

THE COMPANIES ACTS 1985 to 1989

COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

- of -

SECURITIES & INVESTMENT INSTITUTE
(Formerly Securities Institute)

(As amended by Special Resolutions passed on 25th May 1993, 5th April 1994, 4th July 1996, 1st July 1999, 13th December 2001, 25th July 2002, 30th September 2004 and 25th September 2008)

INTERPRETATION

1.01 In these Articles, unless the context otherwise requires:-

"the Act" means the Companies Act 1985, as amended by the Companies Act 1989, including any statutory modification or re-enactment thereof for the time being in force;

"the Articles" means the Articles of Association of the Institute;

"Chairman" means the director for the time being holding office as chairman of the board of directors under Article 16.04;

"clear days" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

"Deputy Chairman" means the director for the time being holding office as deputy chairman of the board of directors under Article 16.04;

"executed" includes any mode of execution;

"the Institute" means the Securities & Investment Institute;

"member" means (except where the context otherwise requires) a person admitted to membership of any class of the Institute under Article 2.05;

"Office" means the registered office of the Institute;

"Rules" means the rules, regulations and bye-laws of the Institute made by or under the authority of the directors;

"the seal" means the common seal of the Institute;

"Chief Executive" means the Chief Executive of the Institute appointed by the Directors from time to time in accordance with Article 18.01.

"secretary" means the secretary of the Institute or any other person appointed to perform the duties of the secretary of the Institute, including a joint, assistant or deputy secretary;

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

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.

Words importing persons shall include corporations, firms and partnerships.

Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Institute.

MEMBERS

- 2.01 The subscribers to the Memorandum of Association of the Institute and such other persons as are admitted to membership in accordance with the Articles shall be members of the Institute.
- 2.02 The members shall be divided into such classes of membership as may from time to time be determined by the directors and provided for in the Rules.
- 2.03 The directors shall determine the respective rights, privileges and obligations of the members within each class and the rules applicable to the various classes of membership shall be contained in the Rules of the Institute. In the event of any conflict between these Articles and the Rules these Articles shall prevail.
- 2.04 The directors may determine which persons or classes of person shall be admitted to membership of the Institute and (unless the directors determine otherwise) any person wishing to join the Institute must apply in writing in such form as the directors may from time to time prescribe. Different forms may be prescribed in respect of different classes of membership.
- 2.05 The directors may, subject to these Articles and the Rules, admit or refuse an application for membership of any class.
- 2.06 An applicant for membership of the Institute must satisfy such requirements as may from time to time be prescribed by the Rules in respect of training, experience, examinations, fitness for membership or otherwise.

- 2.07 The Rules may require an applicant for membership to pay a fee to the Institute as a condition of his application being considered, and the Rules may specify whether such a fee is or is not capable of being refunded in whole or in part and, if so, under what circumstances and subject to which conditions.
- 2.08 Members shall be subject to the Rules and shall enjoy such rights and privileges as may from time to time be provided by the Articles and the Rules.
- 2.09 The Rules may prescribe the circumstances in which a member may change his class of membership of the Institute.
- 2.10 Membership of the Institute shall not be transferable and, subject to Article 2.11, a member shall cease to be a member of the Institute:-
- (a) if he resigns his membership by giving not less than one month's notice in writing to the Institute, sent to or deposited at the Office; or
 - (b) if he becomes bankrupt or dies; or
 - (c) in such other circumstances as may from time to time be specified in the Rules

but this shall be without prejudice to any continuing obligation applicable to him under the Rules.

- 2.11 The directors may, in their absolute discretion, refuse to accept a notice of resignation given by a member under Article 2.10 (or reject such a notice after it has been served but prior to its taking effect) if the directors consider that any matter affecting such a member should be investigated before a decision may be reached on the question of whether the member should be expelled or otherwise disciplined or for any other reason.
- 2.12 The directors may exercise, or authorise the exercise of, such of their powers under these Articles as affect or may affect any members:-
- (a) in relation to members of one class and not in relation to members of other classes; and
 - (b) in different ways in relation to members of different classes.

ENTRANCE FEE AND SUBSCRIPTIONS

- 3.01 The directors may require members to pay any amounts to the Institute upon being admitted to membership or at any time thereafter. Such payments may take the form of lump sum payments, periodical payments (annual or otherwise), payments on account or estimated or provisional payments and may (if the directors so permit) be made by instalments. Any such amount shall carry interest until actual payment (and as well after as before judgement) if unpaid at the expiration of ten days commencing on the due date for payment at such rate (including a floating rate) as the directors may specify from time to time.
- 3.02 Different payments may be prescribed from time to time and in respect of different classes of membership.

