

ARTICLES OF ASSOCIATION
of
THE SOCIETY OF PENSION PROFESSIONALS
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COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

of

THE SOCIETY OF PENSION PROFESSIONALS

(Incorporated the eighth day of September 2014)

(Articles amended with effect from26 January..... 2022)

INTERPRETATION

1. In these Presents:-

"Accredited Representative" shall mean, in the case of a sole proprietor who is a Member, his representative appointed as such pursuant to Article 13 and, in the case of a Member Company or a Member Firm, shall mean their representative appointed pursuant to Article 11

"the Act" means the Companies Act 2006

"Appointed Representative" has the meaning given in Article 39(b)

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

"the Chief Executive" means the Chief Executive for the time being of the Society

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

"Council Members" means the members of the Council listed in Article 39(b)

"Elected Council Members" means Members who are elected to the Council in accordance with Article 39(f)

"electronic form" has the meaning given in section 1168 of the Act

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

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

"Independent Examiner" means a person who is appointed to inspect the accounts of the Society under Article 62, with the scope of said person's inspection to be on such terms as the Council may decide

"Member" means any Member of the Society

"Member Company" means a Member of the Society that is a body corporate

"Member Firm" means a Member of the Society that is a firm

"the Office" means the Registered Office of the Society

"Officers" means the officers of the Society listed in Article 39(a)

"President" means the President elected pursuant to Article 39(c)

"President-Elect" means the President-Elect elected pursuant to Article 39(c)

"Secretary" means any person appointed by the Council pursuant to Article 61 to perform the duties of the Secretary of the Society (if any)

"the Society" means The Society of Pension Professionals

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

"month" means calendar month

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

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

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

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

OBJECTS

2. The name of the Society is "THE SOCIETY OF PENSION PROFESSIONALS".
3. The Registered Office of the Society will be situate in England.
4. The objects for which the Society is established are:-
 - (a) To promote for the community the existence of a class of providers of advice or services in connection with schemes or funds for the provision of benefits, including retirement benefits, who can be relied upon as being trustworthy and duly qualified to perform their duties responsibly.
 - (b) To provide a central organisation for Members and generally to do all such things as from time to time may be considered to enhance their status in the community, to advance and safeguard their interests and improve their general standard of efficiency and proper professional conduct.
 - (c) To provide for the exchange of information amongst Members and for the collection and dissemination amongst Members of matters of common

interest.

- (d)** To watch over legislation affecting the business or profession of Members and to promote or support and assist in any legitimate manner the carrying into effect of any legislation having for its object the common good of Members or of the general public and to oppose any measures considered harmful and generally to watch over, promote and safeguard the common interests of Members or of the general public.
- (e)** To represent Members and their interests in negotiations and consultations with the Government and Government Departments and any other persons, corporations and bodies concerned or interested in any matters affecting whether directly or indirectly the business or profession of Members.
- (f)** To afford means of arbitration on, or for settling, disputes or questions between Members or between Members and third parties.
- (g)** To provide any service which in the opinion of the Council will be conducive to the furtherance of these objects or any of them.
- (h)** To eliminate any undesirable practices which might arise in connection with the business or profession of the Members which may adversely affect the interests of Members or of the general public.
- (i)** To hold meetings for the discussion of affairs affecting the interests of Members and the general public, the reading of papers, the delivery of lectures and otherwise for the advancement of knowledge in the sphere of benefits, including retirement benefits.
- (j)** To apply for, take out, purchase or otherwise acquire and maintain patents, trademarks, copyrights and licences and to use, develop, protect and grant licences in respect of, or otherwise turn to account, all forms of know-how and any rights or information acquired.
- (k)** To promote, participate in or otherwise engage in any scheme, venture or activity which in the opinion of the Council is conducive to the furtherance of the businesses of the Members of the Society.

