

**Company No: 2420400**

**A**

**THE COMPANIES ACT 2006  
COMPANY LIMITED BY GUARANTEE**

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**ARTICLES OF ASSOCIATION  
of  
THE UK INTERACTIVE ENTERTAINMENT  
ASSOCIATION LIMITED**

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

**of**

**THE UK INTERACTIVE ENTERTAINMENT ASSOCIATION LIMITED**  
**(the “Association”)**

(adopted by special resolution passed on 2010 )

**1. INTERPRETATION**

1.1 In these Articles, unless the context indicates another meaning:

- "address"** means a postal address or, for the purposes of electronic communication, a fax number, an e-mail or postal address or a telephone number for receiving text messages in each case registered with the Association;
- “Affiliate”** means in respect of any Undertaking, any Subsidiary or Parent Undertaking of such Undertaking and any Subsidiary Undertaking of such Parent Undertaking (and the expressions “Undertaking” “Parent Undertaking” and “Subsidiary Undertaking” shall be as defined in Sections 1161 and 1162 Companies Act 2006);
- “AGM”** means an annual general meeting of the Association;
- “the Articles”** means the Association's Articles of Association;
- “Associate Member”** means a person who had been appointed as an Associate Member of the Association in accordance with Article 13 and any rules promulgated under Article 4.2;
- “Board”** means the board of Directors of the Association as constituted from time to time or the Directors present at a duly convened meeting of Directors at which a quorum is present;
- “Chairman”** means the chairman of the Association elected in accordance with Article 6.1;
- “clear days”** in relation to the period of a notice means a period excluding:
- (a) the day when the notice is given or deemed to

be given; and

(b) the day for which it is given or on which it is to take effect;

<b>“Companies Acts”</b>	means the Companies Acts (as defined in section 2 of the Companies Act 2006) insofar as they apply to the Association;
<b>“the Directors”</b>	means the directors of the Association from time to time;
<b>“document”</b>	includes, unless otherwise specified, any document sent or supplied in electronic form;
<b>“electronic form”</b>	means a document sent or supplied by electronic means (for example, by e-mail or fax), or by any other means while in an electronic form (for example, sending a disk by post);
<b>“electronic means”</b>	has the meaning given in section 1168 of the Companies Act 2006;
<b>“Executive Director”</b>	means the Director appointed in accordance with Article 6.3;
<b>“Full Member”</b>	means a person who has been appointed as a Full Member of the Association in accordance with Article 13.4 and any rules promulgated under Article 4.2;
<b>“Honorary Member”</b>	means a person who has been admitted as an Honorary Member of the Association in accordance with Article 13.5 and any rules promulgated under Article 4.2;
<b>“Members”</b>	means the Full Members and Associate Members listed in the Association’s Register of Members;
<b>“officer”</b>	means a Director appointed in accordance with Article 6.1;
<b>“ordinary resolution”</b>	means a resolution agreed by a simple majority of the Members present and voting at a general meeting or in the case of a written resolution, by Members who together hold a simple majority of the voting rights in the Association;
<b>“person”</b>	means any individual, company, firm, corporation, partnership, association, institution or trust (whether or not having a separate legal personality);
<b>“the seal”</b>	means the common seal of the Association if it has one;

**“special resolution”** means a resolution agreed by at least 75% of the Members present and voting at a general meeting or in the case of a written resolution, by Members who together hold at least 75% of the voting rights in the Association;

**“the United Kingdom”** means Great Britain and Northern Ireland;

**“year”** means calendar year; and

**“writing” or “written”** printing, typewriting, lithography, photography and any other mode or modes (including electronic modes) of representing or reproducing words in a legible and non-transitory form.

1.2 The Articles are to be interpreted without reference to the model articles under the Companies Act 2006, which do not apply to the Association.

1.3 Words importing one gender shall include all genders, and the singular includes the plural and vice versa.

1.4 Words or expressions contained in the Articles and not otherwise defined which are defined in the Companies Acts (but excluding any statutory modification not in force when this constitution becomes binding on the Association) shall have the same meaning.

1.5 Apart from the exception mentioned in the previous paragraph a reference to an Act of Parliament includes any statutory modification or re-enactment of it for the time being in force.

1.6 No regulations or articles set out in any statute concerning companies, or in any statutory instrument or other subordinate legislation made under any statute, shall apply as the regulations or articles of the Association.