- 3.03 In the event that a member resigns or his membership otherwise terminates:-
- (a) that shall not in any way impair any liability (including any prospective or contingent liability) to the Institute to which he was subject before he resigned or his membership terminated, whether the liability arose by virtue of action taken by the directors under Article 3.01 above or otherwise;
 - (b) he shall not be entitled to receive back (in whole or in part) any amounts previously paid by him to the Institute or, by virtue of any action taken by the directors under these Articles, to any other person.

GENERAL MEETINGS

- 4.01 Subject to the provisions of any elective resolution of the Institute for the time being in force, the Institute 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 Institute and that of the next provided that so long as the Institute holds its first annual general meeting within eighteen months of incorporation, it need not hold one in the year of its incorporation or in the following year. The annual general meeting shall be held at such time and place as the directors shall appoint.
- 4.02 All general meetings other than annual general meetings shall be called extraordinary general meetings.
- 4.03 The directors may, whenever they think 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 requisitions, as provided by the Act. If at any time there are not within the United Kingdom sufficient directors capable of acting to form a quorum, any director or any two members of the Institute who are entitled to receive notice of, attend and vote at general meetings may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

NOTICE OF GENERAL MEETINGS

- 5.01 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by at least twenty-one clear days' notice in writing, and a meeting of the Institute other than an annual general meeting or a meeting for the passing of a special resolution shall be called by at least fourteen clear days' notice in writing but a general meeting of the Institute may be called by shorter notice if it is so agreed:
- (a) in the case of an annual general meeting, by all the members entitled to attend and vote there at; and
 - (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding (subject to the provisions of any elective resolution of the Institute for the time being in force) not less than ninety-five per cent of the total voting rights at that meeting of all members.
- 5.02 The notice shall specify the time and place of the meeting and the general nature of the

business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

- 5.03 The notice shall be given to such persons as are, under the Articles of the Institute, entitled to receive such notices from the Institute and to the directors and auditors.
- 5.04 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

- 6.01 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, three persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member, shall be a quorum.
- 6.02 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be 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 directors may determine.
- 6.03 The Chairman, or in his absence the Deputy Chairman, shall preside as Chairman at every general meeting of the Institute. If neither the Chairman nor the Deputy Chairman is present within fifteen minutes after the time appointed for the holding of the meeting or shall be unwilling to act, the directors present shall elect one of their number to be chairman of the meeting.
- 6.04 If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present who are entitled to attend and vote shall choose one of their number to be chairman of the meeting.
- 6.05 The chairman of the meeting may, with the consent of a 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 which might properly have been transacted at the meeting had the adjournment not taken 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.
- 6.06 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
- (a) by the chairman of the meeting; or
 - (b) by at least three members entitled to attend and vote at the meeting; or
 - (c) by any member or members entitled to attend and vote at the meeting and representing not less than one-tenth of the total voting rights of all the members

having the right to vote at the meeting;

and a demand by a person as proxy for a member shall be the same as a demand by the member.

- 6.07 Unless a poll is duly demanded a declaration by the chairman of the meeting that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 6.08 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman of the meeting and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 6.09 Except as provided in Article 6.11, a poll shall be taken in such manner as the chairman of the meeting directs, and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 6.10 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a casting vote in addition to any other vote he may have.
- 6.11 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman of the meeting directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuation of a meeting for the transaction of any business other than the question on which the poll was demanded.
- 6.12 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 6.13 A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

VOTES OF MEMBERS

- 7.01 Subject to Article 7.02:
- (a) on a show of hands, every member who is personally present at any general meeting shall have one vote; and
 - (b) on a poll, every member who is present in person or by proxy at the taking of the poll shall have one vote.
- 7.02 Members of any class of membership for the time being designated as Student members,

Affiliate members or Associate members shall not be entitled to receive notice of or attend and vote at any general meeting or on a poll.

