

THE COMPANIES ACTS 1948 TO 2006

PRIVATE COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION

OF

BRITISH AUTOMOBILE RACING CLUB LIMITED (the "Club")

(Adopted by special resolution passed on 28 February 2017)

INTERPRETATION, OBJECTS AND LIMITATION OF LIABILITY

1. INTERPRETATION

1.1 In these Articles, unless the context otherwise requires:

Act: means the Companies Act 2006;

Appointor: has the meaning given in Article 19.1;

Articles: means the Club's articles of association for the time being in force;

bankruptcy: includes insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

Business Day: means any day (other than a Saturday, Sunday or public holiday in England) when banks in London are open for business;

Conflict: means a situation in which a Member of the Council has or can have, a direct or indirect interest that conflicts or possibly may conflict, with the interests of the Club;

Council: has the meaning set out in Article 9;

Director: means a Member of the Council of the Club and includes any person occupying the position of a director of the Club, by whatever name called;

document: includes, unless otherwise specified, any document sent or supplied in electronic form;

electronic form: has the meaning given in section 1168 of the Act;

Eligible Member of the Council: means a Member of the Council who would be entitled to vote on the matter at a meeting of the Council (but excluding in relation to the authorisation of a Conflict pursuant to Article 18, any Member of the Council whose vote is not to be counted in respect of the particular matter);

Interested Member of the Council: has the meaning given in Article 18.1;

Member: means a person whose name is entered in the Register of Members of the Club and **Membership** shall be construed accordingly; and

Model Articles: means the model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles and reference to a numbered "**Model Article**" is a reference to that article of the Model Articles;

Officers: has the meaning given in Article 8;

ordinary resolution: has the meaning given in section 282 of the Act;

participate: in relation to a Council meeting, has the meaning given in Model Article 10;

proxy notice: has the meaning given in Model Article 31;

Registered Office: means the registered office of the Club from time to time;

Rules: has the meaning given in Article 38.

secretary: means the secretary of the Club and any other person appointed to perform the duties of the secretary of the Club, including a joint, assistant or deputy secretary;

special resolution: has the meaning given in section 283 of the Act;

subsidiary: has the meaning given in section 1159 of the Act;

writing: means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an **article** is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute or statutory provision shall include any subordinate legislation from time to time made under that statute or statutory provision.
- 1.6 Any word following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 The Model Articles shall apply to the Club, except in so far as they are modified or excluded by these Articles.
- 1.8 The following Model Articles shall not apply to the Club:
- (a) 1 (Defined terms);
 - (b) 2 (Liability of Members);
 - (c) 8 (Unanimous decisions);
 - (d) 9 (Calling a directors' meeting);
 - (e) 11 (Quorum for directors' meeting);
 - (f) 12 (Chairing of directors' meetings);
 - (g) 13 (Casting vote);
 - (h) 14 (1), (2), (3) and (4) (Conflicts of interest);
 - (i) 17 (Methods of appointing directors);
 - (j) 18 (Termination of director's appointment);
 - (k) 21 (Applications for membership);
 - (l) 22 (Termination of membership);
 - (m) 25 (Chairing general meetings);
 - (n) 30(2) (Poll votes);

- (o) 31(1)(d) (Content of proxy notices);
- (p) 35 (Company seals);
- (q) 36 (No right to inspect accounts and other records);
- (r) 38 (Indemnity);
- (s) 39 (Insurance).

1.9 Model Article 3 (Directors' general authority) shall be amended by the insertion of the words "in accordance with its objects" after the words "the management of the Company's business".

1.10 Model Article 7 (Directors to take decisions collectively) shall be amended by:

- (a) the insertion of the words "for the time being" at the end of Model Article 7(2)(a); and
- (b) the insertion in Model Article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".

1.11 Model Article 20 shall be amended by the insertion of the words "(including alternate directors) and the secretary (if any)" before the words "properly incur".

2. OBJECTS

The objects for which the Club is established are to encourage motor racing and record breaking by the promotion or organisation of motor racing meetings, rallies, trials and other sporting events or by assisting in the same and by the giving of prizes and to encourage research and design and to assist in any way possible the development and improvement of the motor vehicle and facilities in motoring and to encourage social intercourse between the members of the Club.