## **2. OBJECTS**

2.1 The Association’s objects (“**Objects**”) are:

- (a) to promote the interactive entertainment industry (the “**Industry**”);
- (b) to improve the public perception of interactive entertainment as an industry and worthwhile leisure activity;
- (c) to collect, represent, express and give effect to the views and opinions of its Members arising out of the carrying on of such a business;
- (d) to receive, analyse and collate for the benefit of its Members and others information about development of the Industry and of related entertainment activities and industries;
- (e) to provide its Members with services, goods, and specialist advice, guidance and information on industry affairs and related matters or as may otherwise be of benefit to its Members;

- (f) to improve skills, training, education and professional standards within the Industry;
- (g) to establish liaison and co-operation with all relevant national and international organisations, associations or legal entities involved in distribution, retailing, magazine publishing and specialist services directly or indirectly concerning the Industry and to represent the views of its Members in any context or forum to the extent such views relate to or are connected with the Industry;
- (h) to promote or oppose Bills in Parliament or other measures affecting the Industry;
- (i) to subscribe to and promote the aims and objects of any society or association having similar objects to all or any of the objects of the Association;
- (j) to grant donations for public or charitable purposes (other than the support of a political party);
- (k) to invest the monies of the Association not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided;
- (l) to purchase or sell, take or let on lease, take or give in exchange or on hire, or otherwise acquire, grant, hold or dispose of any estate or interest in any lands, buildings, easements, concessions, machinery, plant, stock in trade, goodwill, trade marks, designs, patterns, patents, copyright or licenses, or any other real or personal property or any right, privilege, option, estate or interest;
- (m) to sell, lease, let on hire, improve, manage, develop, mortgage, dispose of, turn to account or otherwise deal with all or any of the property and rights and undertakings of the Association for such consideration as the Association may think fit;
- (n) to borrow any money required for the purposes of the Association upon such security as may be determined;
- (o) to carry on any other trade, business or activity whatsoever which can be advantageously carried by the Association in connection with or as ancillary to any of the above Objects;
- (p) to do all such lawful things as are incidental or conducive to or promote the attainment or furtherance of the above Objects or any of them.

2.2 Subject to Articles 2.3, 3.2 and 3.3, the income and capital of the Association shall be applied solely towards the promotion of the Objects and no portion of it shall be paid or transferred, directly or indirectly, to the Members by way of dividend or bonus or in any other way that amounts to a distribution of profit or surplus.

2.3 Nothing in Article 2.2 shall prevent any payment in good faith by the Association of:

- (a) reasonably and proper remuneration to any officer, employee or Member of the Association in return for any services provided to the Association;
- (b) discounts provided to Members in respect of their purchase of goods or services provided by the Association;
- (c) a reasonable rate of interest on money lent to the Association;
- (d) reasonable rent for property let to the Association;
- (e) expenses to any officer, employee or Member of the Association; or
- (f) premiums on any indemnity insurance policy to cover any liability of any Director or officer or employee of the Association which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a Director, officer, employee or trustee.

### **3. LIABILITY OF MEMBERS**

3.1 The liability of the Members is limited.

3.2 Every Member shall, if the Association is dissolved while it is a Member or within 12 months after he or she or it ceases to be a Member, contribute such sum (not exceeding £100) as may be demanded of him or her or it towards the payment of the debts and liabilities of the Association incurred before it ceases to be a Member, and of the costs, charges and expenses of winding up, and the adjustment of the rights of the contributories among themselves.

3.3 If upon the winding-up or dissolution of the Association there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, it shall either be paid to or distributed among the Members or (in accordance with a special resolution of the Association passed before commencement of the winding up) shall be given or transferred to some other body or bodies having objects similar to the objects of the Association or as otherwise may be determined by the Members, such body or bodies to be determined by the Members at or before the time of dissolution, and if and so far as effect cannot be given to this provision, then to some other body or bodies the objects of which are the promotion of charity and anything incidental or conducive to it.

### **4. DIRECTORS' GENERAL AUTHORITY**

4.1 Subject to the Articles, the Directors are responsible for the management of the Association's business for which purpose they may exercise all the powers of the Association.

4.2 The Board may establish rules for any purposes required from time to time for the effective operation of the Association or for the furtherance of the Objects, including (without limitation) the levying of annual subscriptions or membership fees and the criteria for admission as a Member and the criteria for expulsion of Members, provided that if there is a conflict between the terms of these Articles and any rules established under this Article, the terms of the Articles shall prevail.

4.3 No alteration of the Articles or any special resolution shall have retrospective effect to invalidate any prior act of the Directors.

4.4 Any meeting of the Board at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the Directors.

## **5. DIRECTORS**

5.1 Unless and until the Members in general meeting shall otherwise determine, the number of Directors shall not be less than three or more than twenty persons.

5.2 The Members may, at each AGM by ordinary resolution and in accordance with Article 5.8, appoint persons, who are willing to act and permitted by law to do so, to be new Directors.

5.3 No Director shall vacate his or her office or be ineligible for re-election as Director nor shall any person be ineligible for election as Director by reason only of his or her having attained any particular age.