- 7.03 A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the Office, or at such other place as is specified in accordance with the Articles for the deposit of instruments of proxy, not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
- 7.04 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is rendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.
- 7.05 No member shall be entitled to vote at any general meeting or at any separate class meeting, either in person or by proxy, unless all moneys presently payable by him to the Institute have been paid.
- 7.06 Any member of the Institute entitled to attend and vote at a general meeting shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of him and any proxy so appointed shall have the same right as the member to speak at the meeting.
- 7.07 On a poll votes may be given either personally or by proxy.
- 7.08 An instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve) -

"SECURITIES & INVESTMENT INSTITUTE

I/We _____ of,

being a member/members of the above named Institute, hereby appoint _____ of,

or failing him, _____ of _____, as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the Institute to be held on _____ 19____, and at any adjournment thereof.

Signed on _____ 19____."

- 7.09 Where it is desired to afford members an opportunity of instructing the proxy how he shall act the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve) -

"SECURITIES & INVESTMENT INSTITUTE

I/We _____ of,

being a member/members of the above-named Institute, hereby appoint _____ of,

or failing him, _____ of _____, as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the Institute to be held on _____ 19 _____, and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No.1 * for * against

Resolution No.2 * for * against

* Strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed on _____ 19 _____."

7.10 The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may -

- (a) be deposited at the office or at such other place within the United Kingdom as is specified for that purpose in the notice convening the meeting or in any instrument of proxy sent out by the Institute in relation to the meeting not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote; or
- (b) in the case of a poll taken more than forty-eight hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than twenty-four hours before the time appointed for the taking of the poll; or
- (c) where the poll is not taken forthwith but is taken not more than forty-eight hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman of the meeting or to the secretary or to any director;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

7.11 The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

- 7.12 A vote given or poll demanded by proxy shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of determination was received by the Institute at the Office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

NUMBER OF DIRECTORS

- 8.01 Unless otherwise determined by ordinary resolution, the number of directors appointed subject to Article 11 shall be not more than fifteen and shall be not less than six.
- 8.02 The Board may co-opt up to three further directors to hold office for such period and on such terms as the Board may decide. Article 11 and paragraph (h) of Article 12.01 will not apply to any director co-opted under this Article 8.02

POWER OF DIRECTORS

- 9.01 Subject to the provisions of the Act, the Memorandum and the Articles and to any directions given by special resolution, the business of the Institute shall be managed by the directors who may exercise all the powers of the Institute. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or the direction had not been given. The powers given by this Article shall not be limited by any special power given to the directors by the Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

DELEGATION OF DIRECTORS' POWERS

- 10.01 Subject to any restrictions or requirements imposed by law the directors may delegate any of their powers to any committee consisting of such persons (whether or not including one or more directors) as they think fit. Unless otherwise determined by the directors the proceedings of a committee of two or more persons shall be governed by the Articles regulating the proceedings of directors so far as they are capable of applying.
- 10.02 Unless otherwise determined by the directors, any committee appointed under Article 10.01 shall have power to constitute one or more sub-committees comprising one or more members of that committee together with such other persons (if any) as the directors may approve and to sub-delegate to any such sub-committee any duties and powers delegated to that committee.
- 10.03 With the sanction of the directors, any such committee or sub-committee may include members who have no right to vote.
- 10.04 The directors and (unless otherwise determined by the directors) any committee or sub-committee appointed under Article 10.01 or 10.02 may delegate to any of the officers or employees of the Institute any of their respective duties and powers.
- 10.05 Any delegation of the powers of the directors may be made subject to any conditions they

may impose, and either collaterally with or to the exclusion of their own powers, and may be revoked or altered.

