

Articles of Association of  
Liverpool Victoria Financial Services Limited

Private company limited by guarantee

As adopted by special resolution passed on 30 September 2020

## CONTENTS

Article	Page
1. INTERPRETATION .....	1
2. MEMBERSHIP .....	5
3. ENTITLEMENT TO MEMBERSHIP .....	6
4. LIABILITY OF MEMBERS .....	9
5. REGISTER OF MEMBERS .....	9
6. CONTRIBUTIONS AND BENEFITS .....	9
7. SURPLUSES AND BONUSES .....	9
8. FORFEITURES AND ARREARS .....	10
9. NOMINATIONS .....	10
10. GOVERNANCE OF THE COMPANY .....	10
11. AUDITOR .....	21
12. THE CHIEF ACTUARY AND WITH-PROFITS ACTUARY .....	22
13. APPLICATION AND INVESTMENT OF FUNDS .....	22
14. GENERAL MEETINGS .....	22
15. DISPUTES .....	33
16. COMPLAINTS .....	33
17. DISSOLUTION, WINDING-UP AND DISTRIBUTION OF SURPLUS ASSETS .....	33
18. NOTICES AND COMMUNICATIONS .....	33

## 1. INTERPRETATION

1.1 In these Articles the following words and expressions have the following meanings:

<b>1992 Act</b>	the Friendly Societies Act 1992;
<b>Annual Accounts</b>	the accounting documents, including the notes attached to them, which the Relevant Legislation requires the Company to prepare for itself and by way of group accounts for itself and its subsidiaries and jointly controlled bodies;
<b>Annual General Meeting</b>	an annual general meeting of the Company;
<b>Articles</b>	the Company's articles of association;
<b>Auditor</b>	the auditor of the Company appointed under Article 11;
<b>Auditor's Report</b>	the report of the Auditor on the Annual Accounts and the Board Report;
<b>Board</b>	the board of Directors of the Company;
<b>Board Report</b>	a report by the Board on the business of the Company, which shall include the information required by the Relevant Legislation and details of bonuses declared by the Board;
<b>Chairperson</b>	the Director appointed to that office under Article 10.6.1;
<b>Chief Actuary</b>	the person or persons appointed by the Board to be the holder of the Company's chief actuary function;
<b>Chief Executive</b>	the person appointed by the Board to be the Company's chief executive;
<b>Clear Day</b>	complete days excluding the day on which the period begins and if the end date is defined by an event, the day of that event;
<b>Companies Act</b>	the Companies Act 2006 including any statutory modification or re-enactment of it for the time being in force;
<b>Company</b>	Liverpool Victoria Financial Services Limited;
<b>Company Life Policy</b>	any Company Policy that is a contract of long term insurance subject to income tax under Part 4 of the Income Tax (Trading and Other Income) Act 2005;
<b>Company Pension Policy</b>	any Company Policy that is a contract of long-term insurance subject to Part 4 of the Finance Act 2004;
<b>Company Policy</b>	any Policy issued by the Company or Society (as applicable) before or after the adoption of these Articles or any Policy originally issued by any other person and subsequently transferred or novated to the Company or Society (as applicable) whether under s 86 of the 1992 Act or Schedule 2C to the Insurance Companies Act 1982 or Part VII and Schedule 12 to the Financial Services and Markets Act 2000 or otherwise;

<b>Current Address</b>	at a point of time, the address at which a person resides at such time. For the purposes of a corporate entity, the address is where the corporate entity is registered at such time;
<b>Directors</b>	the directors of the Company;
<b>Discretionary Benefits</b>	are activities, if any, carried out in accordance with the Company's Articles (or with arrangements made under the Articles) whereby discretionary benefits are provided: <ul style="list-style-type: none"> <li>(a) for the education of any persons;</li> <li>(b) for the relief or maintenance of any persons during sickness, when out of employment or when in distressed circumstances; or</li> <li>(c) for the funeral expenses of any persons;</li> </ul>
<b>Dispute</b>	<ul style="list-style-type: none"> <li>(a) includes any dispute arising on the question whether a member or person aggrieved is entitled to be, or to continue to be, a member or to be reinstated as a member; but</li> <li>(b) in the case of a person who has ceased to be a member does not (except as provided in paragraph (a) above) include any dispute other than one on a question which arose while he was a member, or arises out of his membership; and</li> <li>(c) does not include a dispute which has arisen as a result of and incidentally to a dispute between a member, or person aggrieved who has ceased to be a member and a person claiming through him or under the Articles of a company or branch;</li> </ul>
<b>electronic facility</b>	includes, without limitation, website addresses and conference call systems, and any device, system, procedure, method or other facility whatsoever providing an electronic means of attendance at or participation in (or both attendance at and participation in) a general meeting determined by the Board pursuant to Article 14.5;
<b>electronic form</b>	has the meaning given to it in section 1168 of the Companies Act;
<b>electronic means</b>	has the meaning given to it in section 1168 of the Companies Act;
<b>Family Member</b>	any of the following: <ul style="list-style-type: none"> <li>(a) a Member's spouse or civil partner;</li> <li>(b) any other person (whether of a different sex or the same sex) with whom a Member lives as a partner in an enduring family relationship</li> <li>(c) the natural or adopted children, grand-children or great grand-children of a Member, a Member's spouse or civil partner or other person within Paragraph 1.1(b); or</li> <li>(d) a Member's natural or adoptive parents or grand- parents or the natural or adoptive parents or grand- parents of a</li> </ul>

Member's spouse or civil partner or of a person within Paragraph 1.1(b);

<b>FCA</b>	the Financial Conduct Authority or its successors from time to time;
<b>Group Company</b>	a Subsidiary of the Company from time to time. (i) " <b>Subsidiary</b> " or " <b>Holding Company</b> " is to be construed in accordance with s1159 (and Schedule 6) of the Companies Act and, for the purposes of this definition, a person shall be treated as a member of another person if any of that person's subsidiaries is a member of that other person or, if any shares in that other person are held by a person acting on behalf of it or any of its subsidiaries and (ii) a " <b>Subsidiary Undertaking</b> " or " <b>Parent Undertaking</b> " is to be construed in accordance with s1162 (and Schedule 7) of the Companies Act. A subsidiary and a subsidiary undertaking shall include any person the shares or ownership interests in which are subject to security and where the legal title to the shares or ownership interests so secured are registered in the name of the secured party or its nominee pursuant to such security;
<b>Index</b>	the index of Members which the Company is required to keep under s115(1) of the Companies Act;
<b>Member</b>	a member of the Company or where applicable for the purposes of Articles 2.6, 3.4, 3.5, 3.6, 3.9, 3.10, 3.12 and Article 14.18.2 a member of the Society, and "Membership" shall be construed accordingly;
<b>Members' Notice</b>	a notice described in Article 14.3.1;
<b>Membership Product</b>	a financial services product issued by a Group Company which is designated as a "membership product" in regulations made by the Board under Article 3.14;
<b>Model Articles</b>	the model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date on which the Company was incorporated;
<b>Policy</b>	an insurance policy, including a contract for annuities;
<b>PRA</b>	the Prudential Regulation Authority or its successors from time to time;
<b>Proof of Life Notice</b>	a notice sent at any time by the Company or Society to a Member which:  (a) is sent, in compliance with applicable data protection law, after the date on which such Member would, according to the Company's or Society's records, be at least 100 years old (or such higher age as the Board may determine from time to time, having regard to the advice of the Chief Actuary); and  (b) seeks a response from such Member with a view to ascertaining whether or not such Member is deceased;

<b>Proof of Address Notice</b>	a notice sent at any time by the Company or Society to a Member, in compliance with applicable data protection law, which seeks a response from such Member with a view to ascertaining whether or not he or she still resides at last known address on the Company's or Society's records;
<b>Register</b>	the register of Members which the Company is required to keep under s113(1) of the Companies Act;
<b>Registered Office</b>	the registered office of the Company for the time being;
<b>Relevant Legislation</b>	the Companies Act, the Financial Services and Markets Act 2000 and all regulations made thereunder and every other enactment or regulation for the time being in force relating to a company limited by guarantee (with its registered office situated in England and Wales);
<b>Remuneration Committee</b>	the committee of non-executive Directors referred to in Article 10.11.1;
<b>Remuneration Report</b>	the report prepared by the Remuneration Committee;
<b>Resolution Statement</b>	a statement described in Article 14.8.6(b);
<b>Secretary</b>	the person appointed by the Board to be the Company's secretary;
<b>Senior Independent Director</b>	the director appointed to that office under Article 10.6.1;
<b>Society</b>	Liverpool Victoria Friendly Society Limited, being the Company before its conversion from a friendly society to a company limited by guarantee;
<b>Special General Meeting</b>	a general meeting of the Company other than an Annual General Meeting;
<b>Valid Address</b>	an address recognised by Royal Mail. For the purposes of a corporate entity, the address is where the corporate entity is registered at such time;
<b>With-Profits Actuary</b>	the person appointed by the Board to hold the Company's with-profits actuary function;
<b>With-Profits Committee</b>	the with profit committee established by the Board in accordance with Relevant Legislation; and
<b>Working Day</b>	a day other than a Saturday and Sunday or public holiday in England and Wales.