- (l)** To invest and turn to account any moneys for the time being not required by the Society, or which it may hold from time to time, in or upon the security of any property, real or personal, of any nature whatsoever or by placing the same on deposit at any bank or in such other manner as the Council shall deem appropriate.
- (m)** To acquire all or any part of the property, assets or liabilities of any association, society or corporation in any part of the world, whose objects are in general similar to the objects of the Society.
- (n)** To amalgamate, affiliate, or co-operate with, or subscribe to any association, society or corporation in any part of the world, whose objects are in general similar to the objects of the Society.
- (o)** To transfer all or any part of the property, assets or liabilities of the Society to any association, society or corporation with which the Society is authorised to amalgamate.
- (p)** To promote or co-operate with any other company or body for any purpose which may seem directly, or indirectly, calculated to benefit the Society.
- (q)** To support and subscribe to any charitable institute, society or club which may be for the benefit of necessitous providers of pension advice or services, and give charitable aid to any former Member or to any employee, or former employee, of the Society, or to any providers of pension advice or services, or to the wives, widows, children or other dependants of any such persons who may be in need of such aid, and to grant pensions or gratuities to any employees, or former employees, of the Society or the relations, connections or dependants of any such employees, or former employees, and for this purpose to establish and administer a pension scheme or pension fund (either contributory or non-contributory).
- (r)** To purchase, rent, lease, hold or otherwise acquire and dispose of any lands or buildings or any other property, real or personal, required for any purpose of the Society, and to hold, sell, lease, develop, deal with and dispose of the same in such manner as may be thought expedient.

- (s) To borrow or raise money, and to issue debentures or other securities, and for the purposes of securing any debt or obligation of the Society, to mortgage and charge all or any part of the property of the Society.
- (t) To apply, petition for, or promote any Act of Parliament, Royal Charter, or other authority with a view to the attainment of the above objects or any of them.
- (u) To act as trustee of any trust where in the opinion of the Council so acting will be conducive to the furtherance of these objects or any of them.
- (v) To do all such other lawful things as are incidental or conducive to the attainment of the above objects or any of them.

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

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

MEMBERS

8. The Society is registered with an unlimited number of Members.
9. (a) Any sole proprietor, firm (subject to Article 11) or company which is and

has been for a period of not less than three consecutive years directly involved in providing pension advice or services is eligible to apply for election as a Member if:

- (i) it has been so involved under one or more of the following heads, namely:

Accountancy Services

Actuarial Services

Administration Services

Contract Based Pension Provider (including SIPP provider)

Corporate Finance/Employer Covenant Advice

Corporate IFA Services

Custodianship

Education and Communication

Employee Benefit Services (including one or more of corporate wrap, flexible benefits, voluntary benefits, healthcare, insurance products, design, communication and administration)

Fiduciary Management

General Pension Consultancy (including scheme design)

Independent Trusteeship

International Benefit Advice

Investment Consulting and Implementation

Investment/Fund Management

Investment Performance Analysis

Legal Services, including disputes

Longevity Risk Solutions

Pension Annuity Provision

Pension and Financial Services PR Consultancy

Pension Wind-up Services (including one or more of advice on and provision of buy-outs and buy-ins, advice on entry to PPF and advice on entry to FAS)

Technology Services

Trustee Secretarial and other Support Services

and

- (ii) it is able to satisfy the Council that its involvement in pension advice or services, including personnel with qualifications or experience appropriate to the relevant heads of involvement under paragraph 9(a)(i) above, is sufficiently substantial to justify its election as a Member;
- (b)** The Council shall have the absolute power to decide within its discretion that having regard to the nature and size of its operations an applicant not fulfilling the conditions in paragraphs (a)(i) and (ii) above may nevertheless become a Member;
- (c)** All elections of Members shall be by the Council, and every applicant for election shall satisfy the Council that it has fulfilled the conditions specified by these Presents and is fit and proper in every respect for election in such manner as the Council shall require. The Council shall have the power to exclude an applicant as a Member and to decide whether or not an applicant or a Member has fulfilled or has ceased to comply with the conditions qualifying it for becoming or remaining a Member. The Council

shall not be bound to give any reason for any decision arrived at under this paragraph;