APPOINTMENT AND RETIREMENT OF DIRECTORS

- 11.01 At each general meeting one third of the directors who are subject to retirement by rotation (or, if their number is not three or a multiple of three, the number nearest one third but if there is only one director who is subject to retirement by rotation, that director) shall retire from office provided always that any such director who is otherwise subject to retirement by rotation but who was appointed or whose appointment was confirmed at either of the preceding two annual general meetings shall not retire.
- 11.02 For the purposes of Article 11.01, the directors subject to retirement by rotation shall be those who have been longest in office since their last appointment or re-appointment but as between persons who became or were last re-appointed directors on the same day, those subject to retirement by rotation shall (unless they otherwise agree among themselves) be determined by lot. The directors subject to retirement by rotation (both as to number and as to identity) shall be determined by the composition of the Board of Directors at the date of the notice convening the annual general meeting, and no director shall be made subject to retirement by rotation or relieved from being subject to retirement by rotation by reason of any change in the number or identity of the directors after the date of such notice.
- 11.03 If the Institute, at the meeting at which a director retires by rotation, does not fill the vacancy the retiring director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the director is put to the meeting and lost.
- 11.04 No person other than a director retiring by rotation shall be appointed or reappointed a director at any general meeting unless:-
- (a) he is recommended by the directors; or
 - (b) not less than seventy-five clear days before the date appointed for the meeting a notice executed by not less than ten members qualified to vote at the meeting has been given to the secretary of the intention to propose that person for appointment or reappointment as a director, stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Institute's register of directors, together with notice executed by that person of his willingness to be appointed or reappointed. Any person proposed for appointment in this way shall satisfy the qualification in Article 11.09.
- 11.05 Not less than seven clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a director retiring by rotation at the meeting) who is recommended by the directors for appointment or reappointment as a director at the meeting or in respect of whom notice has been duly given to the Institute of the intention to propose him at the meeting for appointment or reappointment as a director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the Institute's register of directors.
- 11.06 Subject as aforesaid, the Institute may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director and may

also determine the rotation in which any additional directors are to retire.

- 11.07 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the Articles as the maximum number of directors. A director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the directors who are to retire by rotation at the meeting. If not reappointed at such annual general meeting, he shall vacate office at the conclusion thereof.
- 11.08 Subject as aforesaid, a director who retires at an annual general meeting may, if willing to act, be reappointed. If he is not reappointed, he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.
- 11.09 A person shall not be eligible to be appointed or elected as a director unless he is a member of the Institute or is employed by the Institute.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

12.01 The office of a director shall be vacated if:-

- (a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
- (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (c) he is, or may be, suffering from mental disorder and either -
 - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
- (d) he resigns his office by written notice to the Institute sent to or deposited at the Office; or
- (e) he shall for three consecutive meetings of the board of directors have been absent without the approval of the Chairman of the Institute and the directors resolve that his office be vacated by reason of such absence; or
- (f) in the case of a director who holds any executive office with the Institute or any subsidiary, his appointment as such is terminated or expires and the directors resolve that his office be vacated; or
- (g) he is directly or indirectly interested in any contract with the Institute and fails to declare the nature of his interest in accordance with the Act; or

- (h) he ceases for any reason to be a member of the Institute, or an employee of the Institute (other than a person who was not a member or an employee at the time of his initial appointment by the directors in accordance with Article 11.07); or
- (i) he is requested in writing by all the other directors to resign.

REMUNERATION OF DIRECTORS

13.01 The members of any committee or sub committee appointed under Article 10.01 or 10.02 (not being directors) may be paid such remuneration for their services as shall from time to time be determined by the directors.

DIRECTORS' EXPENSES

14.01 The directors may be paid all reasonable travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or otherwise in connection with the discharge of their duties.

DIRECTORS' APPOINTMENTS AND INTERESTS

15.01 Subject to the provisions of the Act, the directors may appoint one or more of their number to executive office under the Institute and may enter into an agreement or arrangement with any director for his employment by the Institute or for the provision by him of any services outside the scope of the ordinary duties of a director.

15.02 Subject to the terms of his appointment, the chief executive shall have the powers of a managing director.

15.03 Any appointment, agreement or arrangement pursuant to Article 15.01 may be made upon such terms as the directors determine. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the Institute.

15.04 Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:-

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Institute or in which the Institute is otherwise interested;
- (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Institute or in which the Institute is otherwise interested; and

- (c) shall not, by reason of his office, be accountable to the Institute for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

15.05 For the purposes of Article 15.04:-

- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
- (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

15.06 Save as otherwise provided by the Articles, a director shall not vote at a meeting of directors or of a committee or sub-committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Institute unless his interest or duty arises only because the case falls within one or more of the following paragraphs:-

- (a) the resolution relates to the giving to him of a guarantee, security or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the Institute or any of its subsidiaries;
- (b) the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the Institute or any of its subsidiaries for which the director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
- (c) his interest arises by virtue of his subscribing or agreeing to subscribe for any debentures or other securities of the Institute or any of its subsidiaries, or by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such debentures or other securities, by the Institute or any of its subsidiaries for subscription, purchase or exchange;
- (d) the resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes;
- (e) the resolution concerns the arrangement of insurance cover for directors in accordance with the provisions of Article 25.02; or
- (f) the resolution relates to any arrangement for the benefit of employees of the Institute or of any of its subsidiaries under which the director benefits in a similar manner to such employees and does not afford to any director as such any privilege or advantage not generally afforded to the employees to whom such arrangement relates.

