restatement of a Protected Policy (each such act being an "Amendment") shall be submitted by the Board to the members for consideration at a general meeting and following such meeting it shall be adopted automatically without further action being required unless:
 - 25.1.1 at least 5% of all of the Voting Members (rather than simply those members who actually cast votes in person, by proxy or otherwise) vote against such Amendment, provided that a majority of all of the Voting Members who cast a vote (meaning those members who actually cast votes in person, by proxy or otherwise) do not vote in favour of such Amendment; or
 - 25.1.2 such Amendment is in the opinion of the Directors required, necessary or advisable: (a) in order to comply with applicable laws and/or regulations; (b) in the reasonable opinion of the Association's external legal counsel (which, for the avoidance of doubt, the Association shall be under no obligation to communicate to the members); (c) to cure any ambiguity or supplement any provision thereof which may be incomplete or inconsistent with another provision thereof or of any other policy, procedure or similar guidance of the Association including these Articles; and/or (d) in relation to the Membership Policy only, in order to change the Annual Membership Fee.
- 25.2 As soon as reasonably practicable after a Protected Policy is amended, modified, supplemented or restated, the revised Protected Policy shall be made available to the members in the usual manner.
- 26 **Secretary to the Board**
- 26.1 The secretary to the Board, who may be, but is not required to be, a Voting Member, shall be appointed by the Board upon such terms and conditions as it thinks fit.
- 26.2 The primary responsibility of the secretary to the Board shall be to ensure the Association's compliance with any administrative requirements of the Act, co-ordinate and arrange Directors' meetings, take minutes of Directors' meetings in accordance with article 27, supervise the organisation and conduct of any general meetings and ensure that appropriate minutes and other records are kept in relation to all general meetings.
- 26.3 The secretary to the Board may be removed as a secretary to the Board by a decision of the Board.

26.4 For the avoidance of doubt, the secretary to the Board is not a Director and therefore cannot exercise the powers of a Director except pursuant to and in accordance with the terms of a specific delegation of authority (if any) made in accordance with article 22.

27 **Minutes**

27.1 The Directors shall ensure that minutes are made of all proceedings at general meetings and Directors' meetings. A minute of any meeting shall include the names of those present, a note of the topics discussed at the meeting and details of any resolutions made. Any minutes relating to Directors' meetings shall generally be approved by the Eligible Directors at the next Directors' meeting and once such approval has been obtained shall (as far as possible) be signed or otherwise authenticated by the chair of the meeting to which they relate or the chair of the next meeting. Any minutes relating to a general meeting shall generally be signed or otherwise authenticated in writing by the chair of the general meeting to which they relate or the chair of the next general meeting.

27.2 If a quorum of the Directors meet from time to time to update each other on the business of the Association; provided, however, that if no material decisions are expected to be or actually are taken at such a meeting then it shall not be necessary for minutes of any such conversations to be produced and it shall be sufficient for the fact that a meeting has taken place together with a brief description of the nature of the topics discussed to be recorded in writing. With reference to the foregoing, it would be sufficient, for example, to describe a 15-minute discussion between the participating Directors around the Association's finances for a given period to be described as "finance update for the period ending (*insert relevant date*)".

27.3 Minutes made under article 27.1 and records made under article 27.2, shall be made available to the members in a timely manner for inspection by the members (and shall in any event be so made available not later than three months after the date of the relevant meeting), subject to the redaction or omission of any commercially or personally sensitive information, information which any three Directors or any two Directors and the secretary to the Board agree in their sole discretion, acting in good faith may be detrimental to the Association or information which applicable laws, regulations or guidance require be kept confidential, contained within the minutes or records of Directors' meetings.

28 **Accounting records and annual accounts**

28.1 The Directors shall ensure that proper accounting records for the Association (the "**Accounting Records**") are maintained in accordance with all applicable legal requirements.

28.2 The Directors hereby delegate responsibility to the Chief Executive Officer of their duty under article 28.1 in accordance with article 22. Subject to the overall supervision and direction of the Board, the Chief Executive Officer shall prepare and present annual accounts, budgets and projections to the Board annually or where requested or required by law to do so for the Board's approval in accordance with the Act.