- (d)** In the event of a Member ceasing to satisfy, in the opinion of the Council, the conditions for membership in paragraphs (a)(i) and (ii) or (b) above such Member shall, unless the Council otherwise determines, ipso facto cease to be a Member at such date as the Council shall decide, but not later than the thirty-first day of March immediately following;
- (e)** A Member shall become and remain a Member on the basis that the conduct of all companies, firms or persons who are not Members and with whom the Member is associated in business may, in circumstances appearing to the Society to be appropriate, be treated as the conduct of the Member and may be taken into account in determining whether the Member has complied in all respects with these Presents and in particular may be so treated and taken into account for the purposes of Article 56. The opinion of the Council as to whether any company, firm or person is associated in business with a Member for the purposes of this Article and whether any such conduct should be so treated and taken into account shall be conclusive;
- (f)** Any company which is or becomes owned or controlled by a Member or becomes a subsidiary of the same holding company, whether a Member or not, as another Member may become or remain a Member. Such group of Members or any authorised one of their number may elect, for subscription and voting purposes, that any one or more of the Members in the group shall be represented by another of their number, in which event the Member so represented shall not pay a subscription and shall not be entitled to vote at General Meetings or in elections as a Member and shall not be eligible for election as an Elected Council Member;
- (g)** Each Member Company or Member Firm shall appoint an Accredited Representative in accordance with Article 11 who shall be the point of contact for each Member Company or Member Firm and to whom communications to Member Companies or Member Firms shall be addressed;
- (h)** As long as the Council has not refused or withdrawn permission a

Member may describe itself as a Member of the Society of Pension Professionals;

- (i) Any Member desiring to resign shall notify the Chief Executive in writing and the resignation shall have effect from the date of receipt of such notice, but without any right to a pro rata refund of any subscription or levy.
- 10. All applications for membership shall be addressed to the Chief Executive and shall be made in writing in such form as the Council shall from time to time prescribe and applicants shall provide the Council with such information as the Council shall require in order to consider the application.
- 11. (a) Upon a firm or company becoming a Member of the Society, it shall appoint one of its directors, partners or employees (as applicable) with relevant pension qualifications or experience to act as its Accredited Representative, who shall be the point of contact for the firm or company to whom communications shall be addressed, who shall apply in the firm's or company's name for membership and sign any application form as its Accredited Representative (save that, in the case of a firm, where such Accredited Representative is not a partner such application form must in addition be signed by at least one partner duly authorised in that behalf) and exercise the rights of membership on its behalf. The firm or company shall deposit with the Chief Executive the details of the individual appointed to act as its Accredited Representative and shall give all information that may be required by the Council regarding such Accredited Representative.

(b) A firm or company which has appointed one of its directors, partners or employees (as applicable) as its Accredited Representative as aforesaid may from time to time revoke the appointment and appoint another Accredited Representative who is also one of its directors, partners or employees (as applicable) in their place. Upon receipt by the Chief Executive of any such revocation, such Accredited Representative shall ipso facto cease to be the Accredited Representative, or act or be entitled or recognised as an Accredited Representative of such firm or company, and any person appointed in his place shall be and become the Accredited Representative of such firm or company.

12. In the case of a firm, all appointments and revocations mentioned in Article 11 shall be in writing, signed by all the partners, or one of the partners duly authorised in that behalf. If required to do so each such firm or company shall at the date of each appointment give to the Council in writing full particulars of the nature of the firm or company (as applicable) and its places of business, and of the names of each partner or director (as applicable) thereof, and all such further particulars as the Council shall require, and thereafter shall give such particulars when and as often as may be required by the Council.
13. Any sole proprietor who is a Member shall be entitled to appoint one of its employees with relevant pension qualifications or experience to act as a representative on its behalf either for the purposes of any General Meeting of the Society or generally and may from time to time revoke the appointment and appoint another representative in their place. Any such appointment or revocation shall be in writing, addressed to the Chief Executive and must be made in a form approved for that purpose by the Council. In the case of a general appointment the representative shall be the Accredited Representative of the Member, who shall be the point of contact for the sole proprietor to whom communications shall be addressed.

SUBSCRIPTIONS

14. (a) Each Member shall pay by way of entrance fee and annual subscription such amounts (if any) as may be determined from time to time by the Council in respect of each Member provided that the Council shall be entitled in its absolute discretion to charge different amounts (if any) by way of entrance fees or subscriptions from different Members. The Society may determine that one entrance fee or one subscription in each year shall be payable in respect of Member companies having a common holding company and of the holding company.
- (b) Subscriptions shall be calculated according to a scale of units to be determined by the Council and shall be payable by Members for each year or part thereof commencing on 1st April and expiring on 31st March next ensuing. The subscription scale shall be decided by the Council before the beginning of each subscription year and the amount of the subscription so decided shall become due on 1st April unless otherwise specified.

- (c) The amount payable in respect of any given number of units shall be decided by the Council and the basis for determining the number of units appropriate for each Member shall be similarly decided.