5.4 Without prejudice to the power of the Association to appoint any person to be a Director, the Directors may, for the purposes of filling any vacancy or as an addition to the Board, appoint a person who is willing to act, and is permitted by law to do so, to be a Director. Any person appointed to act as a Director pursuant to this Article shall serve until the next AGM at which point he or she shall retire but may stand for re-election but shall not be taken into account in determining the number of Directors who are to retire by rotation at that meeting. If not re-appointed at that AGM, he shall vacate office at its conclusion.

5.5 The appointment of a Director, whether by the Members or by the other Directors, must not cause the number of Directors to exceed any number fixed as the maximum number of Directors.

5.6 At least one half (or the number nearest one half) of the Directors (but excluding the Executive Director) must retire at the AGM each year. Such one half shall comprise:

- (a) any Director who wishes to retire and not offer himself for re-election, otherwise;
- (b) any person appointed pursuant to Article 5.4 otherwise;
- (c) any Director who is an officer who is due to retire as an officer at the AGM pursuant to Article 6.1 and otherwise;
- (d) (other than any Director who is an officer, or the Executive Director (if a Director)), those longest in office at the date of the notice convening the AGM and the choice between any of equal service being made by drawing lots.

If a Director is required to retire at an AGM by a provision of the Articles the retirement shall take effect upon the conclusion of the meeting.

5.7 A retiring Director who is willing and permitted by law to be a director, may be re-elected.

5.8 No person (other than a Director retiring by rotation) may be appointed a Director at any general meeting unless:

- (a) he or she is recommended for re-election by the Board; or

- (b) not less than 15 nor more than 35 clear days before the date of the meeting, the Association is given a notice that:
  - (i) is signed by a Full Member entitled to vote at the meeting;
  - (ii) states the Full Member's intention to propose the appointment of a person as a Director and represents to the Association that such person (and no other person who is being proposed for appointment at or will be a Director after such meeting) is an employee or officer of that Full Member;
  - (iii) contains the details that, if the person were to be appointed, the Association would have to file at Companies House; and
  - (iv) is signed by the person who is to be proposed to show his or her willingness to be appointed.

Neither a Full Member (nor an Affiliate of such Full Member) who is proposing the appointment of a person to be a Director may vote in favour of such appointment.

5.9 The office of a Director shall (unless, in the case of (e), (g) or (j) below, the Board otherwise determines) be vacated if:

- (a) he ceases to be a Director by virtue of any provision of the Companies Act 2006 or he becomes prohibited by law from being a Director; or
- (b) he becomes bankrupt, makes any arrangement or composition with his creditors generally or if he has an administration or interim receiving order made against him or applies for an interim order under Section 253 Insolvency Act 1986 in connection with any voluntary arrangement under that Act; or
- (c) he becomes, in the opinion of all his co-Directors, incapable by reason of mental disorder of discharging his duties as a Director and those co-Directors resolve that his office be vacated; or
- (d) he resigns his office by notice to the Association and such resignation has taken effect in accordance with its terms; or
- (e) he is the representative of (or was nominated in accordance with Article 5.8 by) a Full Member whose membership has been terminated; or
- (f) he is removed from office by a resolution duly passed under section 168 of the Companies Act 2006;
- (g) he shall be absent, without the permission of the Board, from three consecutive Board meetings and the Board resolves that his office be vacated;
- (h) he is requested to resign by notice in writing addressed to him at his address as shown in the register of Directors and signed by not less than 75% of all the other Directors;



- (i) he is convicted of an indictable offence and/or an offence of dishonesty and the Directors shall resolve that it is undesirable in the interests of the Association that he remains a Director of the Association;
  - (j) he is not or ceases to be a director or an employee of the Member that proposed he be a director in accordance with Article 5.8 of such Member.
- 5.10 All Directors hereby waive any right they may have for compensation for loss of office as a Director or as a result of his or her removal as a Director for any reason, including, without limitation, because they are the representative of a Full Member whose membership has been terminated.
- 5.11 A technical defect in the appointment of a Director of which the Directors are unaware at the time does not invalidate decisions taken at a meeting of the Board.
- 5.12 Any Director (other than an alternate Director) may at any time by notice in writing served on the Association at its registered office, or delivered at a meeting of the Directors, appoint any other Director, or any other person approved by resolution of the Directors and willing to act, to be an alternate Director and may remove from office an alternate Director so appointed by him. The same person may be appointed as the alternate Director of more than one Director.
- 5.13 An alternate Director shall be entitled:
  - (a) to receive notice of all meetings of the Directors and of all meetings of committees of the Directors of which his appointor is a member, save that it shall not be necessary to give notice of such meeting to an alternate Director who is absent from the United Kingdom;
  - (b) to attend, be counted in the quorum for and vote at any such meeting at which the Director appointing him is not personally present; and
  - (c) generally at such meeting to perform all the functions of his appointor as a Director in his absence.
- 5.14 An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.
- 5.15 Except as the Articles otherwise provide, alternate Directors:
  - (a) are deemed for all purposes to be Directors;
  - (b) are liable for their own acts and omissions;
  - (c) are subject to the same restrictions as their appointors; and
  - (d) are not deemed to be agents of or for their appointors.
- 5.16 A person may be the alternate Director of more than one Director. If this is the case, at any directors' meeting he shall have one vote for each of the Directors for whom he is an alternate.