3. POWERS

In pursuance of the objects set out in Article 2, the Club has the power to:

- 3.1 establish, maintain and conduct a club for the accommodation of members, their friends and guests and generally to afford them all the usual privileges, advantages and accommodation of a club;
- 3.2 buy, lease or otherwise acquire and deal with any property real or personal and any rights or privileges of any kind over or in respect of any property real or personal and to improve, manage, develop, construct, repair, sell, lease, mortgage, charge, surrender or dispose of or otherwise deal with all or any part of such property and any and all rights of the Club;

- 3.3 issue badges and insignia to the members of the Club;
- 3.4 act on behalf of members in regard to advance bookings, sale of tickets at race meetings and other gatherings and sporting events and for the reservation of accommodation at hotels and the like, and to carry out such similar duties as may generally be required from time to time and, in particular, with regard to any race meetings whether the Club acts as promoters or joint promoters or otherwise;
- 3.5 organise tours, lectures, educational courses, television, broadcasting or other displays and to make known by way of advertisement or in any other way the objects of the Club or any other analogous activities, causes or projects which it may be desired to sponsor or support;
- 3.6 prepare, print and publish any periodicals, books, circulars, leaflets or other literature which may be thought desirable for the promotion of the interests of the Club and its members and others interested in the objects of the Club and to distribute among its members and others information and statistics on all matters affecting the said objects, and in these or other activities undertake the duties of advertising and publicity agents;
- 3.7 hire and employ all classes of persons considered necessary for the purposes of the Club and to pay to them and to other persons in return for the services rendered to the Club salaries, wages, gratuities and pensions;
- 3.8 promote and hold, either alone or jointly with any other corporations, associations, clubs or persons, meetings, competitions and matches for the racing of motor cars or motor cycles or any other sports or pastimes, and for the establishment of world records and to offer, give or contribute towards prizes, medals and awards therefor, and to promote, give or support dinners, balls, concerts and other entertainments;
- 3.9 to establish, promote or assist in establishing or promoting, and to subscribe to, or become a member of, any other associations or clubs whose objects are similar or in part similar to the objects of the Club, or the establishment or promotion of which may be beneficial to the Company, provided that no subscription be paid to any such other association or club out of the funds of the Club, except bona fide in furtherance of the objects of the Club;
- 3.10 support and subscribe to any charitable or public body, and any institution, society or club which may be for the benefit of the Club or its employees, to give pensions, gratuities or charitable aid to any person who has served the Club or to the husband, wife, civil partner, children or other dependents of any such person, to make payments towards insurance, and to form and

contribute to pensions, provident and benefit funds for the benefit of any such person or of the husband, wife, children or other relatives or dependents of any such person;

- 3.11 borrow and raise money in such manner as the Council shall think fit and secure the repayment of any money borrowed, raised or owing by mortgage, charge, lien or other security on the Club's property and assets;
- 3.12 invest and deal with the funds of the Club not immediately required for its operations in or upon such investments, securities or property as may be thought fit;
- 3.13 subscribe for, take, buy or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority in any part of the world;
- 3.14 lend and advance money or give credit on such terms as may seem expedient and with or without security to customers and others, to enter into guarantees, contracts of indemnity and suretyships of all kinds to receive money on deposit or loan upon such terms as the Club may approve and to secure or guarantee the payment of any sums of money or the performance of any obligation by any company, firm or person including any holding company or subsidiary;
- 3.15 lobby, advertise, publish, educate, examine, research and survey in respect of all matters of law, regulation, economics, accounting, governance, politics and/or other issues and to hold meetings, events and other procedures and co-operate with or assist any other body or organisation in each case in such way or by such means as may, in the opinion of the Council, affect or advance the principal objects in any way;
- 3.16 enter into contracts to provide services to or on behalf of other bodies;
- 3.17 provide and assist in the provision of money, materials or other help;
- 3.18 open and operate bank accounts and other facilities for banking and draw, accept, endorse, issue or execute promissory notes, bills of exchange, cheques and other instruments;
- 3.19 incorporate subsidiary companies to carry on any trade and to enter into partnerships, joint ventures or other arrangements with other bodies;

3.20 act as trustee for the members of the Club and as such trustee to receive and hold money in trust for them and therewith to purchase, hold in trust for and supply to the members of the Club intoxicating liquors, tobacco and other things;

3.21 do all such other lawful things as are incidental or conducive to the pursuit or to the attainment of the objects set out in Article 2.