The number of units appropriate to each Member may be related to the degree of involvement in pension advice or services of the Member or, where appropriate, group of Members or any groups of companies (not being Members) with which the Member is associated. Such degree of involvement shall be measured by reference to such criteria as are considered by the Council to be appropriate.

In case of doubt or dispute, the amount of subscription payable by a Member and the number of units appropriate shall be determined by Council.

- 15. (a) If for any year the Accounts of the Society show an excess of expenditure over income the Society in General Meeting may resolve that every person who shall have been a Member for any part of that year shall be called upon to pay by way of additional subscription for that year such sum as may be necessary, with all other similar sums, to reimburse the Society in respect of such excess of expenditure over income and each person whether then a Member or a former Member liable under this Article shall pay such additional subscription within 21 days after notice requiring such payment shall have been given to him. No person shall be entitled to dispute the amount or liability to pay the amount of additional subscription and the Society shall be entitled to call upon different Members to pay different amounts by way of additional subscriptions. PROVIDED THAT the Society in exercising this power may have regard to any scale of subscriptions then in force when calculating the amount of additional subscriptions payable by different Members.
 - (b) Unless the context otherwise requires the word "subscription" in these Presents shall include any additional subscription payable under this Article.
- 16. (a) The Council shall from time to time determine the times and manner of payment of subscriptions and shall be entitled to make provision for payment of an appropriate part of any subscription where, in the year of admission, membership is not held for the full year for which such subscription is payable.

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

17. Without prejudice to the provisions of Article 38:

(a) if after the commencement of any financial year of the Society any Member shall fail to pay any subscription within twenty-one days after being finally requested so to do the Member shall not be entitled to attend at General Meetings of the Society and pending payment the Member shall stand suspended from all rights and privileges of membership;

(b) notwithstanding the provisions of paragraph (a) of this Article any Member whose subscription shall not be paid within three months of the time at which the subscription shall become due, or in the case of an additional subscription payable under Article 15 within three months after notice requiring payment has been given to the Member, shall, unless the Council shall decide before the expiration of such period, ipso facto, cease to be a Member of the Society and his name shall thereupon be removed from the Register of Members;

18. A Member who resigns his membership at any time and who is indebted to the Society for any subscription, or becomes indebted for any additional subscription under Article 15, shall remain liable to pay the same to the Society notwithstanding that he shall have ceased to be a Member of the Society and unless notice of resignation is given at least one month before the end of any financial year of the Society such Member shall be liable to pay the full subscription, but not any additional subscription under Article 15, for or in respect of the following year.

GENERAL MEETINGS

19. The Society shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Society and that of the next. The Annual General Meeting shall be held at such time and

place as the Council shall appoint.

20. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
21. The Council may, whenever it thinks fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by Section 303 of the Act.

NOTICE OF GENERAL MEETINGS

22. An Annual General Meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting of the Society other than an Annual General Meeting or a meeting for the passing of a special resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting, and in the case of special business, the general nature of that business and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Society in General Meeting, to such persons as are, under the Articles of the Society, entitled to receive such notices from the Society.
23. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

24. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all that is transacted at an Annual General Meeting, with the exception of the consideration of the income and expenditure account and balance sheet, and the reports of the Council and Auditor or Independent Examiner, reports of the elections of Members to the Council, and the appointment of, and the fixing of the remuneration of, the Auditors (if any).
25. No business shall be transacted at any General Meeting unless a quorum is

present at the time when the meeting proceeds to business; a quorum shall consist of Members who have paid subscriptions in the current subscription year (or in the immediately previous year if no subscriptions have been determined in accordance with Article 14) amounting in aggregate to no less than 60 times the smallest subscription payable in Article 14.

26. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the chairman may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, then the Members or Accredited Representatives present in person shall be a quorum.
27. The President of the Society shall preside as chairman at every General Meeting of the Society, or if he shall not be present the Council Members present shall elect one of their number to be chairman of the meeting.
28. If at any meeting no Council Member is willing to act as chairman, or if no Council Member is present within fifteen minutes from the time appointed for holding the meeting, the Members and Accredited Representatives present shall elect one of their number to be chairman of the meeting.
29. The chairman of the meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
30. At any General Meeting a resolution put to the vote at the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:-

- (a) by the chairman; or
- (b) by not less than five Members or Accredited Representatives present in person and entitled to vote thereat; or
- (c) by any Member or Members or Accredited Representatives present in person and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting.