- 1.2 In these Articles, unless the context requires otherwise, references to one gender shall include all genders and references to the singular shall include the plural and vice versa.
- 1.3 In these Articles, unless the context requires otherwise, further words and expressions which are defined in Part 38 of the Companies Act shall have the meanings given in those sections.
- 1.4 In these Articles any reference to any statute refers to that statute as amended, varied or re-enacted from time to time.

- 1.5 A reference to a document being signed or to signature includes references to its being executed under hand or under seal or by any other method and, in the case of a communication in electronic form, such references are to its being authenticated as specified by the Companies Act.
- 1.6 A reference to writing or written includes references to any method of representing or reproducing words in a legible and non-transitory form whether sent or supplied in electronic form or otherwise.
- 1.7 References to a person's participation in the business of a general meeting include without limitation and, as relevant, the right (including, in the case of a corporation, through a duly appointed representative) to speak, vote, be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Companies Act or these Articles to be made available at the meeting, and participate and participating in the business of a general meeting shall be construed accordingly.
- 1.8 Nothing in these Articles precludes the holding and conducting of a general meeting in such a way that persons who are not present together at the same place or places may by electronic means attend and participate in it.
- 1.9 Headings to Articles or sets of Articles are for convenience only and shall not affect the interpretation of these Articles.
- 1.10 No regulations or model articles contained in any statute or subordinate legislation, including those contained in the Model Articles, apply as the articles of association of the Company.

## **2. MEMBERSHIP**

- 2.1 The Members shall be those persons whose names are for the time being recorded in the Register.
- 2.2 The names of all persons who are either:
- 2.2.1 Members pursuant to Article 3.1; or
  - 2.2.2 entitled to be Members pursuant to Article 3.2 and have applied to become Members and satisfied the requirements in Article 3.2,
- shall be entered in the Register, along with the date on which they became a Member. Where a person ceases to be a Member the date on which they cease to be a Member shall be recorded in the Register.
- 2.3 No person shall become a Member or be entitled to become a Member except under Article 3.
- 2.4 The class rights of any class of Members may be changed through a consent in writing or special resolution in accordance with s631(4) of the Companies Act.
- 2.5 Save as permitted under Article 2.6, a person under the age of 18 years (a **Minor**) may not be a Member. A Minor's parent, guardian or trustee or other person nominated by the Minor shall instead become a Member provided that:
- 2.5.1 such Minor was, but for their age, entitled to be a Member under any provision of these Articles;
  - 2.5.2 such Minor's parent, guardian, trustee or other nominee consents to being a Member in accordance with s112(2) of the Companies Act; and
  - 2.5.3 at the time such Minor attains the age of 18, such person may request that the parent, guardian, trustee or other nominee registered as a Member under this Article, shall cease to be registered as a Member and to be registered on the Register in their

place. In such event, any period of membership held by such person's parent, guardian, trustee or other nominee in accordance with this Article 2.5 shall count towards such person's continuous period of membership for the purposes of Article 14.18.2.

- 2.6 Notwithstanding Article 2.5 a person under the age of 18 years who was a Member immediately prior to adoption of these Articles, shall remain a Member after adoption of these Articles (subject to and in accordance with Article 3).

### **3. ENTITLEMENT TO MEMBERSHIP**

- 3.1 Any person who is and, subject to any regulations made under Article 3.14.3, remains the original holder of a Company Policy shall be a Member subject to Article 2.5.

- 3.2 Any person who

3.2.1 has purchased from a Group Company (or from a company or other entity designated by the Board which becomes a Group Company or whose business is transferred to the Company or a Group Company in either case after the date of such purchase) and, subject to any regulations made under Article 3.14.3, remains the original holder of a financial services product which is designated as a "membership product" in regulations made by the Board from time to time; and

3.2.2 has paid to the Company a single membership fee in a manner and of an amount (not exceeding £200) as set out in regulations made by the Board from time to time on the advice of the Chief Actuary and With-Profits Actuary,

shall be entitled to be a Member, subject to Article 2.5.

- 3.3 Without prejudice to Article 3.8, any person who became a Member pursuant to Article 3.2 shall, so long as that person remains the original holder of the financial services product by virtue of which that person became a Member (or is otherwise entitled to remain a Member under regulations made under Article 3.14.3), continue to be a Member notwithstanding that the relevant financial services product may have ceased to be a Membership Product.

- 3.4 Following adoption of these Articles, a person shall only become a Member in accordance with Article 3.1 and 3.2 if such person consents to being a Member. This Article 3.4 shall not apply to a person who was a Member immediately prior to the Company's registration as a company, it being recognised that such person shall continue to be a Member after such registration (subject to and in accordance with the remainder of this Article 3).

- 3.5 If two persons jointly hold a Company Policy or Membership Product of which they alone are the beneficial owners, both persons shall be or, as the case may be, shall be entitled to be Members. Otherwise, without prejudice to the rights of any person who became a Member on or before 23 May 2001 by virtue of holding a Company Policy or Membership Product jointly with others, only the first named holder of any Company Policy or Membership Product shall be or, as the case may be, shall be entitled to be, a Member in respect of that Company Policy or Membership Product.

- 3.6 A person who ceased to be a Member prior to 1 January 1994 because a Company Policy had become free or paid-up shall be reinstated as a Member unless or until such person would have ceased to be a Member or ceases to be a Member pursuant to the remainder of this Article 3.

- 3.7 The decision of the Board on any question of whether a person is or, as the case may be, is entitled to be, a Member shall be conclusive for all purposes of these Articles.

- 3.8 A Member shall automatically cease to be or, as the case may be, to be entitled to be a Member if the Company receives notice:



- 3.8.1 that he or she has died;
- 3.8.2 that:
- (a) he or she has assigned his or her interest (except by way of mortgage or charge and except in the circumstances prescribed in any regulations made by the Board under Article 3.14.3) in all Company Policies which enabled him or her to be a Member or has ceased to be the holder of any Company Policies by operation of law;
  - (b) an event has occurred upon which the benefit, or last of the benefits payable, under all Company Policies held by him or her have fallen due; or
  - (c) for some other reason (including the rescission, cancellation, or surrender of a Policy, or the expiry of any periods of insurance stated in a Policy) neither the Company nor the Member has any remaining rights under any of the Company Policies which enabled him or her to be a Member,
- unless he or she continues to be qualified for Membership under Article 3.2; or
- 3.8.3 in the case of a person entitled to be a Member by reason only of Article 3.2, that he or she has ceased to be so entitled.
- 3.9 For the purposes of Article 3.8.1 but subject to Article 3.12, the Company shall be deemed to have received notice that a Member has died if:
- 3.9.1 he or she would, according to the Company's records, be at least 100 years old (or such higher age as the Board may determine from time to time, having regard to the advice of the Chief Actuary); and
  - 3.9.2 either:
    - (a) the Company has not received a response to two Proof of Life Notices sent by the Company or Society to such Member within 45 days of sending such notice; or
    - (b) the Company has received a response to a Proof of Life Notice (including in the form of returned mail) which indicates that the Member is deceased.
- 3.10 Subject to Article 3.12, a Member shall automatically cease to be or, as the case may be, to be entitled to be a Member if the Company:
- 3.10.1 does not have a Valid Address for such Member; or
  - 3.10.2 reasonably believes the last known address on the Company's records for such Member is unlikely to be such Member's Current Address; and
    - (a) the Company has not received a response to two Proof of Address Notices sent by the Company or Society to such Member within 45 days of sending such notice; or
    - (b) the Company has received a response to a Proof of Address Notice (including in the form of returned mail) which indicates that the Member no longer resides at the applicable address.
- 3.11 The Company may not send a second Proof of Life Notice or Proof of Address Notice to a Member less than 45 days after sending its first Proof of Life Notice or Proof of Address Notice.
- 3.12 To the extent that an individual has ceased to be a Member pursuant to Article 3.9 or 3.10 but such individual subsequently contacts the Company with evidence of his or her identity and the

Company Policy or Membership Product he or she holds or evidence of his or her membership such as policy books, the Company shall reinstate such individual's membership. Such membership shall be deemed to have taken effect from the later of: (i) the date on which such individual was registered as a Member in respect of the period of membership immediately preceding the date on which such individual ceased to be a Member pursuant to Article 3.9 or 3.10; and (ii) the date of the incorporation of the Company. For the purposes of Article 14.18, any period for which an individual was a Member prior to the cessation of their membership pursuant to Article 3.9 or 3.10 together with any period between the cessation of that individual's membership and the reinstatement of their membership under this Article 3.12 shall count in aggregate towards the continuous period of membership criteria required to be satisfied in order to entitle such Member to attend and vote at any general meeting of the Company.