4. INCOME

4.1 The income and property of the Club from wherever derived shall be applied solely in promoting the Club's objects.

4.2 No distribution shall be paid or capital otherwise returned to the Members in cash or otherwise. Nothing in these Articles shall prevent any payment in good faith by the Club of:

- (a) reasonable and proper remuneration to any Member, officer or servant of the Club for any services rendered to the Club;
- (b) any interest on money lent by any Member or any Member of the Council at a reasonable and proper rate;
- (c) reasonable and proper rent for premises demised or let by any Member or Member of the Council; or
- (d) reasonable out-of-pocket expenses properly incurred by any Member of the Council.

5. WINDING UP

On the winding-up or dissolution of the Club, after provision has been made for all its debts and liabilities, any assets or property that remains available to be distributed or paid, shall not be paid or distributed to the Members (except to a Member that qualifies under this Article) but shall be transferred to another body (charitable or otherwise) with objects similar to those of the Club. Such body to be determined by resolution of the Members at or before the time of winding up or dissolution and, subject to any such resolution of the Members, may be made by resolution of the Council at or before the time of winding up or dissolution.

6. GUARANTEE

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

- (a) payment of the Club's debts and liabilities contracted before he ceases to be a Member,
- (b) payment of the costs, charges and expenses of the winding up, and
- (c) adjustment of the rights of the contributories among themselves.

7. PRESIDENT AND VICE-PRESIDENTS

7.1 A President and Vice-President(s) (who shall not by virtue of such appointment become officers of the Club) shall be appointed at each Annual General Meeting.

7.2 The persons to be elected President or Vice-President(s) shall be nominated to the Annual General Meeting by the Council who may make a temporary appointment.

8. OFFICERS

8.1 The Club shall have an Honorary Treasurer and an Honorary Legal Adviser (the **Officers**) each of whom shall be elected annually in accordance with provisions set out in these Articles.

8.2 The Officers shall be ex officio members of the Council.

9. COUNCIL

9.1 The Club's affairs shall be managed by a Council consisting of the Officers and 12 members (the **Members of the Council**).

9.2 No persons shall be eligible to be a Member of the Council who is not a Member of the Club.

9.3 The Council may from time to time and at any time appoint any Member of the Club as a Member of the Council to fill a casual vacancy. The Council may also appoint any Member of the Club to fill a casual vacancy in the office of Honorary Treasurer or Honorary Legal Adviser. Any person appointed under this Article shall retain his office only until the next Annual General Meeting but shall then be eligible for re-election with and in the same manner as those elected Officers and Members of the Council retiring under Article 10.1.

10. ELECTION OF OFFICERS AND COUNCIL

10.1 At the Annual General Meeting in each year, the Officers, any persons co-opted to fill a casual vacancy under Article 9.3 and four of the elected Members of the Council shall retire. The four Members of the Council to retire shall be those who have been

longest in office as such since their last appointment and so that as between persons who became Members of the Council on the same day, those to retire shall be selected by lot or ballot as the Council may from time to time decide.

- 10.2 Elections of Officers and Members of the Council in the place of those retiring at the Annual General Meeting in each year shall be by a ballot conducted in accordance with the following provisions and such ballot may, if so directed by an ordinary resolution of the Club passed not later than the 30th day of September last preceding the date of the Annual General Meeting, be by postal vote.
- 10.3 Every candidate for election as an Officer shall be nominated by the Council. Subject to Article 10.4 below, every candidate for election as a Member of the Council must be nominated by a Member and such nomination must be in writing signed by the Member making the same and must be accompanied by a written consent signed by the person nominated of his willingness to accept the office for which he is nominated. Every such nomination must reach the Secretary not later than the last day of February in each year.
- 10.4 A Member of the Council who is due to retire at the Meeting shall, if willing to act, be deemed to have been nominated as a candidate for re-election.
- 10.5 In the event of the number of candidates duly nominated or deemed to have been nominated as aforesaid being greater than the number of vacancies for which they are nominated, the Secretary shall prepare voting papers and such voting papers shall in the case of a postal vote be sent to every Member of the Club at the same time as the notice convening the Annual General Meeting, and in any other case be handed to every Member attending the Annual General Meeting at that Meeting.
- 10.6 Every such voting paper shall be in such form as the Council may from time to time consider most convenient and shall contain in respect of each office for which a vacancy is to be filled the names and addresses of all candidates who have been duly nominated or are deemed to be nominated for such office, together with the names and addresses of the members nominating them (if any).
- 10.7 No voting paper shall be valid unless:
 - (a) in the case of a postal vote only, it is signed by the Member exercising the votes;
 - (b) not more than one vote has been cast for any one candidate;
 - (c) the number of candidates for whom votes are cast is not more than the number of vacancies to be filled; and
 - (d) in the case of a postal vote, it is delivered to the Registered Office or such other places as may be specified in the postal voting notice on or before