- 5.17 An alternate Director shall cease to be an alternate Director if his appointor ceases to be a Director or if any of the events set out in Articles 5.9 shall occur in relation to the alternate Director.

## **6. OFFICERS AND THEIR ELECTION**

- 6.1 The officers of the Association shall be such of the Directors who are elected as officers pursuant to this Article. Such officers shall consist of a Chairman, a Vice Chairman and an Honorary Treasurer and shall exercise such powers conferred on them by the Board pursuant to Article 8.1. Every two years at the AGM, the officers shall retire and new officers shall be nominated by at least two Full Members and elected and a retiring officer shall be eligible for re-election.

- 6.2 Any casual vacancy amongst the officers may be filled by the Board.

- 6.3 The Board shall have the power to appoint and remove the Executive Director of the Association and the Board may appoint and remove such Executive Director as a Director. No Executive Director so appointed shall be taken into account in determining the number of Directors who are to retire by rotation at any AGM. The office of the Executive Director may be a paid appointment and if paid the Executive Director shall be employed under a contract of employment on terms fixed by the Board.

## **7. DIRECTORS' MEETINGS**

- 7.1 The Directors must hold at least ten meetings each year.

- 7.2 Any three Directors or an officer may call a meeting of the Board and the secretary (if any) must call a meeting of the Board if requested to do so by three Directors or an officer.

- 7.3 Subject to Article 7.4, notice of a meeting of the Board must be given to each Director.

- 7.4 Notice of a meeting of the Board need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Association not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting.

- 7.5 Any issue arising at a meeting of the Board may be decided by a simple majority of votes cast at the meeting.

- 7.6 Each Director shall have one vote on each issue but, in the case of an equality of votes, the person who is chairing the meeting shall have a second or casting vote.

- 7.7 No decision may be made by a meeting of the Board unless a quorum is present at the time the decision is purported to be made.

- 7.8 A quorum at a meeting of the Board shall be four Directors or the number nearest to one-third of the total number of Directors, whichever is the greater, or such other number as may be decided from time to time by the Board.

- 7.9 If the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting.
- 7.10 Subject to Article 7.11, the Chairman shall chair all meetings of the Board.
- 7.11 If the Chairman is unwilling to preside at any meeting or is not present within 10 minutes after the time appointed for the meeting, the Directors present may appoint one of their number to chair that meeting.
- 7.12 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, online or other means of communications which permits each participant to hear each of the other participants addressing the meeting and, if he or she wishes to do so, to address all the other participants or otherwise to communicate simultaneously and without material time delay with the other participants. Participation in the meeting in this manner constitutes presence of the person at the meeting and entitles any Director or member of a committee of the Board so present to vote and count in the quorum. Such a meeting shall be regarded as taking place where the largest number of the group of those participating is or, if there is no such largest number, where the chairman is for that meeting.
- 7.13 A resolution in writing or in electronic form agreed by a simple majority of all the Directors entitled to receive notice of a meeting of the Board or of a committee of the Board and to vote upon the resolution 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 provided that:
- (a) a copy of the resolution is sent or submitted to all the Directors eligible to vote; and
  - (b) a simple majority of Directors has signified its agreement to the resolution in an authenticated document or documents which are received at the registered office or such other address (whether in electronic form or not) as shall be determined by the Board.
- 7.14 The resolution in writing may comprise several documents containing the text of the resolution in like form to each of which one or more Directors has signified their agreement.

## **8. DELEGATION**

- 8.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles:
- (a) to the officers of the Association, the Executive Director or to such other person or committee;
  - (b) by such means (including by power of attorney);
  - (c) to such an extent;
  - (d) in relation to such matters or territories; and
  - (e) on such terms and conditions;

as they think fit.