3.13 Nothing in this Article shall affect the terms of any individual's policy with the Company. In particular, if any individual's membership is terminated by virtue of Article 3.9 or 3.10, this shall not in any way terminate such individual's policy with the Company.

3.14 The Board may make regulations on the entitlement to Membership under any Company Policies issued on or after the date of incorporation of the Society or under any Membership Products, as regards:

3.14.1 a qualifying person (or their nominee) under any group insurance business as defined in s11 of the 1992 Act, such definition to be construed as if for the purposes of these provisions, it applies to the Company;

3.14.2 any person who may be nominated by a corporate body, trustee, partnership or other organisation, where the Policy does not constitute group insurance business;

3.14.3 any person who is the assignee of a Company Policy or Membership Product;

3.14.4 any person who is entitled to receive benefits (other than death benefits resulting directly from the death of the original Member) under a Company Life Policy that was originally held by a Member who has died; or

3.14.5 any person who is not the legal owner of a Company Pension Policy but who is stated in the Company Pension Policy as being entitled to receive benefits.

The regulations issued under Article 3.14 shall prevail over the other provisions of Article 3 in the event of any conflict.

3.15 Except to the extent the Board issues regulations under Article 3.14.4 or Article 3.14.5 stating otherwise, the following persons shall be Members:

3.15.1 to the extent the holder of a Company Life Policy dies but the terms of the Company Life Policy continue to provide for the payment of benefits (other than death benefits), the person entitled to receive such benefits. The Company shall have discretion in determining what evidence is required in order to ascertain whether a person is entitled to receive benefits for the purposes of this Article;

3.15.2 a person who is not the legal owner of a Company Pension Policy but who is stated in the Company Pension Policy as being entitled to receive benefits.

3.16 Except in the circumstances prescribed by the Board under Article 3.14.3, the assignment of a Company Policy or a Membership Product shall not confer on the assignee (including any assignee in trust, assignee or trustee in bankruptcy or receiver) Membership or entitlement to Membership.

#### **4. LIABILITY OF MEMBERS**

- 4.1 Every Member undertakes to contribute to the assets of the Company in the event of the Company being wound up during the time that he or she is a Member or within one year afterwards, for payment of the debts, liabilities of the Company contracted before the time at which he or she ceased to be a Member, and the costs, charges and expenses of winding up the Company, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding one penny.

#### **5. REGISTER OF MEMBERS**

- 5.1 The Company shall maintain a register of the names and addresses of the Members. The Company shall also maintain an Index.
- 5.2 A Member must notify any change of address to the Company, so that the new address may be entered in the Register. The notification shall be given within 45 days of the change, and shall quote the number of the Company Policy or Company Policies held by the Member and/or, if the Member is entitled to Membership under Article 3.2, the number of the Membership Product by virtue of which he or she is entitled to Membership.
- 5.3 The Register shall be kept at the Registered Office or such other place as the Board thinks fit, subject to the requirements of any regulations made under s1136 of the Companies Act.

#### **6. CONTRIBUTIONS AND BENEFITS**

- 6.1 The terms on which any person shall pay contributions to the Company and receive benefits from it are not contained in these Articles.
- 6.2 Subject only to Article 7.7, such terms in relation to Company Policies:
- 6.2.1 are, in the case of any Company Policy issued before the Society's incorporation, to be determined in accordance with the terms set out in the Company Policy; and
  - 6.2.2 shall, in the case of any Company Policy issued after the Company's incorporation, be set out in the Company Policy.
- 6.3 The Board may from time to time determine the terms to be contained in any Company Policy issued after the Company's incorporation in accordance with (and subject to) the Relevant Legislation.
- 6.4 The Company may provide Discretionary Benefits to Members and to their Family Members (on behalf of the relevant Member) on terms determined by the Board from time to time. The Board shall have complete discretion in all decisions relating to Discretionary Benefits.
- 6.5 The Company shall:
- 6.5.1 make copies of the terms on which a benefit is provided available to Members at every office of the Company, free of charge; and
  - 6.5.2 send copies of such terms to Members free of charge on request.

#### **7. SURPLUSES AND BONUSES**

- 7.1 Once in every period of 12 months, the Board shall require the Chief Actuary to arrange for an investigation to be conducted into the financial condition of the Company in respect of its long-term business in accordance with the Relevant Legislation.
- 7.2 The Chief Actuary shall arrange for a report to be submitted to the Board on each investigation made under Article 7.1, in compliance with the Relevant Legislation. The report shall state the "available surplus" for the general fund of the Company and each separate fund, which shall be

the amount of the surplus (if any) which is then available for appropriation in accordance with Article 7.3.

- 7.3 Where there is any available surplus in respect of any fund (including the general fund of the Company) or where the Board, with the concurrence of the Chief Actuary, anticipates that an available surplus will emerge at the next subsequent investigation under Article 7.1, the Board may, in its discretion, make provision out of that available surplus or anticipated available surplus for the making of such payments, or the allowance of such benefits as it thinks fit, to any persons or class of persons who have transacted or shall transact any business with the Company connected with the relevant fund in accordance with s37 of the Companies Act).
- 7.4 The Board may in its discretion declare the whole or any part of any available surplus or anticipated available surplus relating to any fund to be distributable and, in relation to each such fund, the "distributable surplus" shall mean the amount so declared.
- 7.5 If the Board declares a distributable surplus in respect of any fund it shall in accordance with s37 of the Companies Act allocate that distributable surplus among the Company Policies qualifying for such surpluses, on such principles and by such methods as it may determine having regard to the terms and conditions of the Company Policies and to the terms on which any separate fund was established relating to such Company Policies. The distributable surplus may be applied in the provision of reversionary bonuses on such Company Policies or by reduction or cessation of premiums or otherwise as the Board may determine.
- 7.6 The Board may provide an interim bonus addition, special bonus addition, terminal bonus addition or other form of bonus addition under any Company Policy on such basis and at such rate as it may determine, having regard to the advice of the Chief Actuary and With-Profits Actuary and in accordance with s37 of the Companies Act. The Board may amend the basis and/or rate, or to suspend payment of an interim or special or terminal or other bonus additions, at any time having regard to the advice of the Chief Actuary and With-Profits Actuary.
- 7.7 Notwithstanding any other provision of these Articles, no person shall be entitled to a particular share or interest in the Company under these Articles or given a right to participate in the distributable profits of the Company (other than as permitted by s.37 of the Companies Act).

## **8. FORFEITURES AND ARREARS**

- 8.1 The provisions for forfeiture of a Company Policy shall be as stated or incorporated by reference in the Company Policy itself and shall be subject to any Relevant Legislation.

## **9. NOMINATIONS**

- 9.1 A Member who is aged 16 years or over may nominate a person to whom any sum of money payable by the Company on that Member's death, or any specified amount of money so payable, shall be paid in accordance with the provisions of Schedule 9 of the 1992 Act as if for the purposes of those provisions, the Company was an incorporated friendly society.

## **10. GOVERNANCE OF THE COMPANY**

### **10.1 The Board of Directors: Powers and Duties**

- 10.1.1 Subject to the Relevant Legislation, the Memorandum, these Articles and any directions given by special resolution of the Company, the business of the Company shall be managed by the Board of Directors who may exercise all the powers of the Company that are not, by these Articles or by the Companies Act, required to be exercised by the Company in general meeting.
- 10.1.2 Neither any alteration in these Articles nor any direction which is referred to in Article 10.1.1 shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given.

10.1.3 The Board shall have power to act notwithstanding any vacancy or vacancies on the Board. If at any time the number of Directors falls below the minimum of five prescribed by Article 10.2.1 the Board may act by a majority, even though the number of Directors may be insufficient to form a quorum, for a maximum period of six months (or until the occurrence of the next Annual General Meeting if earlier).