such date as may be specified in the notice convening the Annual General Meeting, or if no such date is so specified, at least three days before the day appointed for holding the Annual General Meeting.

- 10.8 If not more than one candidate shall be duly nominated or deemed to be nominated to fill the place of a retiring Officer or if the number of candidates duly nominated or deemed to be nominated for election as Members of the Council shall not exceed the number of vacancies, such candidates shall be deemed to have been duly elected and no postal or other vote shall be taken in respect of them. If in any case there are no nominations or fewer nominations or eligible retiring members than the vacancies to be filled, the unfilled vacancies (whether of Officers or Members of the Council) may be filled by the Council as casual vacancies.
- 10.9 Not more than one Committee member of each Centre or Group shall serve on the Council at any one time.
- 10.10 Unless otherwise determined by a resolution of the Council, any person elected to Council who holds a comparable position or office in any other motor club or a centre or group thereof shall not be entitled to serve as a member of the Council unless he shall first resign from the comparable position or office held by him.

11. TERMINATION OF APPOINTMENT OF A MEMBER OF THE COUNCIL

- 11.1 Without prejudice to the provisions for retirement (by rotation or otherwise) contained in these Articles, the office of a Member of the Council shall be vacated if:
- (a) he resigns by notice in writing delivered to the Secretary at the Registered Office of or at an address specified by the Club for the purposes of communication by electronic means or tendered at a Council meeting;
 - (b) he offers to resign by notice in writing delivered to the Secretary at the Registered Office or at an address specified by the Club for the purposes of communication by electronic means or tendered at a Council meeting and the Council resolves to accept such offer;
 - (c) he is requested to resign by 75% of the other Members of the Council by notice in writing addressed to him at his address as shown in the register of Directors (without prejudice to any claim for damages which he may have for breach of any contract between him and the Club);
 - (d) he ceases to be a Director by virtue of any provision of the Companies Acts, is removed from office pursuant to these Articles or the Act or becomes prohibited by law from being a Director;
 - (e) he becomes bankrupt or makes an arrangement or composition with his creditors generally;

- (f) a registered medical practitioner who is treating that person gives a written opinion to the Club stating that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months, or he is or has been suffering from mental or physical ill health and the Council resolves that his office be vacated; or
- (g) he is absent (whether or not his alternate Director appointed by him attends), without the permission of the Council, from three consecutive Council meetings or if he should fail to attend at least 60% of the meetings of the Council held during any period of 12 months calculated from the date of his election or re-election to the Council and the Council resolve that his office is thereby vacated and a notice is served on him personally, or at his residential address provided to the Club under section 165 of the Act signed by 75% of the other Members of the Council stating that he shall cease to be a Member of the Council with immediate effect (and such notice may consist of several copies each signed by one or more Members of the Council).

11.2 Unless otherwise determined by a resolution of the Council, if the office of a Member of the Council is vacated for any reason, he shall cease to be a member of any committee or sub-committee of the Council.

12. RESOLUTION AS TO VACANCY CONCLUSIVE

A resolution of the Council declaring a Member of the Council to have vacated office under the terms of Article 11 shall be conclusive as to the fact and ground of vacation stated in the resolution.

13. UNANIMOUS DECISIONS

13.1 A decision of the Council is taken in accordance with this article when all Eligible Members of the Council indicate to each other by any means that they share a common view on a matter.

13.2 Such a decision may take the form of a resolution in writing, where each Eligible Member of the Council has signed one or more copies of it, or to which each Eligible Member of the Council has otherwise indicated agreement in writing.

13.3 A decision may not be taken in accordance with this article if the Eligible Members of the Council would not have formed a quorum at a Council meeting.