- 8.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.
- 8.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.
- 8.4 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 the Articles which govern the taking of decisions by Directors.
- 8.5 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

## **9. INTERESTS OF DIRECTORS**

- 9.1 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.
- 9.2 An interest which cannot reasonably be regarded as likely to give rise to a conflict of interest shall not be treated as an interest of a Director.
- 9.3 Pursuant to section 175 (and subject to sections 175 (3) to (6)) of the Companies Act 2006, a Director must avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the interests of the Association, including but not limited to the exploitation of any property, information or opportunity notwithstanding that the Association cannot take advantage of such property, information or opportunity (which may include a conflict of interest and duty and a conflict of duties) and for this purpose a conflict of interest includes a conflict of interest and duty and a conflict of duty ("**Conflict Situation**"). Pursuant to section 175(5)(b) of the Companies Act 2006, the Directors may authorise a Conflict Situation on such terms and subject to such conditions and/or limitations as the Directors may in their absolute discretion determine (and such terms, conditions and/or limitations may be imposed at the time of or after the authorisation and may be subsequently varied or terminated) provided that the relevant Director ("**Conflicted Director**") shall not vote or count in the quorum in respect of any resolution of the Board authorising his conflict of interest.
- 9.4 If any Conflict Situation is authorised or otherwise permitted under these Articles, the Conflicted Director (for as long as he reasonably believes such Conflict Situation subsists):
  - (a) shall not be required to disclose to the Association (including the Board or any committee of the Board) any confidential information relating to such Conflict Situation which he obtains or has obtained otherwise than in his capacity as a Director of the Association, if to make such disclosure would give rise to a breach of duty or breach of obligation of confidence owed by him to another person in relation to such matter, office, employment or position;
  - (b) shall be entitled to attend or absent himself from all or any meetings of the Board (or any committee of the Board) at which anything relating to such Conflict Situation will or may be discussed; and

- (c) shall be entitled to make such arrangements as he thinks fit to receive or not to receive documents or information (including, without limitation, board papers (or those of any committee of it)) relating to any such Conflict Situation and/or for such documents or information to be received and read by a professional adviser on his behalf,

and in so doing, such Conflicted Director shall not be in breach of any general duty he owes to the Association pursuant to sections 171 to 177 (inclusive) of the Companies Act 2006 and the provisions of this Article 9.4 shall be without prejudice to any equitable principle or rule of law which may excuse the Conflicted Director from disclosing information or attending meetings or receiving documents or information, in circumstances where such disclosure, attendance or receipt would otherwise be required under these Articles.

9.5 Where a Conflict Situation has been authorised or is otherwise permitted under these Articles:

- (a) the Conflicted Director shall not, by reason of his office, be liable to account to the Association for any dividend, profit, remuneration, superannuation payment or other benefit which he derives from any matter, office, employment or position which relates to such Conflict Situation;
- (b) no contract, arrangement, transaction or proposal shall be avoided on the grounds of the Conflicted Director having any interest in the Conflict Situation or receiving any such dividend, profit, remuneration, superannuation payment or other benefit; and
- (c) the receipt of any such dividend, profit, remuneration, superannuation payment or other benefit so authorised or permitted shall not constitute a breach of the duty not to accept benefits from third parties as set out in section 176 of the Companies Act 2006,

provided the Conflicted Director has disclosed the nature and extent of his interest in the Conflict Situation to the other Directors.

9.6 Without prejudice to the obligation of any Director to disclose his interest in accordance with section 177 of the Companies Act 2006, and provided any relevant conflict of interest has been authorised in accordance with Article 9.3 above, a Director may attend and vote at a meeting of the Board or of a committee of the Board on any resolution concerning a matter in which he is directly or indirectly interested. The Director shall be counted in the quorum present at a meeting when any such resolution is under consideration and if he votes his vote shall be counted.

9.7 If a question arises at a meeting of the Board or of a committee of the Board as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any Director other than the Chairman is to be final and conclusive. If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, the question is to be decided by a decision of the Board at that meeting, for which purpose the Chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

## **10. DIRECTORS' DECISIONS**

10.1 All acts done by a meeting of the Board, or of a committee of the Board, shall be valid notwithstanding the participation in any vote of a Director:

- (a) who was disqualified from holding office;
- (b) who had previously retired or who had been obliged by the constitution to vacate office; or
- (c) who was not entitled to vote on the matter, whether by reason of a conflict of interests or otherwise,

if without:

- (a) the vote of that Director; and
- (b) that Director being counted in the quorum,

the decision has been made by a majority of the Directors at a quorate meeting.

## **11. DIRECTORS' REMUNERATION**

11.1 Directors may undertake any services for the Association that the Directors decide.

11.2 Directors are entitled to such remuneration as the Board determine:

- (a) for their services to the Association as Directors; and
- (b) for any other service which they undertake for the Association.

11.3 Subject to the Articles, a Director's remuneration may:

- (a) take any form; and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.

11.4 Unless the Board decides otherwise, Directors' remuneration accrues from day to day.

11.5 Unless the Board decides otherwise, Directors are not accountable to the Association for any remuneration which they receive as Directors or other officers or employees of the Association's subsidiaries or of any other body corporate in which the Association is interested.