10.1.4 The Board may establish and delegate any of its powers to a committee consisting of one or more Directors or to any other person it considers appropriate, and to such an extent as it considers appropriate. It may also delegate such of its powers as it considers desirable to any Director holding any executive office. Any such delegation may:

- (a) be made subject to any conditions and terms of reference the Board may impose;
- (b) be made either collaterally with or to the exclusion of its own powers; and
- (c) be revoked or altered.

Subject to any such conditions, the proceedings of any such committee with two or more members shall be governed, as far as they are applicable, by the Articles regulating the proceedings of Directors.

10.1.5 The Board shall also establish a With-Profits Committee to advise the Board on matters affecting any fund which constitutes a with-profits fund as required under Relevant Legislation.

10.1.6 Without prejudice to the generality of the foregoing Article 10.1.1 to 10.1.5, the Board:

- (a) may pay, out of the funds of the Company, the Company's expenses and such other sums as the Board may consider necessary or expedient to be paid in the interests of the Company. No Director (other than the holder of any executive office), however, shall receive any payment unless authorised by these Articles;
- (b) may make, vary or revoke regulations for the conduct of all affairs and business of the Company (and for the conduct of business at meetings of the Board) provided that the regulations are not, or do not become, inconsistent with the Company's Memorandum and these Articles or with the Relevant Legislation;
- (c) may purchase or take on lease in the name of the Company any land, and may sell, exchange, mortgage, lease or build upon such land (with power to alter and pull-down buildings and again rebuild), and no purchaser, assignee, mortgagee or tenant shall be bound to inquire as to the authority for any sale, exchange, mortgage or lease by the Company;
- (d) shall order and direct how and when the funds of the Company shall be invested;
- (e) may, in relation to any separate fund or otherwise, establish reserves which may or may not be allocated for a specific purpose and may transfer to or from such reserves such sums as the Board shall from time to time think fit;
- (f) may take all steps and other actions required or authorised by the Relevant Legislation and all other necessary actions in order to provide for the reinsurance of any risks against which persons are or are to be insured by the Company; and
- (g) may take all steps and other actions required or authorised by the Relevant Legislation and all other necessary actions so as to take a transfer of the

engagements of any friendly society or a transfer of any insurance portfolio under Part VII FSMA.

## **10.2 Membership of the Board**

- 10.2.1 The Board shall consist of not less than five members.
- 10.2.2 Any Director who has been appointed to any executive office or employment under Article 10.7.4 shall be known as an "executive Director" and any other Director shall be known as a "non-executive Director".
- 10.2.3 Nobody shall be appointed as a Director unless they will be more than 18 years of age at the date on which the appointment would take effect.
- 10.2.4 A person does not need to be a Member in order to become a Director.

## **10.3 Term of Appointment**

No Director shall be appointed (or reappointed) under Article 10.4.5 for a term expiring later than the date of the third Annual General Meeting following that Director's appointment (or reappointment).

## **10.4 Appointment to the Board**

- 10.4.1 Subject to these Articles and the Companies Act, any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director:
  - (a) by ordinary resolution, or
  - (b) by a decision of the Board.
- 10.4.2 Subject to these Articles, the Board shall have the power at any time to appoint any person who is likely to act as a Director, either to fill any vacancy or as an addition to the existing Board. The Board may also appoint an individual as a non-executive Director who has ceased to be a Director under Article 10.12.
- 10.4.3 The Board shall only, under this Article, appoint an individual who:
  - (a) appears to it to be fit and proper to be a Director;
  - (b) is qualified under Article 10.2.3; and
  - (c) is not a person who, having been nominated for election as a Director at any election held within the preceding 12 months, was not elected as a Director.
- 10.4.4 A Director appointed under this Article shall hold office until the conclusion of the Annual General Meeting immediately following the Director's appointment.
- 10.4.5 A Director appointed under this Article and retiring under Article 10.4.4 shall be eligible for reappointment at the Annual General Meeting referred to in Article 10.4.4.

## **10.5 Retirement of Directors and appointment at Annual General Meetings**

- 10.5.1 In addition to the provisions governing the retirement of Directors in Article 10.4.4, a Director shall retire at the third Annual General Meeting following his or her appointment.

- 10.5.2 Appointments of Directors shall, unless made under Article 10.4.1, be made at Annual General Meetings upon an ordinary resolution being passed that a candidate shall be appointed as a Director.
- 10.5.3 If at an Annual General Meeting a candidate is nominated by the Board and a different candidate is nominated for the same post by a Members' nomination under Article 10.5.4, the appointment shall be made of the candidate obtaining the most votes on a poll. The poll shall be deemed to have been demanded by the chairperson presiding at the Annual General Meeting, and the following provisions shall apply to the poll:
- (a) the voting papers and any website through which voting is conducted by electronic means shall include the number of vacancies on the Board and the full names of all the candidates and any declarations required by the Companies Act;
  - (b) subject to Article 10.5.3, the Board may prescribe or approve the form of the voting paper (including means of voting in electronic form) and may include such other declarations and denoting of retiring Directors as it thinks fit;
  - (c) the voting shall be effected by the placing of an X after the names of the candidates for whom the votes are to be cast or, where the vote is cast by electronic means, by such other means as the Board may prescribe;
  - (d) the votes of a Member shall be void if a Member votes for more candidates than there are vacancies to be filled;
  - (e) each Member who is qualified to vote under Article 14.18.2 shall have one vote in respect of each vacancy to be filled; and
  - (f) no Member shall be required to cast all or any of the votes given to him or her by Article 10.5.3 (e).
- 10.5.4 An individual (not being a candidate nominated by the Board) may be nominated for appointment at an Annual General Meeting as a Director if:
- (a) the individual is nominated by a notice given to the Company in writing signed by at least 500 Members (each of whom is over the age of 18 years, has been a Member on the date of the notice for at least 12 months and for the avoidance of doubt, membership of the Society shall count towards such time period) and the Members' nomination is given to the Company not later than the last day of the financial year preceding that in which the Annual General Meeting at which it is proposed that the individual should be appointed as a Director is held;
  - (b) the individual will be qualified under Article 10.2.3 at the date of the Annual General Meeting; and
  - (c) before the Annual General Meeting the individual supplies in writing (in such form as the Board may require) evidence as to his or her qualifications, financial and managerial experience, creditworthiness, competence and character and (if the Board thinks fit) completes in draft any form or questionnaire that, if appointed a Director, the individual would be required to submit to any regulatory authority under the Relevant Legislation.

## **10.6 Appointment of Chairperson and Senior Independent Director**

- 10.6.1 The Directors shall from time to time appoint one of their members (except the Chief Executive) as Chairperson of the Board, and another as Senior Independent Director. The Board may remove either member from such office at any time. The Chairperson

or, in his or her absence, the Senior Independent Director, shall chair every meeting of the Board at which he or she is present.

- 10.6.2 If neither the Chairperson nor the Senior Independent Director is participating in a meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.

## **10.7 Appointment of officers, employees and others**

- 10.7.1 The Company shall have a Chief Executive and a Secretary whose appointment and termination of appointment shall be governed by the Board. Neither the Chief Executive nor the Secretary need be a Director. Both they and all other officers of the Company must be over the age of 18 years.
- 10.7.2 The Chief Executive shall be responsible under the immediate authority of the Board for the conduct of the business of the Company.
- 10.7.3 The duties of the Secretary shall be those conferred by the Articles and, by law, together with any additional duties that the Board may determine from time to time.
- 10.7.4 The Board may from time to time appoint any one or more of the Directors to any executive office or employment provided by the Company, and subject to the statutory provisions, such appointment may be for such period and on such terms (as to remuneration and otherwise) as it thinks fit and, subject to provisions of any contract between the Director and the Company, the Board may revoke such executive appointment or vary its terms.
- 10.7.5 The Board may appoint such employees, advisers and agents as it may at any time determine and may terminate their appointment.
- 10.7.6 The Board may appoint a person to more than one office or position, subject to the exception that the Chairperson and the Chief Executive may not hold another office or position. The Board may require any person appointed under this Article to provide it with such guarantees as it believes necessary.
- 10.7.7 The powers and duties of persons appointed under this Article 10.7 shall be those given them from time to time by the Board which may pay them such salaries, wages, commissions and bonuses, compensation for loss of office or of employment, fees and other remuneration as it may consider desirable.

## **10.8 Voting**

Questions arising at any Board meeting shall be determined by a majority of votes. In the case of an equality of votes the chair of that meeting shall have a second or casting vote (unless he or she is not entitled to vote on the resolution in question).