For the purposes of this Article:

- (i) an interest of a person who is, for any purpose of the Act, connected with a director shall be treated as an interest of the director; and
- (ii) a relevant enterprise is a business carried on by the director, by a firm of which he is a partner or by a corporation of which he is a member or director.

15.07 A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

15.08 The Institute may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provisions of the Articles prohibiting a director from voting at a meeting of directors or of a committee of directors.

15.09 Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the Institute or any body corporate in which the Institute is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

15.10 If a question arises at a meeting of directors or of a committee or sub-committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.

PROCEEDINGS OF DIRECTORS

16.01 Subject to the provisions of the Articles, the directors may meet together for the despatch of business, adjourn, and otherwise regulate their meetings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Each director shall have one vote. Questions arising at a meeting shall be decided by a simple majority of votes. In the case of an equality of votes the chairman of the meeting shall have a second or casting vote.

16.02 The quorum necessary for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be three or one-third of the number of directors for the time being whichever shall be the greater number.

16.03 The continuing directors or a sole continuing director may act notwithstanding any vacancy in their number, but, if and so long as the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or calling a general meeting.

- 16.04 The directors may from time to time elect and remove a Chairman and Deputy Chairman of their meetings and determine the periods for which and the terms on which they are respectively to hold office. The Chairman or Deputy Chairman shall preside at all meetings of the board of directors, but if there be no Chairman or Deputy Chairman or if at any meeting neither the Chairman nor any Deputy Chairman be present and willing to act within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.
- 16.05 All acts done by a meeting of directors, or of a committee or sub-committee, or by a person acting as a director, shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any person, or that any of them was disqualified from holding office, or had vacated office, or was not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued in office and had been entitled to vote.
- 16.06 A resolution in writing signed by all the directors for the time being entitled to receive notice of a meeting of directors or by all the members of a committee or sub-committee shall be as valid and effectual as if it has been passed at a meeting of directors or (as the case may be) of that committee or sub-committee duly convened and held and may consist of several documents in the like form each signed by one or more directors or members.
- 16.07 The contemporaneous linking together by telephone of a number of the directors not less than the quorum, wherever in the world they are, shall be deemed to constitute a meeting of the directors so long as the following conditions are met:
- (a) All the directors for the time being entitled to receive notice of any meeting of the directors (including any alternate director) shall be entitled to notice of any meeting by telephone and to be linked by telephone for the purpose of such meeting. Notice of any such meeting may be given by telephone.
 - (b) Each of the directors taking part must be able to hear each of the other directors taking part subject as hereinafter mentioned throughout the meeting.
 - (c) At the commencement of the meeting each director must acknowledge his presence to all the other directors taking part.
 - (d) Unless he has previously obtained the consent of the Chairman of the meeting, a director may not leave the meeting by disconnecting his telephone and shall be conclusively presumed to have been present and to have formed part of the quorum throughout the meeting. The meeting shall be deemed to have been validly conducted notwithstanding that a director's telephone is accidentally disconnected during the meeting, and the proceedings thereof shall be deemed to be as valid as if the telephone had not been disconnected.
 - (e) A minute of the proceedings shall be sufficient evidence thereof and of the observance of all necessary formalities if certified by the Chairman and the Secretary.

16.08 Resolutions of the directors can be passed by way of electronic communications sent to the directors, wherever in the world they are, so long as the following conditions are met:

- (a) All the directors for the time being entitled to receive notice of and vote on any issue for consideration by the directors (including any alternate director) shall be sent notice (which may be sent by e-mail) of any proposed resolution(s).
- (b) Any proposed resolution(s) contained in electronic communications must be sent to an address for the time being notified to the Institute for that purpose by the director.
- (c) Any response sent by the director must be sent from the same address as the address to which the resolution(s) were sent as required in (b) above.
- (d) The number of responses sent by the directors in favour of any proposed resolution(s) must be sufficient to constitute a simple majority of the directors.
- (e) A minute of the result or the outcome of any such resolution(s) shall be sufficient evidence thereof and of observance of all necessary formalities if certified by the Chairman and the secretary.