## **12. DIRECTORS' EXPENSES**

12.1 The Association may pay any reasonable expenses (approved by the Board or in accordance with a policy approved by the Board or (other than in respect of his own expenses) by the Honorary Treasurer) which the Directors properly incur in connection with their attendance at:

- (a) meetings of the Board or committees of the Board; or

(b) general meetings,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Association.

### **13. MEMBERS**

13.1 The Association must maintain a register of Members (the “**Register of Members**”).

13.2 The Board may from time to time establish classes of membership with different rights and obligations and prescribe criteria for membership (including, without limitation, different criteria to apply to Full Members and to Associate Members and to Honorary Members) but shall not by so doing become obliged to accept persons fulfilling those criteria as Members.

13.3 No person shall become a Member unless:

(a) that person has completed an application for membership in a form approved by the Board (if any); and

(b) the Board has approved the application.

13.4 The Board may in its absolute discretion:

(a) decline to accept any person as a Member;

(b) determine whether any person shall be accepted as either a Full Member or an Associate Member or an Honorary Member or other category of membership established by the Board; and

(c) convert the membership status of any member from any category of membership to any other category of membership,

and need not give reasons for so doing.

13.5 The Board may admit to honorary membership such persons (who are able to benefit the Association or the Members or further the objects but who do not meet any criteria necessary for Full or Associate Members) and subject to such rights and obligations as it shall think fit. Such Honorary Members shall not be Members for the purposes of these Articles or the Companies Acts and shall not have the right to attend any general meeting of the Association or vote on any matter.

13.6 A Member shall cease to be a Member:

(a) if it resigns by notice in writing delivered to the Association at its office in which event it shall be deemed to have resigned as a member on the service of that notice on the Association or at such later date as is specified in the notice;

(b) if any subscription or other sum payable by the Member to the Association is not paid on the due date and remains unpaid 7 days after notice served on the Member by the Association informing it that it will be removed from membership if it is not paid. The Board may at its discretion re-admit to membership any person removed from membership on this ground on its

paying such sum in respect of the sum due as the Association may determine;

- (c) if it goes into liquidation otherwise than for the purpose of a bona fide reconstruction without insolvency or has an administrator or a receiver or an administrative receiver appointed over all or any part of its assets or a petition is presented or an order made or a resolution passed for its winding-up or if it makes an arrangement or composition with its creditors generally; or
- (d) if, at a meeting of the Board, a resolution is passed resolving that its membership be terminated. If such a resolution as is referred to in this paragraph is passed, then the Member shall forthwith cease to be a Member but without prejudice to the liability of the Member to pay to the Association any subscription or other sum owed by it and any Member whose membership has been terminated shall be entitled to a refund in whole or in part of any subscription or other sum paid or owed by it.

13.7 The Board may at its discretion levy subscriptions and fees on all Members of the Association at such rates and at such intervals as it shall determine and may levy subscriptions and fees at different rates on different categories of Members.

13.8 Membership of the Association is not transferable or transmissible on death or liquidation.

#### **14. GENERAL MEETINGS**

14.1 Members are entitled to attend general meetings in person or by proxy in accordance with the Articles.

14.2 The Directors may call a general meeting at any time on at least 14 clear days' written notice.

14.3 A general meeting may be called by shorter notice if so agreed by a majority in number of Members having a right to attend and vote at the meeting, being a majority who together hold not less than 90% of the total voting rights.

14.4 The notice must specify the date, time and place of the meeting, the general nature of the business to be transacted and shall be given in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Association in a general meeting to such persons as are under the Articles, entitled to receive such notice from the Association. The notice should also contain a statement setting out the rights of the Members to appoint a proxy under section 324 of the Companies Act 2006 and Article 16.

14.5 Notice of every general meeting shall be given in a manner authorised under Article 20.1 to:

- (a) every Member except those Members who have not supplied to the Association an address within the United Kingdom or an address or number for the purpose of giving notice in electronic form for the giving of notice to them;
- (b) the Directors and the auditor or auditors for the time being of the Association.

No other person shall be entitled to receive notices of general meetings.



- 14.6 The proceedings at a meeting shall not be invalidated because a person who was entitled to receive notice of the meeting did not receive it because of an accidental omission by the Association.
- 14.7 The Association shall in each year hold a general meeting as its AGM, and shall specify the meeting as such in the notice calling it, on a date to be fixed annually by the Board in addition to any other meetings in that year for the purposes of:
- (a) receiving the reports of the Board and auditors;
  - (b) receiving the accounts and balance sheet;
  - (c) electing the officers (to the extent required by Article 6);
  - (d) filling vacancies on the Board;
  - (e) appointing new auditors; and
  - (f) considering, and if necessary taking action with reference to any other business or motion of which due notice shall be given.