## **10.9 Interest in Contracts**

- 10.9.1 If the Board is concerned with an actual or proposed transaction or arrangement with the Company in which a Director is interested, that Director is not to be counted as participating in that meeting, or part of a meeting, for quorum or voting purposes.
- 10.9.2 But if Article 10.9.3 applies, a Director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in a decision at a Board meeting relating to it for quorum and voting purposes.
- 10.9.3 This Article applies when:



- (a) the Company by ordinary resolution disapplies the provision of the Articles which would otherwise prevent a Director from being counted as participating in, or voting at, a Board meeting;
- (b) the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- (c) the Director's conflict of interest arises from a permitted cause.

10.9.4 For the purposes of this Article, the following are permitted causes:

- (a) a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;
- (b) subscription, or an agreement to subscribe, for shares or other securities of the Company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
- (c) arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former Directors.

10.9.5 Subject to Article 10.9.6, if a question arises at a Board meeting or a committee of Board as to the right of a Director to participate in the meeting for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chairperson whose ruling in relation to any Director other than the Chairperson is to be final and conclusive.

10.9.6 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairperson, the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chairperson is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

10.9.7 For the purposes of these Articles, no interest:

- (a) in any Policy under which the Company or any of its subsidiaries is the insurer; or
- (b) in any unit of any unit trust managed by any subsidiary of the Company,

shall be regarded as an interest; and an interest of which a Director has no knowledge and of which it is unreasonable to expect the Director to have knowledge shall not be treated as an interest.

## 10.10 Directors' conflicts of interest

10.10.1 The Directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an Interested Director) breaching his duty under section 175 of the Companies Act to avoid conflicts of interest (**Conflict**).

10.10.2 Any authorisation under this Article 10.10 will be effective only if:

- (a) the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;

- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested Director; and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested Director's vote had not been counted.

10.10.3 Any authorisation of a Conflict under this Article 10.10 (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
- (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
- (e) provide that, where the Interested Director obtains, or has obtained (through his or her involvement in the Conflict and otherwise than through his or her position as a Director of the Company) information that is confidential to a third party, he or she will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
- (f) permit the Interested Director to absent himself or herself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.

10.10.4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself or herself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.

10.10.5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.

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

## **10.11 Remuneration of Directors**

10.11.1 The Board shall delegate all decisions relating to the remuneration of executive Directors to a committee, to be called the Remuneration Committee. The Remuneration Committee shall consist wholly of non-executive Directors.

- 10.11.2 Subject to Article 10.11.1, each Director shall be entitled to such remuneration as the Board may from time to time determine:
- (a) for their services to the Company as Directors, and
  - (b) for any other service which they undertake for the Company.
- 10.11.3 A Director may hold any office or be employed by the Company simultaneously with the office of Director and may be appointed by the Board to an office or position of profit with any body corporate in which the Company is, or will be, interested. A Director may not, however, hold the office of auditor.
- 10.11.4 A Director appointed to an office or be employed by a body corporate in accordance with Article (a) shall disclose any benefit derived from any such office or position to the Board in the financial year in which it is received.
- 10.11.5 Where the Board is considering proposals concerning:
- (a) the appointment of one or more Directors to hold any office or be employed by the Company or with any body corporate in which the Company is, or will be, interested, or
  - (b) the arrangement of the terms of any such appointment,
- such proposals shall be divided and considered in relation to each Director separately. A Director shall absent himself or herself from any meeting of the Board and shall not be counted in the quorum present at that meeting while his or her own appointment or the arrangement of the terms of that appointment are under consideration. Subject to this restriction, the prohibition in Article 10.9.2 shall not apply and a Director may be counted in the quorum present at the meeting at which such proposals are under consideration and may vote on any such appointment or arrangement other than his or her own appointment or the arrangement of the terms of that appointment.
- 10.11.6 The Annual Accounts shall give particulars of the emoluments, pensions, compensation for loss of office and financial interest of Directors, other officers and employees of prescribed descriptions of the Company in accordance with any regulations made under s412 of the Companies Act.

## **10.12 Indemnity of Directors, officers and employees**

- 10.12.1 Every Director and every other officer and every employee of the Company shall be indemnified by the Company against any liability in respect of losses, costs, charges, damages and expenses which might arise from, or in the course of, his or her duties. Such indemnification shall cover any liability incurred by him or her in defending any proceedings whatsoever, whether civil or criminal, which arises out of his or her duties in relation to the Company and under which judgment is given in his or her favour or under which he or she is acquitted but may not cover any liability under any rule of law or under the Relevant Legislation, in respect of any:
- (a) fine imposed in criminal proceedings; or
  - (b) sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising); or
  - (c) liability incurred by the Director:
    - (i) in defending criminal proceedings in which he or she is convicted; or

- (ii) in defending civil proceedings brought by the Company, or an associated company, in which judgment is given against him or her; or
- (iii) in connection with an application for relief in which the court refuses to grant him or her relief.

10.12.2 The Company may take out a policy of insurance to cover any such indemnity or liability as is mentioned in Article 10.12.1.

10.12.3 A Director may, in addition, be paid:

- (a) reasonable travelling, hotel and other expenses the Director may incur while attending the business of the Company as the Board may approve; and
- (b) reasonable expenses the Director may incur in obtaining independent legal advice in relation to the performance of his or her duties as a Director.

### **10.13 Vacation of office and disqualification**

10.13.1 Without prejudice to the provisions for retirement (by rotation or otherwise) contained in these Articles, the office of a Director shall be vacated if:

- (a) the Director resigns by notice in writing delivered to the Secretary at the Registered Office or at an address specified by the Company for the purposes of communication by electronic means or tendered at a Board meeting;
- (b) the Director offers to resign by notice in writing delivered to the Secretary at the Registered Office or at an address specified by the Company for the purposes of communication by electronic means or tendered at a Board meeting and the Board resolves to accept such offer;
- (c) the Director is requested to resign by at least four fifths of all the Directors, that the Director should resign and a board resolution that the Director has vacated office is then passed by at least four fifths of all the Directors at a meeting of the Board (without prejudice to any claim for damages which the Director may have for breach of any contract between him or her and the Company);
- (d) the Director ceases to be a Director by virtue of any provision of the Companies Act, is removed from office pursuant to these Articles or the Companies Act or becomes prohibited by law from being a Director;
- (e) the Director becomes bankrupt or makes an arrangement or composition with his or her creditors generally;
- (f) a registered medical practitioner who is treating the Director gives a written opinion to the Company stating he or she has become physically or mentally incapable of acting as a Director and may remain so for more than three months, or is or has been suffering from mental or physical ill health and the Board resolves that his or her office be vacated; or
- (g) the Director is absent, without the permission of the Board, from Board meetings for six consecutive months and the Board passes a board resolution that the Director has vacated office;
- (h) upon an ordinary resolution that the Director shall cease to be a Director, where that resolution has been passed by a majority of the votes cast on poll at a general meeting of the Company of which notice has been given in accordance with these Articles;

- (i) if, whilst a Director and without the prior consent of the other Directors, the Director accepts the office of a Director in (or member of the committee of management of) any other organisation, company or body deemed by the Board to be in direct competition with the business of the Company;
- (j) if, while an executive Director, the Director ceases for any reason to hold an executive office with the Company;

10.13.2 If the office of a Director is vacated for any reason, he or she shall cease to be a member of any committee or sub-committee of the Board.

10.13.3 The Secretary shall give not less than 14 Clear Days' notice in writing to all Directors of a meeting of the Board at which it is intended to move a resolution that a Director has vacated office. The notice shall set out the proposed resolution. If the requirements of this Article have not all been complied with, the resolution, even if passed, shall be of no effect. Article 18 shall be deemed to apply to any such notice.

#### **10.14 Pensions and other schemes and funds**

10.14.1 The Board may, from the Company's resources and on such terms as it thinks fit, provide, establish, maintain and administer pension, life assurance, sickness, annuity and other funds or schemes (whether contributory or not) for the benefit of:

- (a) past, present or future officers and employees of the Company (not including any Director who does not hold and has not held any executive position in the Company in addition to that of Director);
- (b) past and present officers and employees of any Company with which the Company might amalgamate or from which it might accept a transfer of engagements in the future; and
- (c) any spouses, children and dependants of persons referred to in Article 10.14.1(a) or Article 10.14.1(b).