Unless a poll be so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the Minutes of the proceedings of the Society shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

The demand for a poll may be withdrawn.

- 31. Except as provided in Article 33 if a poll be demanded in manner aforesaid, it shall be taken at such time and place and in such manner as the chairman of the meeting shall direct, and such directions may (and shall if so required by not less than ten Members or Accredited Representatives present in person and entitled to vote thereat) include a postal ballot. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 32. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.
- 33. A poll may not be demanded on the election of a chairman, or on a question of adjournment.
- 34. If a poll is demanded any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

CORPORATIONS ACTING BY REPRESENTATIVES AT GENERAL MEETINGS

- 35. A company being a Member shall be represented for the purposes of any General Meeting of the Society (in the manner provided in Section 323 of the Act) or generally by its Accredited Representative. Such Accredited

Representative shall have the right on behalf of the company (and to the extent only to which the company would if a person be entitled to do so) to attend General Meetings of the Society and if so qualified vote thereat, and generally exercise all rights of membership on behalf of the company.

VOTING RIGHTS OF MEMBERS

36. (a) For the conduct of business other than elections at any General Meeting of the Society, each Member shall have one voting paper with a vote value equal to the number of units of subscription (and proportionately for any fraction of a unit) payable by that Member in accordance with the most recently determined subscription arrangements before each General Meeting;
- (b) For the conduct of elections of Members as Elected Council Members, each Member shall have one voting paper with a vote value equal to the number of units of subscription (and proportionately for any fraction of a unit) payable by that Member in accordance with the most recently determined subscription arrangements before the Annual General Meeting at which the result of the election is to be declared.
37. On a show of hands or on a poll, votes may be given personally or by proxy.
38. No Member shall be entitled to vote at any General Meeting of the Society unless all monies presently payable under these Presents by him have been paid to the Society.

OFFICERS AND COUNCIL

39. (a) The Officers shall be:-

The President

The President-Elect, if appointed

The Honorary Treasurer

The Chief Executive

(b) The business of the Society shall be conducted by a Council consisting of:-

- (i) The Officers;
- (ii) Not less than ten and not more than 30 Elected Council Members; and
- (iii) Such other persons, not exceeding six in number, as may be co-opted by the Council, and who shall be referred to as Co-opted Council Members;

Elected Council Members and Co-opted Council Members who are not a natural person shall be appointed as a director of the Society unless they elect in writing to the Chief Executive to appoint its Accredited Representative or Appointed Representative as a director.

Where an Elected Council Member or Co-opted Council Member who is not a natural person is a director, they shall be represented on the Council by either its Accredited Representative or a director, partner, employee or nominee duly authorised and appointed in writing to represent it at Council Meetings and to vote on its behalf ("**Appointed Representative**").

All such appointments and revocations shall be intimated in writing to the Chief Executive.

(c) The President-Elect of the Society (who shall be a natural person) shall be elected by the Council from the Accredited Representatives or Appointed Representatives who are on the Council and represent Elected Council Members at its first meeting in 1996 and thereafter at intervals of two years. The President-Elect shall assume the office of President on the first day of June next following such election by the Council and shall hold office for two calendar years, but only if and whilst he is the Accredited Representative or Appointed Representative of a Member. The President at any relevant time shall be eligible for re-election.

(d) In the event of the President being temporarily unable at any time to carry out his office, and in the absence of any election under the powers

contained in paragraph (c) above, the office of President shall be carried out by such one of the persons who has served as President, as the Council shall decide.

- (e) In the event of any vacancy in the office of President, Honorary Treasurer or President-Elect arising, the Council shall have the power to elect a successor from among the Elected Council Members to hold office for the remainder of the term for which his immediate predecessor would have served.

- (f) The Elected Council Members shall be elected at each Annual General Meeting in accordance with this Article and shall hold office until the next Annual General Meeting when they shall automatically retire but may offer themselves for re-election. Where the number of nominations for the Elected Council Members in accordance with this Rule exceeds the number of seats available under paragraph (b) above, the election shall be carried out by secret postal ballot of all Members.