RULES

17.01 The directors may from time to time make such Rules as they shall deem conducive to the attainment of the objects of the Institute and in particular but without prejudice to the generality of the foregoing, they make Rules respecting, inter alia:-

- (a) the creation and regulation of any class of membership the admission of and refusal to admit members of any class, the rights and privileges of such members, and the conditions of membership and the terms on which members may resign or have their membership suspended or terminated or converted to another class, and the entrance fees, subscriptions and other fees or payments to be made by members;
- (b) the conduct of members of the Institute;
- (c) the permitting of members to attend and use any premises or facilities of the Institute;
- (d) the conduct of disciplinary proceedings in respect of infringements of the Rules and the imposition of sanctions;
- (e) appeals against refusal of membership, expulsion or suspension and other disciplinary sanctions;
- (f) the procedure at general and class meetings and meetings of the directors and committees of the directors in so far as such procedure is not regulated by these presents.

and generally for the good order and government of members; and may from time to time amend, alter, repeal or waive, either generally or in any particular case or class of cases, any Rules.

CHIEF EXECUTIVE AND SECRETARY

- 18.01 The Chief Executive shall be appointed by the Directors for such term at such remuneration and upon such conditions as they think fit, and any such chief executive so appointed may be removed by them.
- 18.02 Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

MINUTES

- 19.01 The directors shall cause minutes to be made in books kept for the purpose:-
- (a) of all appointments of officers made by the directors; and
 - (b) of all proceedings at meetings of the Institute and of any class of membership of the Institute and of directors, and of committees of directors, including the names of the directors present at each such meeting. Any such minutes, if purporting to be signed by the chairman of the meeting at which the proceedings took place or by the chairman of the next succeeding meeting, shall be evidence of the proceedings.

THE SEAL

- 20.01 The seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director.

ACCOUNTS

- 21.01 The directors shall from time to time determine whether and to what extent and at what times and places and under what condition or regulations the accounts and books of the Institute or any of them shall be open to the inspection of members (not being directors), and no member (not being a director) shall have any right of inspecting any accounting records or other book or document of the Institute except as conferred by statute or authorised by the directors or by ordinary resolution of the Institute.
- 21.02 Subject to the provisions of any elective resolution of the Institute for the time being in force, the directors shall from time to time in accordance with the provisions of the Act, cause to be prepared and to be laid before the Institute in general meeting such revenue accounts, balance sheets, group accounts (if any) and reports as are referred to in those provisions.

NOTICES

- 22.01 Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the directors need not be in writing.
- 22.02 The Institute may give any notice to a member either personally or by sending it by post in a

prepaid envelope addressed to the member at his registered address as appearing in the register of members or by leaving it at that address. A member whose registered address is not within the United Kingdom and who gives to the Institute an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the Institute.

- 22.03 A member present, either in person or by proxy, at any meeting of the Institute shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 22.04 Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and to have been effected at the expiration of forty-eight hours after the letter containing the same is posted.
- 22.05 Notice of every general meeting shall be given in any manner hereinbefore authorised to every member entitled to vote at such meeting and to the auditors of the Institute. No other persons shall be entitled to receive notices of general meetings.

WINDING-UP

- 23.01 On the winding up and dissolution of the Institute the provisions of the Memorandum of Association shall have effect as if repeated in these Articles.

CONFIDENTIALITY

- 24.01 All information concerning a member's affairs acquired by the Institute in the course of its operations shall be treated with due confidence, subject to such right or duty of disclosure as may be conferred or imposed by the person whose information it is or by the Rules or by law and provided that any necessary disclosure may be made in the course of proceedings against the member (including proceedings taken under the Rules or these Articles).

INDEMNITY

- 25.01 Subject to the provision of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director, committee or sub-committee member, secretary, or other officer or auditor of the Institute shall be indemnified out of the assets of the Institute against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application in 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 Institute.
- 25.02 To the extent permitted by the Act, the directors may arrange insurance cover at the cost of the Institute in respect of any liability, loss or expenditure incurred by any director, officer or auditor of the Institute in relation to anything done or alleged to have been done or omitted to be done as director, officer or auditor.

Names and addresses of Subscribers

Timothy John Nicholson
Friars Lodge
Matfield
Kent
TN12 7LE

Graham Ross Russell
30 Ladbrooke Square
London
W11 3NB

Dated this 10th February 1992

Witness to the above Signatures:- John Russell Gooch
25/31 Moorgate
London
EC2