10.14.2 In addition to the above powers the Board may grant, on such terms as it thinks fit, other pensions, allowances, gratuities, donations and bonuses to and for the benefit of:

- (a) past or present officers and employees of the Company;
- (b) past officers and employees of a Company with which the Company has amalgamated or from which the Company has accepted a transfer of engagements; and
- (c) any spouses, children or dependants of such officers and employees mentioned in Article 10.14.2(a) or Article 10.14.2(b).
- (d) Subject to Article 10.14.1, the Board may make, vary and revoke the articles of any fund or scheme mentioned in Article 10.14.1 and may constitute any trust and may from time to time exercise, at its discretion, any powers reserved to the Company under any trust constituted by the Company, including the power of modifying or discontinuing the terms of such trust or any articles or regulations that may be or may have been made pursuant to it.

#### **10.15 Calling a Directors' Meeting**

10.15.1 The Board may, subject to the provisions of these Articles and to the Relevant Legislation, regulate its proceedings as it thinks fit.

- 10.15.2 A Director may, and the Secretary at the request of a Director shall, call a meeting of the Board. Notice of any Directors' meeting must indicate:
- (a) its proposed date and time;
  - (b) where it is to take place; and
  - (c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 10.15.3 Notice of a Board meeting must be given to each Director, but need not be in writing.
- 10.15.4 It shall not be necessary to give notice of a meeting of the board to a Director who is absent from the United Kingdom.
- 10.15.5 Whenever practicable not less than 14 days' notice of any meeting of the Board shall be given, but, subject to Article 10.13.3, no acts of any meeting of the Board shall be invalid merely because less than 14 days' notice of any meeting was given.
- 10.15.6 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any such Director shall not invalidate the proceedings at that meeting.

#### **10.16 Participation by telephone or other form of communication**

- 10.16.1 Any Director may validly participate in a meeting of the Board or a committee of the Board through the medium of conference telephone or any other form of communications equipment (whether in use when these Articles are adopted or developed subsequently), provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting.
- 10.16.2 A person so participating by telephone or other communication shall be deemed to be present in person at the meeting and shall be counted in a quorum and entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the Chairperson then is.
- 10.16.3 A resolution passed at any meeting held in the above manner, and signed by the Chairperson, shall be as valid and effectual as if it had been passed at a meeting of the Board (or committee, as the case may be) duly convened and held.

#### **10.17 Quorum for Board meetings**

- 10.17.1 The quorum for the transaction of the business of the Directors may be fixed from time to time by a decision of the Board, but it must never be less than two individuals present in person or in communication with each other in accordance with Article 10.16.
- 10.17.2 All acts done by a meeting of the Board, or of a committee of the Board, or by a person acting as a Director shall, even though it may later be discovered that there was a defect in the appointment of any Director or:
- (a) that any of them were disqualified from holding office; or
  - (b) had vacated office; or
  - (c) were not entitled to vote,

be as valid as if every such person had been duly appointed, was qualified, had continued to be a Director and had been entitled to vote in respect of such acts.

## **10.18 Resolution in writing**

10.18.1 A resolution in writing signed or confirmed electronically by all the Directors for the time being entitled to receive notice of a Board meeting and to vote on the resolution and not being less than a quorum (or by all the members of a committee of the Board for the time being entitled to receive notice of such committee meeting and to vote on the resolution and not being less than a quorum of that committee), shall be as valid and effective for all purposes as a resolution duly passed at a meeting of the Board (or committee of the Board, as the case may be).

10.18.2 Such a resolution may consist of several documents or electronic communications in the same form each signed or authenticated by one or more of the Directors or members of the relevant committee.

## **10.19 Records of Decisions**

The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.

## **10.20 Accounts**

10.20.1 The Board shall cause accounting records of the Company to be kept. The Board shall establish and maintain systems of control and of inspection and report of its business and records in accordance with the Relevant Legislation.

10.20.2 The Board shall establish and maintain separate accounts for any subsidiary companies and jointly controlled bodies which identify their separate assets.

## **10.21 Inspection of records**

Pursuant to Relevant Legislation, members are entitled to inspect certain documents and records of the Company such as the Company's register of members. No person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Member (except as provided by Relevant Legislation, authorised by the Directors, or authorised by an ordinary resolution of the Company).

## **11. AUDITOR**

11.1 At each Annual General Meeting the Company shall appoint an Auditor to audit its annual accounts in the manner required by the Relevant Legislation. An individual or a firm may be appointed as the Auditor. The Company shall, within one week of the date of the meeting, notify the PRA if no Auditor has been appointed or reappointed.

11.2 The Board may appoint an Auditor to fill any vacancy in the post of Auditor which may occur between general meetings of the Company.

11.3 The Members shall fix the remuneration of the Auditor appointed unless the Auditor was appointed by the Board under Article 11.2 in which case the Board shall fix the remuneration of the Auditor.

11.4 In the event of:

11.4.1 the removal of the Auditor before the expiration of his or her term of office by ordinary resolution of the Company in general meeting under s510 of the Companies Act; or

11.4.2 the resignation of the Auditor in accordance with s516 of the Companies Act,

the Secretary shall notify the FCA and the PRA without delay.

11.5 If the Company receives:

11.5.1 a statement from the Auditor, on cessation of his or her office, of any circumstances which the Auditor considers should be brought to the attention of the Members or the creditors of the Company; and

11.5.2 a requisition to convene a meeting of the Company for the purpose of explaining the circumstances connected with the Auditor's resignation,

the Secretary shall, unless directed otherwise by the Court on an application, call a Special General Meeting within 28 days and shall (within 14 days of receipt by the Company) send a copy of the statement or requisition to the Members.

## **12. THE CHIEF ACTUARY AND WITH-PROFITS ACTUARY**

12.1 The Company shall have a Chief Actuary and With-Profits Actuary.

12.2 The Chief Actuary and With-Profits Actuary shall be qualified for appointment within the meaning of the Relevant Legislation.

## **13. APPLICATION AND INVESTMENT OF FUNDS**

13.1 All moneys received as premiums, contributions, donations or under any Company Policies shall be applied in carrying out the purposes of the Company in accordance with the Articles.

13.2 All moneys received and all interest or other income from investments shall be credited to the appropriate funds in accordance with Relevant Legislation.

13.3 Any transfer of assets between the Company and a subsidiary or jointly controlled body shall be at arm's length and for a proper market value consideration and there shall be a proper apportionment of all items of income and expenditure between the Company and its subsidiaries and jointly controlled bodies.

## **14. GENERAL MEETINGS**

### **14.1 Annual General Meetings**

14.1.1 The Company shall hold an annual general meeting in each financial year at such time (consistent with the terms of the Companies Act) and place, including partly (but not wholly) by means of electronic facility or facilities, as may be determined by the Board.

14.1.2 Each Annual General Meeting shall be held not more than 15 months after the last Annual General Meeting.

14.1.3 The Board shall lay before the Members at the Annual General Meeting:

- (a) the Annual Accounts of the Company covering the last financial year before the date of the meeting;
- (b) the Board Report;
- (c) the Remuneration Report; and
- (d) the Auditor's Report.

14.1.4 Any advertisement of notice of the Annual General Meeting shall state that copies of the Annual Accounts, the Board Report, the Remuneration Report and the Auditors' Report are available to Members.



- 14.1.5 No business shall be conducted at an Annual General Meeting, and no resolution shall be proposed at an Annual General Meeting, except on:
- (a) the Annual Accounts;
  - (b) the Board Report;
  - (c) the Remuneration Report;
  - (d) the Auditor's Report;
  - (e) the appointment and/or reappointment of Directors;
  - (f) the appointment or reappointment of the Auditor;
  - (g) a motion for a resolution contained in a Members' Notice received by the Company under Article 14.8; and
  - (h) business brought before the meeting by the Board, including a motion for a resolution.

## **14.2 Special General Meetings**

- 14.2.1 All general meetings of the Company other than Annual General Meetings shall be called "**Special General Meetings**". A reference in these Articles to a "**general meeting**" shall be to either an Annual General Meeting or a Special General Meeting as appropriate.
- 14.2.2 The Board may, whenever it thinks fit, convene a Special General Meeting.
- 14.2.3 The Board shall, on a Members' requisition, convene a Special General Meeting as soon as practicable, and in any event within 21 days from the date of the receipt of the requisition, to take place not more than 28 days from the date of the notice calling the Special General Meeting.
- 14.2.4 A Members' requisition is a requisition of 500 Members, each of whom is entitled to be present and vote at any general meeting of the Company.
- 14.2.5 The requisition must state the objects of the meeting and must be signed by the requisitioners and deposited at the Registered Office. The requisition may consist of several documents in similar form, each signed by one or more requisitioners.
- 14.2.6 If the Board does not convene a meeting within 28 days from the receipt of the Members' requisition, the requisitioners (or any of them representing more than one half of all of them) may convene a Special General Meeting themselves on up to three months' notice.
- 14.2.7 A meeting convened by requisitioners under this Article 14.2 shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Board.
- 14.2.8 The Company shall reimburse the requisitioners for any reasonable expenses incurred by them as a result of the Board's failure to convene a meeting. In order to make the reimbursement, the Company shall retain any fees or other remuneration due to the Directors whose default led to the Board's failure to convene a meeting.
- 14.2.9 No business shall be conducted at any Special General Meeting except that stated in the notice convening the meeting.