During the period in which an Accredited Representative or an Appointed Representative who is on the Council and represents an Elected Council Member either serves as the President or is the immediate past President of the Society, such Elected Council Member (being a Member Company or Member Firm only) shall have the right to appoint a Co-opted Council Member to serve on the Council ("**Additional Council Member**"). For the avoidance of doubt, where elected, an Additional Council Member shall automatically and immediately cease to be a Council Member upon their appointor ceasing to be the President or immediate past President of the Society.

Nominations for the Council shall be submitted to the Chief Executive in writing duly proposed and seconded and signed by Members or on behalf of Members by their respective Accredited Representatives with the written consent of the nominee (such consent being given on behalf of Members by their respective Accredited Representatives if appointed) not less than 28 days before the Annual General Meeting. Provided that at least four candidates are nominated for election as Elected Council Members by Members having ten or fewer staff as Small Members' Candidates then at

least three Elected Council Members shall be elected from among those Small Members' Candidates.

- (g) An Honorary Treasurer shall be appointed each year by the Council at its meeting occurring next after the Annual General Meeting and he shall hold office from the end of such meeting of the Council until the next such meeting at the end of which he shall retire from office unless reappointed in accordance with the provisions of this paragraph.
- (h) Co-opted Council Members shall cease to hold office at the Annual General Meeting next following the date of their appointment or at such earlier date as may have been arranged between themselves and the Council, but shall be eligible for re-appointment at the discretion of the Council.
- (i) Each Elected Council Member may appoint an alternate to act as an alternate Council Member and may remove from office an alternate Council Member appointed by him. An alternate Council Member shall be entitled to receive notice of all meetings of the Council and of all meetings of committees of the Council of which his appointor is a member, to attend and vote at any such meetings at which the Council Member appointing him is not personally present, and generally to perform all the functions of his appointor in his absence. An alternate Council Member shall cease to be an alternate Council Member if his appointor ceases to be a Council Member.
- (j) Elections hereunder to fill single vacancies shall be carried out by means of the Alternative Vote in accordance with the current method of counting published by the Electoral Reform Society. Elections to fill multiple vacancies shall be carried out by means of the Single Transferable Vote in accordance with the current method of counting published by the Electoral Reform Society.
- (k) Council Members shall be entitled to receive notice of all General Meetings of the Society and to attend at General Meetings and speak thereat.

RESOLUTION OF OUTSTANDING MATTERS

40. In the event that any doubt or question shall arise as to the eligibility of any person to be a Council Member under the provisions of these Articles, or as to whether any person is due to retire under the provisions of these Articles, or if there is any matter of dispute relevant to the selection of any Council Member under such Regulations, then the matter shall be referred to the Council who shall decide the matter in accordance with the principles set out in the Articles and whose decision shall be final and binding upon the Society and all persons interested therein.
41. The Society may by ordinary resolution, of which special notice has been given in accordance with Section 312 of the Act, remove any Council Member notwithstanding anything in these Articles or in any agreement between the Society and such Council Member. Such removal shall be without prejudice to any claim such Council Member may have for damages for breach of any contract of service between him and the Society.

BORROWING POWERS

42. The Council may exercise all the powers of the Society to borrow money, and to mortgage or charge its undertaking and property, or any part thereof, and to issue Debentures, Debenture Stock and other securities, whether outright or as security for any debt, liability or obligation of the Society.

POWERS AND DUTIES OF THE COUNCIL

43. The business of the Society shall be managed by the Council, who may exercise all such powers of the Society as are not, by the Act, or by these Articles, required to be exercised by the Society in General Meeting subject nevertheless to the provisions of the Act or these Articles, and to such regulations, not being inconsistent with the aforesaid provisions, as may be prescribed by the Society in General Meeting; but no regulation made by the Society in General Meeting shall invalidate any prior act of the Council which would have been valid if that Regulation had not been made.
44. The Council may from time to time and at any time by Power of Attorney appoint any one or more of their body to act as Attorney or Attorneys of the

Society for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Council under these Articles) and for such period and subject to such conditions as they may think fit, and any such Powers of Attorney may contain such provisions for the protection and convenience of persons dealing with any such Attorney as the Council may think fit and may also authorise such Attorney to delegate all or any of the powers, authorities and discretions vested in him.

45. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Society, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Council shall from time to time by resolution determine.
46. The Council shall cause Minutes to be made and held, either electronically or in books provided for that purpose:-
 - (a) of all appointments of officers made by the Council;
 - (b) of the names of those present at each meeting of the Council and of any Committee of the Council;
 - (c) of all resolutions and proceedings at all meetings of the Society, and of the Council, and of Committees of the Council,

provided that where Minutes are made and held electronically, such Minutes shall be recorded by the Council in permanent form, so that they may be read with the naked eye.

PROCEEDINGS OF THE COUNCIL

47. The Council may meet together for the despatch of business, adjourn, and otherwise regulate their meetings, as they think fit provided that the Council shall seek to arrange not less than four meetings of the Council in any one year. Questions arising at any meeting shall be decided by a majority of votes. Each Council Member shall have one vote. In the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote. The President, Chief Executive or any Council Member may, at any time, summon a meeting of the Council. It shall not be necessary to give notice of a meeting of

the Council to any Member for the time being absent from the United Kingdom. At least four days' notice of a meeting of the Council shall, except in cases of emergency, be given.

48. The quorum for the transaction of the business of the Council shall be fixed from time to time by the Council but shall not be less than six. The Council may act notwithstanding a vacancy in its membership.
49. The President shall generally act as Chairman of meetings of the Council. If at any meeting the President is not present, the Council Members present shall elect one of their number to be chairman of the meeting.
50. The Council may delegate any of its powers to Committees consisting of such person or persons as it thinks fit; any Committee so formed shall in the exercise of the powers so delegated conform to any Regulations that may be imposed on it by the Council.
51. Subject to the Regulations not being inconsistent with the provisions of these Articles the Council may from time to time make Regulations. In particular the Council:-
 - (a) shall have power to make Regulations (either generally or in relation to any particular Committee of the Council) concerning all matters relating to Committees of the Council including their powers, duties and constitution and the procedure for their meetings including the quorum therefor, voting thereat and the appointment of Chairmen of such meeting; and
 - (b) the Council shall have the power to make regulations requiring a Member to submit a certificate in such form as may be specified therein confirming that the Member is financially solvent and requiring a Member to hold an insurance policy providing cover of at least such sum as may be specified therein, such insurance policy to provide indemnity against any third party claims for professional negligence on the part of the Member.
52. All acts done by any meeting of the Council or of a Committee of the Council or by any person acting as a Member of the Council or a Committee, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Member or person acting as aforesaid, or that they

or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Council Member or Committee Member.

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

DISQUALIFICATION OF COUNCIL MEMBERS

54. The office of a Council Member shall be vacated if the Council Member:-
- (a) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (b) becomes prohibited from being a Council Member by reason of any order made under the Company Directors Disqualification Act 1986; or
 - (c) in the opinion of the Council becomes incapable by reason of mental disorder of discharging his duties as a Council Member; or
 - (d) resigns his office by notice in writing to the Society; or
 - (e) is directly or indirectly interested in any contract with the Society and fails to declare the nature of his interest in manner required by Section 182 of the Act; or
 - (f) being a Member of the Society, ceases to be a Member; or
 - (g) in the case of a Council Member who is an Accredited Representative or Appointed Representative, if the firm, company or sole proprietor of which he is an Accredited Representative or Appointed Representative ceases to be a Member of the Society; or

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

Any Council Member who is an Officer whose office as a Council Member is vacated pursuant to the above provisions shall thereupon cease to be an Officer.

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

OBLIGATIONS OF MEMBERSHIP

- 56. If a Member shall fail to observe and comply with any obligation imposed upon the Member pursuant to these Presents, or to remedy any default within one month of receiving notice of a resolution of the Council drawing the attention of the Member to such default and requiring the Member to remedy it, or in the event of a complaint being made to the effect that any Member shall have committed any breach of these Presents or at any time (whether before or after election as a Member) has been guilty of improper conduct or unfair dealings of any kind in the course of business or has been guilty of conduct detrimental to the honour, interest or objects of the Society or calculated to bring the business or profession of its Members into disrepute or has become guilty of discreditable conduct generally, or has become bankrupt or gone into liquidation, the matter shall be referred by the Chief Executive to the Council to determine whether, after giving the Member reasonable opportunity to speak on his behalf, the Member should cease to be a Member of the Society.
- 57. The rights of a Member as such shall be personal and shall not be transferable and shall cease upon his death, bankruptcy or liquidation (whether voluntary or otherwise).
- 58. Membership of the Society shall cease forthwith:-
 - (a) on a Member submitting his resignation in writing to the Chief Executive;

- (b)** on non-payment of subscription as provided by Article 17(b);
 - (c)** on the Council determining pursuant to Article 56 that the Member should cease to be a Member
- 59. Members shall at all times comply with these Presents and any Regulations made hereunder.
- 60. It shall be the duty of every Member on any request in that behalf by the Council to give such information as the Council may from time to time require in connection with that Member's business or the business of any partnership or body corporate of which the Member is a representative.