14. PROCEEDINGS OF THE COUNCIL

14.1 Subject to the provisions of the Articles, the Council may regulate its proceedings as it thinks fit.

- 14.2 The Council, at the first Council meeting to be held after an Annual General Meeting, shall each year appoint a Member of the Council to chair the meetings of the Council. The person so appointed for the time being shall be the Chairman of the Club. The Council may terminate the Chairman's appointment at any time. If the Chairman is not participating in a Council meeting within five minutes of the time at which it was to start, the participating Officers and Members of the Council may appoint one of themselves to chair the meeting.
- 14.3 Acts done by any meeting of the Council or of any committee of the Council or by any person acting as a Member of the Council shall not be invalidated by the subsequent realisation that:
- (a) the appointment of any Member of the Council or person acting as a Member of the Council was defective; or
 - (b) any or all of them were disqualified; or
 - (c) any or all of them were not entitled to vote on the matter.

15. CALLING A COUNCIL MEETING

- 15.1 The Chairman may (or, on the request of five persons being Officers or Members of the Council, the Secretary shall) call a Council meeting by giving notice of the meeting to the Members of the Council
- 15.2 A Member of the Council who is absent from the UK and who has no registered address in the UK shall not be entitled to notice of the Council meeting.

16. QUORUM FOR COUNCIL MEETINGS

- 16.1 The quorum for Council meetings may be fixed from time to time by a decision of the Council, provided subject to Article 16.2, it shall not be less than five Eligible Members of the Council.
- 16.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 18 to authorise a Conflict, if there is only one Eligible Member of the Council in office other than the Interested Member(s) of the Council, the quorum for such meeting (or part of a meeting) shall be one Eligible Member of the Council.
- 16.3 If the total number of Members of the Council in office for the time being is less than the quorum required, the Council must not take any decision other than a decision:
- (a) to appoint further Members of the Council;
 - (b) to admit persons to Membership of the Club; or
 - (c) to call a general meeting so as to enable the Members to appoint further Members of the Council.

17. CASTING VOTE

- 17.1 If the numbers of votes for and against a proposal at a Council meeting are equal, the Chairman or other Member of the Council or Officer chairing the meeting has a casting vote.
- 17.2 Article 17.1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the Chairman or other Member of the Council is not an Eligible Member of the Council for the purposes of that meeting (or part of a meeting).

18. CONFLICTS OF INTEREST

- 18.1 The Council may, in accordance with the requirements set out in this article, authorise any Conflict proposed to it by any Member of the Council which would, if not authorised, involve a Member of the Council (an **Interested Member of the Council**) breaching his duty to avoid conflicts of interest under section 175 of the Act.
- 18.2 Any authorisation under this Article 18 shall be effective only if:
- (a) the matter in question shall have been proposed by any Member of the Council for consideration in the same way that any other matter may be proposed to the Council under the provisions of these Articles or in such other manner as the Council may determine;
 - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Member of the Council; and
 - (c) the matter was agreed to without the Interested Member of the Council voting or would have been agreed to if the Interested Member of the Council's vote had not been counted.
- 18.3 Any authorisation of a Conflict under this Article 18 may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - (b) provide that the Interested Member of the Council be excluded from the receipt of documents and information and the participation in discussions (whether at Council meetings or otherwise) related to the Conflict;
 - (c) provide that the Interested Member of the Council shall or shall not be an Eligible Member of the Council in respect of any future decision of the Council in relation to any resolution related to the Conflict;
 - (d) impose upon the Interested Member of the Council such other terms for the purposes of dealing with the Conflict as the Council thinks fit;

- (e) provide that, where the Interested Member of the Council obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Member of the Council) information that is confidential to a third party, he shall not be obliged to disclose that information to the Club, or to use it in relation to the Club's affairs where to do so would amount to a breach of that confidence; and
- (f) permit the Interested Member of the Council to absent himself from the discussion of matters relating to the Conflict at any Council meeting and be excused from reviewing papers prepared by, or for, the Council to the extent they relate to such matters.

18.4 Where the Council authorises a Conflict, the Interested Member of the Council shall be obliged to conduct himself in accordance with any terms and conditions imposed by the Council in relation to the Conflict.

18.5 The Council may revoke or vary such authorisation at any time, but this shall not affect anything done by the Interested Member of the Council prior to such revocation or variation in accordance with the terms of such authorisation.