- 14.2.10 Except where the requisitioners themselves convene a Special General Meeting under Article 14.2.3, Special General Meetings shall be held at the hour, date and place determined by the Board.

### **14.3 Convening a general meeting**

- 14.3.1 Subject always to the provisions of Article 14.2, the Board may make whatever arrangements it considers fit to allow those entitled to do so to attend and participate in any general meeting.
- 14.3.2 The Board shall determine in relation to each general meeting the means of attendance at and participation in the meeting, including whether the persons entitled to attend and participate in the meeting shall be enabled to do so by means of electronic facility or facilities pursuant to Article 14.5 (and for the avoidance of doubt, the Board shall be under no obligation to offer or provide such facility or facilities, whatever the circumstances).
- 14.3.3 Unless otherwise specified in the notice of meeting or determined by the chairperson of the meeting, a general meeting is deemed to take place at the place where the chairperson of the meeting is at the time of the meeting.
- 14.3.4 Two or more persons who may not be in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.
- 14.3.5 A person is able to participate in a meeting if that person's circumstances are such that if he or she has (or were to have) rights in relation to the meeting, he or she is (or would be) able to exercise them.
- 14.3.6 In determining whether persons are attending or participating in a meeting, other than at a physical place or places, it is immaterial where any of them are or how they are able to communicate with each other.
- 14.3.7 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 14.3.8 A person is able to exercise the right to vote at a general meeting when:
- (a) that person is able to vote, during the meeting (or, in the case of a poll, within the time period specified by the chairperson of the meeting) on resolutions put to the vote at the meeting; and
  - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 14.4 If, at any general meeting at which members are entitled to participate by means of electronic facility or facilities determined by the Board pursuant to Article 14.5, any document is required to be on display or to be available for inspection at the meeting (whether prior to or for the duration of the meeting or both), the Company shall ensure that it is available in electronic form to persons entitled to inspect it for at least the required period of time, and this will be deemed to satisfy any such requirement.

### **14.5 Simultaneous attendance and participation by electronic facilities**

The Board may resolve to enable persons entitled to attend and participate in a general meeting to do so partly (but not wholly) by simultaneous attendance and participation by means of electronic facility or facilities, and may determine the means, or all different means, of attendance and participation used in relation to the general meeting. The members present in

person or by proxy by means of an electronic facility or facilities (as so determined by the Board) shall be counted in the quorum for, and be entitled to participate in, the general meeting in question. That meeting shall be duly constituted and its proceedings valid if the chairperson of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that members attending the meeting by all means (including the means of an electronic facility or facilities) are able to:

- 14.5.1 participate in the business for which the meeting has been convened;
- 14.5.2 hear all persons who speak at the meeting; and
- 14.5.3 be heard by all other persons attending and participating in the meeting.

#### **14.6 Attendance and speaking by Directors and non-Members**

- 14.6.1 Directors may attend and speak at general meetings, whether or not they are members.
- 14.6.2 The chairperson of the meeting may permit other persons who are not members of the Company to attend and speak at a general meeting.

#### **14.7 Notice of meetings**

A general meeting shall be called by at least such minimum notice as is required or permitted by the Companies Act. The period of notice shall in either case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given to all members other than those who are not entitled to receive such notices from the Company. The Company may give such notice by any means or combination of means permitted by the Companies Act.

#### **14.8 Contents of Notice of General Meetings**

- 14.8.1 Every notice calling a general meeting shall specify the place, date and time of the meeting. There shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to a proxy to exercise all or any of his or her rights to attend, speak and vote and that a proxy need not be a member of the Company.
- 14.8.2 The notice shall specify the general nature of the business to be transacted at the meeting and shall set out the text of all resolutions to be considered by the meeting and shall state in each case whether it is proposed as an ordinary resolution or as a special resolution.
- 14.8.3 In the case of an Annual General Meeting, the notice shall also specify the meeting as such.
- 14.8.4 If pursuant to Article 14.5 the Board determines that a general meeting shall be held partly by means of electronic facility or facilities, the notice shall:
  - (a) include a statement to that effect;
  - (b) specify the means, or all different means, of attendance and participation thereat, and any access, identification and security arrangements determined pursuant to Article 14.14; and
  - (c) state how it is proposed that persons attending or participating in the meeting electronically should communicate with each other during the meeting.
- 14.8.5 For the purposes of the following paragraphs of this Article the following expressions shall have the following meanings:

- (a) **"Requisite Number"** means 500; and
- (b) **"Members' Notice"** means a notice given to the Company:
  - (i) in writing (whether such notice consists of one or more documents);
  - (ii) by at least the Requisite Number of Members entitled to attend and vote at general meetings of the Company

of their intention to propose a resolution that is specified in the notice, either as a special resolution or an ordinary resolution, at an Annual General Meeting.

14.8.6 If the Company receives a Members' Notice the Board shall, subject to Article 14.8.7 and 14.8.8:

- (a) include in the notice of the Annual General Meeting a notice specifying the intention to propose the resolution at that meeting and, if applicable, the intention to propose it as a special resolution; and
- (b) at the request of the Members proposing the resolution, include, in the advertisement of that meeting in accordance with these Articles, a copy of any statement of not more than 100 words about the proposed resolution (a **"Resolution Statement"**).

14.8.7 The Board shall not be obliged to include a Members' Notice in the notice of the Annual General Meeting or to include a Resolution Statement in the advertisement of the meeting unless:

- (a) the Members' Notice (or the last of the documents sufficient to enable it to comply with the requirements of Article 14.8.6 (b)) and any Resolution Statement are received by the Company on or before the 31 December immediately preceding the Annual General Meeting at which the resolution is intended to be proposed;
- (b) the resolution and the Resolution Statement both relate directly to the affairs of the Company;
- (c) the resolution specified in the Members' Notice is substantially different from any resolution that has been defeated at a meeting during any of the previous three financial years;

14.8.8 The Board shall also not be obliged to include a Members' Notice in the notice of an Annual General Meeting or to include a Resolution Statement in the advertisement of the meeting if the rights conferred by Article 14.8.6 are being abused to seek needless publicity for defamatory matter or for frivolous or vexatious purposes.

#### **14.9 Omission to Give Notice and Non-Receipt of Notice**

The accidental omission to give notice of any meeting or to send an instrument of proxy (where this is intended to be sent out with the notice) to, or the non-receipt of either by, any person entitled to receive the same shall not invalidate the proceedings of that meeting.

#### **14.10 Quorum at general meetings**

14.10.1 No business shall be considered at any Annual General Meeting or Special General Meeting other than the appointment of the chairperson of the meeting, if the persons in attendance do not constitute a quorum.

14.10.2 A quorum shall consist of any two Members entitled to vote at the meeting present in person or by proxy.

14.10.3 The Board may invite any number of Members it deems reasonable for the purpose of assisting it in the conduct of the proceedings at general meetings, and such Members may be paid such reasonable expenses as the Board may determine.

#### **14.11 Procedure if quorum not present**

If no quorum is present within half an hour (or such longer interval as the chairperson of the meeting in his or her absolute discretion thinks fit) after the time appointed for an Annual General Meeting or Special General Meeting, or if during the meeting a quorum ceases to be present, the chairperson of the meeting shall adjourn it to such hour, date and place as he or she shall direct, unless it is a Special General Meeting requisitioned under Article 14.2.3, whereupon the chairperson of the meeting shall dissolve it.

#### **14.12 Appointment of chairperson**

14.12.1 The Chairperson or, should he or she be unavailable, another person selected by the Board, shall preside at any general meeting of the Company.

14.12.2 If, within 10 minutes after the time appointed for holding the meeting, neither the Chairperson nor any person selected by the Board to preside in his or her place is present, the Members present and entitled to vote shall choose one of their number to be chairperson of the meeting. The appointment of the chairperson of the meeting must be the first business of the meeting.

#### **14.13 Adjournment**

14.13.1 The chairperson of the meeting may, notwithstanding the presence of a quorum, adjourn the meeting from time to time and from place to place and/or from such electronic facility or facilities for attendance and participation to such other electronic facility or facilities as the meeting shall determine, if:

- (a) the meeting consents to the adjournment; or
- (b) directed by the passing of an ordinary resolution of the meeting; or
- (c) the chairperson deems the adjournment necessary to protect the safety of any person attending the meeting or to ensure that the business of the meeting is conducted in an orderly manner.