## **15. PROCEEDINGS AT GENERAL MEETINGS**

- 15.1 Subject to Article 13.2, every Member shall have one vote on each issue at general meetings provided that no Member shall, unless the Board otherwise determines, be entitled to vote at a general meeting or to exercise any rights as a Member unless all sums then payable by it to the Association have been duly paid.
- 15.2 Any objection to the qualification of any voter must be raised at the meeting at which the vote is tendered and the decision of the person who is chairing the meeting is final.
- 15.3 No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business.
- 15.4 A quorum is:
- (a) at least four Full Members present in person or by proxy; or
  - (b) one tenth of the Members entitled to receive notice of and vote at that general meeting, present in person or by proxy;
- whichever is greater, and any authorised representative of a Member shall be counted in the quorum.
- 15.5 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.
- 15.6 Each general meeting of the Association shall be chaired by the Chairman or in his absence, the Vice Chairman, or in his absence by any person appointed by the Directors present at the meeting or if no Directors are present, by the Members present at the meeting.
- 15.7 The Chairman presiding at any general meeting shall have a second or casting vote.

- 15.8 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
- (a) the meeting consents to an adjournment, or
  - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 15.9 The chairman of the meeting must adjourn a general meeting if directed to do so by ordinary resolution of the Members.
- 15.10 When adjourning a general meeting, the chairman of the meeting must:
- (a) 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 Board, and
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 15.11 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Association must give at least 7 clear days' notice of it
- (a) to the same persons to whom notice of the Association's general meetings is required to be given, and
  - (b) containing the same information which such notice is required to contain.
- 15.12 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.
- 15.13 Any vote at a meeting shall be decided by a show of hands unless before, or on the declaration of the result of, the show of hands a poll is demanded:
- (a) by the person chairing the meeting;
  - (b) by at least two Full Members present in person or by proxy and having the right to vote at the meeting; or
  - (c) by Full Members and Associate Members present in person or by proxy representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting.
- 15.14 On a poll votes may be given either personally or by proxy.
- 15.15 The declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded.
- 15.16 The result of the vote must be recorded in the minutes of the Association but the number or proportion of votes cast need not be recorded.
- 15.17 A demand for a poll may be withdrawn, before the poll is taken, but only with the consent of the person who is chairing the meeting.
- 15.18 If the demand for a poll is withdrawn the demand shall not invalidate the result of a show of hands declared before the demand was made.

- 15.19 A poll must be taken as the person who is chairing the meeting directs, who may appoint scrutineers (who need not be Members) and who may fix a time and place for declaring the results of the poll.
- 15.20 The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.
- 15.21 A poll demanded on the election of a person to chair a meeting or on a question of adjournment must be taken immediately. A poll demanded on any other question must be taken either immediately or within 30 days after it has been demanded at such time and place as the person who is chairing the meeting directs.
- 15.22 If the poll is not taken immediately at least 7 clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 15.23 If a poll is demanded the meeting may continue to deal with any other business that may be conducted at the meeting.
- 15.24 Except where otherwise provided by the Articles or the Companies Acts, every issue is to be decided by ordinary resolution.
- 15.25 A resolution in writing agreed by Members holding a simple majority (or in the case of a special resolution by a majority of not less than 75%) of the voting rights who would have been entitled to vote upon it had it been proposed at a general meeting shall be valid and effective as if the same had been passed at a general meeting of the Association duly convened provided that:
- (a) a simple majority (or in the case of a special resolution a majority of not less than 75%) of Members has signified its agreement to the resolution; and
  - (b) it is contained in an authentication document which has been received at the Association's registered office or other address specified by the Board or referred to in the resolution within the period of 28 days beginning with the circulation date.
- 15.26 A resolution in writing may comprise several copies to which one or more Members have signified their agreement.
- 15.27 Each Member who is not an individual may nominate any person to act as its representative at any meeting of the Association.
- 15.28 The Member must give written notice to the Association of the name of any representative nominated by it. The representative shall not be entitled to represent the Member at any meeting unless the notice has been received by the Association. The representative may continue to represent the Member until written notice to the contrary is received by the Association.
- 15.29 Any notice given to the Association will be conclusive evidence that the representative is entitled to represent the Member or that his or her authority has been revoked. The Association shall not be required to consider whether the representative has been properly appointed by the Member.