18.6 A Member of the Council is not required, by reason of being a Member of the Council (or because of the fiduciary relationship established by reason of being a Member of the Council), to account to the Club for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Council in accordance with these Articles or by the Club in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

18.7 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Member of the Council who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Club:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Club or in which the Club is otherwise (directly or indirectly) interested;
- (b) shall be an Eligible Member of the Council for the purposes of any proposed decision of the Council (or committee of the Council) in respect of such existing or proposed transaction or arrangement in which he is interested;
- (c) shall be entitled to vote at a Council meeting (or of a committee of the Council) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;

- (d) may act by himself or his firm in a professional capacity for the Club (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Member of the Council;
- (e) may be a Member of the Council 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 Club is otherwise (directly or indirectly) interested; and
- (f) shall not, save as he may otherwise agree, be accountable to the Club for any benefit which he (or a person connected with him (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 duty under section 176 of the Act.

19. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

19.1 Any Member of the Council (other than an alternate director) (**Appointor**) may appoint as an alternate any other Member of the Council, to:

- (a) exercise that Member of the Council's powers; and
- (b) carry out that Member of the Council's responsibilities,

in relation to the taking of decisions by the Council, in the absence of the Appointor.

19.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Club signed by the Appointor, or in any other manner approved by the Council.

19.3 The notice must:

- (a) identify the proposed alternate; and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the Member of the Council giving the notice.

20. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

20.1 An alternate director may act as alternate director to more than one Member of the Council and has the same rights in relation to any decision of the Council as the Appointor.

20.2 Except as the Articles specify otherwise, alternate directors are:

- (a) deemed for all purposes to be Member of the Council;
- (b) liable for their own acts and omissions;
- (c) subject to the same restrictions as their Appointors; and
- (d) not deemed to be agents of or for their Appointors

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all Council meetings and of all meetings of committees of the Council of which his Appointor is a Member.

20.3 A Member of the Council who is also an alternate director is entitled, in the absence of his Appointor(s), to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the Council (provided that an Appointor for whom he exercises a separate vote is an Eligible Member of the Council in relation to that decision), but shall not count as more than one Member of the Council for the purposes of determining whether a quorum is present.

20.4 An alternate director may be paid expenses and may be indemnified by the Club incurred by him in the exercise of his Appointor's powers or carrying out of his Appointor's responsibilities, to the same extent as that Appointor may be paid expenses or indemnified if the Appointor were exercising his powers or carrying out his responsibilities personally but shall not be entitled to receive any remuneration from the Club for serving as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Club from time to time direct.

21. TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates:

- (a) when the alternate's Appointor revokes the appointment by notice to the Club in writing specifying when it is to terminate;
- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Member of the Council;
- (c) on the death of the alternate's Appointor; or
- (d) when the alternate director's Appointor ceases to be a Member of the Council for whatever reason.

22. SECRETARY

The Council may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Council so decides, appoint a replacement, in each case by a decision of the Council.

23. SEAL

23.1 Any common seal may only be used by the authority of the Council.

23.2 The Council may decide by what means in what form any common seal is to be used.

23.3 Unless otherwise decided by the Council, if the Club has a common seal and it is affixed to a document, it must be affixed in the presence of at least two Officers or Members of the Council and the Secretary (if any) and such Officers or Members of the Council and the Secretary (if any) shall sign every document to which the seal has been affixed in the presence. In favour of any purchaser or person bona fide dealing with the Club, such signatures shall be conclusive evidence that the seal has been properly affixed.

24. CHANGE OF COMPANY NAME

The name of the Club may be changed by:

- (a) a decision of the Council; or
- (b) a special resolution of the Members,

or otherwise in accordance with the Act.

MEMBERS: BECOMING AND CEASING TO BE A MEMBER

25. MEMBERSHIP

25.1 The Club may if it so wishes admit to Membership an individual who:

- (a) applies to the Club using the application form prescribed by the Council from time to time; and
- (b) is approved by the Council.

A letter shall be sent to each successful applicant confirming his Membership of the Club and the details of each successful applicant shall be entered into the Register of Members.