28.3 If an audit is required under any statutory provisions or if the Directors otherwise think fit, the Chief Executive Officer shall ensure that an audit of such accounts is carried out by a qualified auditor. The Chief Executive Officer may delegate all or part of his or her responsibilities under this article 28 unless the Board otherwise determines.

28.4 A person shall be entitled to inspect any of the Association's Accounting Records only to the extent provided by law or authorised by the Board or any Ordinary Resolution.

28.5 The Accounting Records of the Association shall be kept in accordance with all applicable statutory requirements and the Association's chosen generally accepted accounting principles. The Accounting

Records shall, in particular, contain entries from day to day of all sums of money received and expended by the Association and the matters in respect of which such receipt and expenditure takes place and a record of the assets and liabilities of the Association.

- 28.6 The Board shall ensure that the Association uses all commercially reasonable efforts to produce a summary of the Accounting Records (the "**Annual Report**") to a general meeting of the members at least once in each calendar year, provided that, for the avoidance of doubt, the Board shall use all commercially reasonable efforts to do so at a time of their choosing within a particular calendar year and shall not be required to present the Annual Report to a general meeting in advance of filing the Association's financial statements with Companies House, Her Majesty's Revenue and Customs or any other authority.

29 **Dissolution**

- 29.1 If on dissolution of the Association any property remains after satisfaction of all of the Association's debts and liabilities, such property shall not be paid or distributed among the members but shall be transferred to a body (whether incorporated or unincorporated) whose objects are similar (wholly or in part) to the objects of the Association and which was established by a majority of former members or, failing which, to in a body (whether incorporated or unincorporated) whose objects are similar (wholly or in part) to the objects of the Association.
- 29.2 To the extent that effect cannot be given to the provisions of article 29.1, the relevant property shall after satisfaction of all of the Association's debts and liabilities be applied to some other charitable or not for profit object or objects as determined by the members at or before the time of dissolution or, failing such determination, by such court as may have jurisdiction at the time.

30 **Notices**

- 30.1 Any notice which requires to be given to a member under these Articles shall be given primarily by way of an Electronic Communication. Notwithstanding the foregoing sentence, if the member concerned has not provided an address for Electronic Communications, notice may be given in writing personally to that member or be sent by post in a pre-paid envelope addressed to the member at the address last intimated by him or her to the Association.
- 30.2 Any notice, if sent by post, shall be deemed to have been given at the expiry of 48 hours after posting.
- 30.3 Any notice contained in an Electronic Communication shall be deemed to have been delivered immediately upon having been sent.
- 30.4 A member present or represented at any meeting of the Association shall be deemed to have received notice of the meeting and of the purposes for which it was called.

31 **Indemnity**

- 31.1 Every Relevant Officer or auditor of the Association shall be indemnified (to the extent permitted by section 232, 234, 235, 532 and 533 of the Act) out of the assets of the Association against any and all costs, charges, losses, expenses and liabilities which he or she may sustain or incur in connection with the actual or purported execution of the duties of his or her office. That may include, without prejudice to that generality (but only to the extent permitted by those sections of the Act) any liability incurred by him or her in defending any proceedings or regulatory investigation or action (whether civil or criminal) in which judgement is given in his or her favour or in which he or she is acquitted or any liability in connection with an application in which relief is granted to him or her, in his or her capacity as a Relevant Officer, by the court from liability for negligence, default or breach of trust in relation to the affairs of the Association.

- 31.2 The Association may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him or her in connection with any proceedings, investigation, action or application referred to in article 31.1 and otherwise may take any action to enable any such Relevant Officer to avoid incurring such expenditure.
- 31.3 The Association shall be entitled to purchase and maintain for any insurance at the expense of the Association against any and all costs, charges losses, expenses and liabilities which have been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Association or another Member of the Group or any pension fund or employees' share scheme of the Association or other Member of the Group (including in respect of losses or liabilities of the nature referred to in section 232(2) of the Act).