## **16. CONTENT OF PROXY NOTICES**

- 16.1 Proxies may be appointed by a notice in writing (a "**proxy notice**") which:

- (a) states the name and address of the Member appointing the proxy;
  - (b) identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
  - (c) is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Board may determine; and
  - (d) is delivered to the Association in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.
- 16.2 The Association may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 16.3 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.
- 16.4 Unless a proxy notice indicates otherwise, it must be treated as:
- (a) 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
  - (b) 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.
- 16.5 The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

## **17. DELIVERY OF PROXY NOTICES**

- 17.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Association by or on behalf of that person.
- 17.2 An appointment under a proxy notice may be revoked by delivering to the Association a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 17.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 17.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

## **18. SEAL**

If the Association has a seal it must only be used by the authority of the Board or of a committee of the Board authorised by the Directors. The Board may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the secretary (if any) or by a second Director or by one Director in the presence of a witness who attests the signature.

## **19. ACCOUNTS AND RECORDS**

- 19.1 The Board shall cause accounting records to be kept in accordance with the Companies Acts and shall keep such other books and registers as are necessary to comply with the Companies Acts.
- 19.2 The accounting records shall be kept at the registered office or (subject to the Companies Acts) at such other place in United Kingdom as the Board thinks fit. No Member (other than representatives elected to the Board) shall have any right to inspect any accounting record or other document of the Association unless it is authorised to do so by statute, by order of the Court, by the Board or by ordinary resolution of the Association. These records shall always be open for inspection by Directors and officers of the Association.
- 19.3 A printed copy of the directors' and auditors reports accompanied by printed copies of the annual accounts (including every document required by law to be comprised in them or annexed or attached to them) shall not less than 21 clear days before the meeting before which they are to be laid, be delivered or sent by post to every Member and to the auditors and to every other person who is entitled to receive notice of general meetings. However, this Article shall not require a copy of those documents to be sent to any person who under the provisions of these Articles is not entitled to receive notices from the Association or of whose address the Association is unaware. Any Member to whom such documents are sent shall be entitled to receive a further copy, free of charge, on application at the registered office of the Association.

## **20. NOTICES**

- 20.1 Subject to the Articles, anything sent or supplied by or to the Association under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Association.
- 20.2 Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- 20.3 Any notice to be given to or by any person pursuant to the Articles:
- (a) must be in writing; or
  - (b) must be given in electronic form.
- 20.4 The Association may give any notice to a Member or Director either:
- (a) personally; or
  - (b) by sending it by post in a prepaid envelope addressed to the Member at its registered address or (if it has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by it to the Association for the giving of notice to it; or
  - (c) by sending it in electronic form:

- (i) to the address or number for the time being notified for that purpose by the Member to the Association; or
- (ii) through publication in the Association's newsletter or on the Association's website.

20.5 Where a notice is

- (a) served personally in the case of personal service, the notice shall be deemed effective at the time of delivery
- (b) served by post, service of the notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the notice and to have been effected at the expiration of forty-eight hours after the letter containing the same is posted.
- (c) served in electronic form, service of the notice shall be deemed to be effected by properly addressing and sending an electronic transmission containing the notice and to have been effected at the expiration of forty-eight hours after the transmission containing the same is sent.

20.6 A document or information including notices of general meetings may only be sent by the Association by electronic form in accordance with the provisions of the Companies Acts to a Member who has agreed that the document or information may be sent by those means and who has provided an address for that purpose.

20.7 A Member present in person or by proxy at any meeting of the Association shall be deemed to have received notice of the meeting and, when required, of the purposes for which it was called.

## **21. INDEMNITY**

21.1 Subject to the provisions of the Companies Act 2006:

- (a) every Director, Company Secretary or other officer of the Association shall be entitled to be indemnified out of the assets of the Association against all costs, charges, damages, losses or liabilities which he may sustain or incur in or about the execution of the duties of his, her or its office or otherwise in relation to his, her or its office, including without limitation, any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his, her or its favour or in which he is acquitted or in connection with any application under sections 661 or 1157 of the Companies Act 2006 in which relief is granted to him by the court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Association in the execution of the duties of his, her or its office or otherwise in relation to his, her or its office;
- (b) the Board may exercise all the powers of the Association to purchase and maintain insurance for the benefit of any person who is or was at any time a Director or his alternate, Company Secretary, or other officer or employee against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Association or other liability which may lawfully be insured against by the Association.

- 21.2 The Association shall (at the cost of the Association) effect and maintain for each Director policies of insurance insuring each Director against risks in relation to his office as the Board may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Association or other liability which may lawfully be insured against by the Association.

## 22. DATA PROTECTION

Each of the Members, Directors and officers of the Association (from time to time) consent to the processing of their personal data by the Association, its Members and Directors (each a "**Recipient**") for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information among themselves in connection with matters related to the Association. A Recipient may process the personal data either electronically or manually. Other than as required by law, court order or other regulatory authority, that personal data may not be disclosed by a Recipient other than to employees, directors and professional advisers of that Recipient in connection with matters related to the Association. Each of the Association's Members and Directors (from time to time) consent to the transfer of relevant personal data to persons acting on behalf of the Recipient and to the offices of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.