- 25.2 Every application for Membership must be accompanied by the amount of the entrance fee (if any) and the first annual subscription fee, which sums shall be refunded if the application is not accepted by the Council.
- 25.3 The Council may in its absolute discretion decline to accept any application for Membership and need not give reasons for doing so.
- 25.4 The Council may prescribe criteria for Membership of the Club but shall not be obliged to accept persons fulfilling those criteria as Members.
- 25.5 The amount of the entrance fee (if any) payable by all new Members of the Club and the amount of the annual subscription payable by all Members of the Club shall be such as the Council shall from time to time prescribe.
- 25.6 The Council shall have power to elect persons as Honorary Members who shall not be liable to pay any entrance fee or annual subscription. Honorary Members shall not be members of the Club for the purposes of the Act and their names shall not be entered in the Register of Members kept pursuant to the Act, and they shall be entitled to such privileges and advantages of membership as the Council may prescribe by the Rules.

26. RE-ELECTION OF MEMBERS

- 26.1 Every Member shall be subject to re-election annually and Membership shall run from the first day of the calendar month in which the Member was elected until the last day of the preceding calendar month in the following year or such other period as may be determined by a resolution of the Council
- 26.2 The Council may in its absolute discretion and without giving any reason refuse to re-elect a Member, but every other person whose Membership of the Club is due to expire under this Article on the last day of any calendar month shall be deemed to have been re-elected for a further year (without the necessity of any specific resolution of the Council to that effect) unless at a meeting of the Council held within two months of the calendar month in which that Member's Membership is due to expire a resolution for his re-election shall have been put to the Council and not passed or the Council shall have resolved that the Member not be re-elected.

27. RESIGNATION OF MEMBERSHIP

- 27.1 A Member may resign from Membership of the Club by giving notice to the Club in writing and may by such notice specify that his resignation shall take effect from the expiry of his current year of Membership or from such earlier date. In default of any date being specified in the notice, the notice shall take effect as from the expiry of the current year of Membership. Unless notice of resignation is received by the Club on

or before the expiry of the Member's current year of Membership, a Member giving notice of resignation shall be liable to pay the Club his subscription for the following year.

27.2 Any person ceasing to be a Member shall be removed from the Register of Members.

28. EXPULSION OF MEMBER

28.1 The Council may terminate the Membership of any Member without his consent by giving the Member not less than one week's written notice if, in the reasonable opinion of the Council, the Member:

- (a) is guilty of conduct which has or is likely to have a serious adverse effect on the Club or bring the Club or any or all of the Members and the Council into disrepute; or
- (b) has acted or has threatened to act in a manner which is contrary to the interests of the Club as a whole; or
- (c) has failed to observe the terms of these Articles and the Rules.

Following such termination, the Member shall be removed from the Register of Members.

28.2 The notice to the Member must give the Member the opportunity to be heard in writing or in person as to why his membership should not be terminated. The Council must consider any representations made by the Member and inform the Member of their decision following such consideration. There shall be no right to appeal from a decision of the Council to terminate the Membership of a Member.

28.3 A Member whose Membership is terminated under this Article shall be entitled to a refund of any subscription or Membership fee paid in respect of the unexpired period of that Member's subscription.

DECISION MAKING BY MEMBERS

29. GENERAL MEETINGS

29.1 The Club shall hold a general meeting in every calendar year as its Annual General Meeting at such time and place as may be determined by the Council, and shall specify the meeting as such in the notice calling it. Not more than fifteen months shall elapse between the date of one Annual General Meeting of the Club and that of the next.

29.2 All general meetings, other than Annual General Meetings, shall be called Extraordinary General Meetings.

- 29.3 The Council may, whenever it thinks fit convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by the Act.
- 29.4 At least twenty one days' notice in writing of every Annual General Meeting and of every meeting convened to pass a Special Resolution and at least fourteen days' notice in writing of every Extraordinary General Meeting (exclusive in every case both of the day on which it is served or deemed to be served and of the day for which it is given) specifying the place, the day and the hour of the meeting and the general nature of the business to be transacted, shall be given in the manner set out in these Articles to every Member of the Club (other than members who under the provisions of these Articles are not entitled to receive the notice) and to the auditors for the time being of the Club, provided always that with the consent of 90% of the Members entitled to attend and vote at the meeting, the meeting may be convened by such notice as those Members think fit.
- 29.5 The accidental omission to give notice of a meeting to, or the non-receipt of such notice by, any person entitled to receive notice thereof shall not invalidate any resolution passed or the proceedings at that meeting.