SECRETARY

- 61. The Council may appoint a Secretary on such terms, at such remuneration and upon such conditions as it may think fit. The Secretary may be removed from office by a resolution of the Council approved by three-quarters of those attending and voting.

AUDIT OR INDEPENDENT EXAMINATION

- 62. Once at least in every year the accounts of the Society shall be examined and an opinion on the income and expenditure account and balance sheet be obtained from:
 - (a)** (where the Society is legally obliged to have its accounts independently audited) a properly qualified Auditor; or
 - (b)** (where the Society is not legally obliged to have its accounts independently audited) at the discretion of Council, either a properly qualified Auditor, or an Independent Examiner(s).
- 63. Where an Audit will be undertaken (whether under Article 62(a) or 62(b)), Auditors shall be appointed and their duties regulated in accordance with Sections 485 to 498 of the Act.

ACCOUNTS

64. The Council shall cause accounting records to be kept in accordance with Sections 386 to 389 of the Act.
65. The accounting records shall be kept at the Office, or, subject to Sections 388 and 389 of the Act, at such other place or places as the Council shall think fit, and shall always be open to the inspection of the Council Members and other officers of the Society.
66. 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 Society or any of them shall be open to the inspection of Members, not being Council Members of the Society, and no Member (not being a Council Member) shall have any right of inspecting any account or book or document of the Society except as conferred by statute or authorised by the Council or by the Society in General Meeting.
67. At the Annual General Meeting in every year the Council shall lay before the Society a proper income and expenditure account for the period since the last preceding account made up to a date not more than six months before such meeting, together with a proper balance sheet made up as at the same date. Every such income and expenditure account and balance sheet shall be accompanied by proper reports of the Council and the Auditor or Independent Examiner and copies of such accounts, balance sheet and reports (all of which shall be framed in accordance with any statutory requirements for the time being in force) and of any other documents required by law to be annexed or attached thereto or to accompany the same shall not less than twenty-one clear days before the date of the meeting be sent to the Auditor or Independent Examiner and to all other persons entitled to receive notice of General Meetings in the manner in which notices are hereinafter directed to be served. Where applicable, the Auditors' report shall be open to inspection before the meeting as required by Section 437 of the Act.

NOTICES

68. A notice may be given by the Society to any Member either personally or by sending it by post to him or to his registered address or to the address, if any,

within the United Kingdom supplied by him to the Society for the giving of notice to him. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice by first-class post, and to have been effected in the case of a notice of a meeting at the expiration of twenty-four hours after the letter containing the same is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of first-class post.

69. Notice of every General Meeting of the Society shall be given in any manner hereinbefore authorised to:-
- (a) every Member except those Members who (having no registered address within the United Kingdom) have not supplied to the Society an address within the United Kingdom for the giving of notice to them;
 - (b) the Auditor for the time being of the Society (if any); and
 - (c) every Council Member.

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

INDEMNITY

70. (a) Subject to the provisions of the Act but without prejudice to any indemnity to which the Council Member or other officer may otherwise be entitled every Council Member or other officer of the Society shall be indemnified out of the assets of the Society against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, whether civil or criminal, which relates to anything done or omitted by him as an officer or employee of the Society, in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application on which relief is granted to him by the Court from liability for negligence, default, breach of duty or breach of trust in relation to the

affairs of the Society.

- (b) The Society may purchase and maintain for any Council Member or other officer of the Society insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Society.

WINDING-UP

71. If upon the winding-up or dissolution of the Society, there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members of the Society, but shall be given or transferred to some other institution or institutions, not formed or carrying on business for profit having objects similar to the objects of the Society, to be determined by the Members of the Society at or before the time of dissolution, and if and so far as effect cannot be given to the aforesaid provision, then to some charitable object.