30. PROCEEDINGS AT GENERAL MEETINGS

- 30.1 No business shall be transacted at any general meeting unless a quorum is present. Save as herein otherwise provided, twenty members present in person or by proxy shall be a quorum.
- 30.2 The President, or failing him the Chairman, shall preside as chairman at every general meeting, but if at meeting neither the President nor the Chairman be present within fifteen minutes after the time appointed for holding the same, or if neither be willing to act as chairman, the members present shall chose some member of the Council, or if no such member of the Council be present or if all the members of the Council present decline to take the chair, they shall choose some Member of the Club who shall be present to take the chair.
- 30.3 In the case of an equality of votes, the chairman of the meeting shall be entitled to a casting vote in addition to any vote to which he may entitled as a Member.

31. VOTES OF MEMBERS

- 31.1 Subject to the Act and as provided in these Articles, at any general meeting:
- (a) every Member who is present in person (or by proxy) shall on a show of hands have one vote; and
 - (b) every Member present in person (or by proxy) shall on a poll have one vote.

31.2 Unless the Council shall otherwise determine, no person other than a Member duly registered who shall have paid every subscription and other sum (if any) which shall be due and payable to the Club in respect of his Membership, shall be entitled to vote on any question at any general meeting.

32. POLL VOTES

32.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318(3) of the Act) present and entitled to vote at the meeting.

32.2 Model Article 30(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

33. ACCOUNTS

33.1 The Council shall cause accounting records to be kept in accordance with sections 386 to 387 (inclusive) of the Act.

33.2 The accounting records shall be kept at the Registered Office or, subject to section 388 of the Act, at such other place or places as the Council thinks fit and shall always be open to the inspection of the Officers and Members of the Council.

33.3 The Council shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Club or any of them shall be open to the inspection of Members who are not Members of the Council or Officers and no Member (not being a Member of the Council or an Officer) shall have any right to inspect any account or book or document of the Club except as conferred by statute or authorised by the Council or by the Club in General Meeting.

33.4 The Council shall from time to time in accordance with Part 15 of the Act cause to be prepared and to be laid before the Club in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in that Part.

33.5 A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Club in General Meeting, together with a copy of the auditors' report and the Council's Report shall not less than 21 days before the date of the meeting be sent to the auditors and to all other persons entitled to receive notice of General Meetings.

34. AUDIT

Auditors shall be appointed and the duties regulated in accordance with section 498 of and otherwise in accordance with the Act.

35. PROXIES

35.1 Model Article 31(1)(d) shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours (excluding any part of a day which is not a working day) before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".

35.2 Model Article 31(1) shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Council, in its discretion, accepts the notice at any time before the meeting" as a new paragraph at the end of that article.

ADMINISTRATIVE ARRANGEMENTS

36. MEANS OF COMMUNICATION TO BE USED

36.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article, no account shall be taken of any part of a day that is not a Business Day.

- 36.2 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act.

37. CENTRES AND BRANCHES

The Council shall have the power to form and dissolve centres or branches of the Club as and when it shall consider it expedient in the interests of the Club, and to make Rules for the management and control of any such centres or branches and as to the application of their funds.

38. RULES

The Council may establish rules (**Rules**) governing matters relating to Club administration that are required from time to time for the effective operation of the Club (for example, the provisions relating to classes of Members, Membership fees and subscriptions and the admission criteria for Members). If there is a conflict between the terms of these Articles and any rules established under this Article, the terms of these Articles shall prevail.

39. INDEMNITY AND INSURANCE

- 39.1 Subject to Article 39.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) the Club may indemnify each relevant officer out of the Club's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them and including any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Club's (or any associated company's) affairs; and
- (b) the Club may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 39.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

- 39.2 This article does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Act or by any other provision of law and any such indemnity is limited accordingly.
- 39.3 The Council may decide to purchase and maintain insurance, at the expense of the Club, for the benefit of any relevant officer in respect of any relevant loss.
- 39.4 In this article:
- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
 - (b) a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Club, any associated company or any pension fund or employees' share scheme of the Club or associated company; and
 - (c) a **relevant officer** means any Member of the Council or other officer of the Club or an associated company, but excluding in each case any person engaged by the Club (or associated company) as auditor (whether or not he is also a Member of the Council or other officer), to the extent he acts in his capacity as auditor).