14.13.2 When adjourning a general meeting, the chairperson of the meeting must:

- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Board, and
- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

14.13.3 No business shall be conducted at any adjourned meeting other than the business which might properly have been transferred at the meeting from which the adjournment took place.

14.13.4 No business shall be conducted at any meeting of the Company after the meeting has been adjourned and if any business is attempted to be conducted at the meeting it shall be null and void.

14.13.5 Every adjourned meeting of the Company shall be deemed a continuation of the original meeting, but any resolution passed at an adjourned meeting shall be treated for all purposes as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

- 14.13.6 When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be advertised as if it were a new meeting but, other than this requirement, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### **14.14 Security Arrangements**

- 14.14.1 If a general meeting is held partly by means of an electronic facility or facilities pursuant to Article 14.5, the Board and the chairperson of the meeting may make any arrangement and impose any requirement or restriction that is:

- (a) necessary to ensure the identification of those taking part by means of such electronic facility or facilities and the security of the electronic communication; and
- (b) in its or his or her view, proportionate to those objectives.

In this respect, the Board may authorise any voting application, system or facility for attendance and participation as it sees fit.

#### **14.15 Voting**

- 14.15.1 Subject to the Relevant Legislation and these Articles, every question submitted to an Annual General Meeting or Special General Meeting shall be decided by a simple majority and votes shall be taken in the first instance by a show of hands.

- 14.15.2 A resolution put to the vote at a general meeting held partly by means of electronic facility or facilities shall be decided on a poll, which poll votes may be cast by such electronic means as the Board, in its sole discretion, deems appropriate for the purposes of the meeting. Any such poll shall be deemed to have been validly demanded at the time fixed for the holding of the meeting to which it relates. Subject thereto, at any general meeting a resolution put to a 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 Companies Act, a poll may be demanded by:

- (a) the chairperson of the meeting; or
- (b) any one of the Directors; or
- (c) at least five Members who are entitled to vote on the resolution and who are present in person, by proxy, by attorney, by representative or by a person specified in Article 14.18.4.

- 14.15.3 The poll shall be taken in accordance with Article 14.16.1. No poll shall be permitted on a resolution to appoint a chairperson of a meeting or as to whether the meeting should be adjourned. A poll demanded on any other question shall not prevent the continuance of a meeting for the transaction of any other business.

- 14.15.4 Polls must be taken in such manner as the chairperson of the meeting directs.

- 14.15.5 Unless a poll is demanded, a declaration by the chairperson of the meeting and an entry to that effect in the minutes of the meeting that a resolution on a show of hands has been carried, carried unanimously, carried by a particular majority, or lost or not carried by a particular majority shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of, or against, the resolution.

- 14.15.6 If a special resolution is to be put to the vote or there is a contest for a post of Director or Auditor, a poll shall be deemed to have been demanded by the chairperson of the meeting.
- 14.15.7 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairperson of the meeting. A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand for a poll was made.
- 14.15.8 The demand for a poll which is deemed to have been made by the chairperson of the meeting under Article 14.15.6 may not be withdrawn under Article 14.15.7.

#### **14.16 Procedure on a Poll**

- 14.16.1 A poll, if duly demanded in accordance with these Articles, shall be taken at the meeting at which the poll is demanded or if the chairperson of the meeting so decides, at an adjourned meeting and, in either case, in the manner that the chairperson in his or her absolute discretion directs, including conducting a poll by electronic means, subject to Article 14.16.2. On a poll, the Company may include any votes cast in advance by Members (including but not limited to votes cast in advance by way of an online voting facility as contemplated by section 322A of the Companies Act). The result of the poll shall be deemed to be the resolution of the meeting or adjourned meeting at which the poll was taken. The chairperson may, in the event of a poll, appoint the scrutineers (who need not be Members) and may adjourn the meeting or adjourned meeting to some hour, date and place fixed by the chairperson for the purpose of declaring the result of the poll.
- 14.16.2 Voting papers to be used on a poll shall be valid only if they are issued by or on behalf of the Company and any votes cast on a poll by electronic means shall be valid only if cast in the manner prescribed by the Company.
- 14.16.3 The Board shall ensure that minutes are kept of each general meeting of the Company and that they are available for inspection by any Member at all reasonable hours at the Registered Office.

#### **14.17 Votes of Members**

On a show of hands, a duly appointed proxy has one vote for and one vote against a resolution if the proxy has been appointed by more than one member entitled to vote on the resolution and the proxy has been instructed:

- 14.17.1 by one or more of those members to vote for the resolution and by one or more other of those members to vote against it; or
- 14.17.2 by one or more of those members to vote either for or against the resolution and by one or more other of those members to use his or her discretion as to how to vote.

#### **14.18 Entitlement of Members to attend and vote at meetings**

- 14.18.1 In this Article "voting date" means in relation to any resolution:
- (a) the date of the meeting at which the resolution is intended to be moved, or
  - (b) where a Member appoints a proxy to vote on his or her behalf, the final date for the receipt of instruments appointing proxies to vote on that resolution.
- 14.18.2 A person (who is not under the age of 18 years) who at the voting date has been a Member for a continuous period of 12 months is entitled to attend at any general meeting of the Company and vote on a resolution (whether special or ordinary).

- 14.18.3 The holder of a power of attorney given by a Member who is entitled to vote under Article 14.18.2 shall be entitled to vote in all circumstances as if he or she were a Member and in the Member's place if the power of attorney is registered at the Registered Office and authorises the holder to exercise the rights of the Member under the Articles (whether or not expressly). A holder of a power of attorney shall be entitled to appoint a proxy (but may not appoint a substitute attorney).
- 14.18.4 A Member who is entitled to vote under Article 14.18.2, and 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 by his or her receiver, curator bonis or other representative appointed by that court. Any such receiver, curator bonis or other representative may vote either on a show of hands or on a poll in person or by a proxy. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be deposited at the Registered Office not less than two Clear Days before the voting date, failing which that person may not vote.
- 14.18.5 The Board may regulate (by regulations that it may issue from time to time):
- (a) the evidence it shall require of entitlement to attend and vote at general meetings of the Company specified in these Articles; and
  - (b) the attendance of persons who are not entitled by these Articles to attend and vote at general meetings of the Company.

#### **14.19 Objection to Error in Voting**

No objection shall be raised to the qualification of any voter or to the counting of, or failure to count, any vote, except at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairperson of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairperson of the meeting decides that the same is of sufficient magnitude to vitiate the resolution or may otherwise have affected the decision of the meeting. The decision of the chairperson of the meeting on such matters shall be final and conclusive.

#### **14.20 Appointment of proxies**

- 14.20.1 A Member entitled to attend and vote at a general meeting of the Company:
- (a) may appoint one person (whether a Member or not) as his or her proxy to attend and, on a poll, to vote at the meeting in his or her place; and
  - (b) may direct the proxy how to vote at the meeting.
- 14.20.2 A proxy may be appointed either:
- (a) by an instrument which shall be signed by the appointor; or
  - (b) by electronic means, in which case the appointment shall be authenticated in accordance with Article 14.20.6.
- 14.20.3 The appointment of a proxy shall be deemed to confer authority to demand or join in the demand for a poll on any resolution proposed at the meeting and to speak on any resolution proposed at the meeting.
- 14.20.4 A vote given in accordance with the terms of a proxy appointment shall be valid notwithstanding:
- (a) the previous death or mental disorder of the appointor or revocation of the proxy or of the authority under which the proxy was executed, provided that no



intimation in writing of such death, mental disorder, revocation or transfer shall have been received by the Company at its Registered Office before the commencement of the meeting or adjourned meeting at which the proxy is used;

- (b) that since the final date the appointor has ceased to be entitled to attend and vote at the meeting.

14.20.5 If a Member who is entitled at the final date to attend and vote at the meeting appoints a proxy to vote instead of him or her and then ceases after the final date to be entitled to attend and vote, the person appointed as a proxy may nevertheless act as that Member's proxy at the meeting.

14.20.6 The Board may from time to time prescribe the procedure for the conduct of an electronic appointment of proxy including, but not limited to, the methods of establishing the authenticity and integrity of the completed electronic appointment of proxy.

14.20.7 If two or more valid proxy appointments are received (whether at the Registered Office address or by electronic means) in respect of the same Member for use at the same meeting, the one which is last received or treated as last received in accordance with the method of determining the time of receipt (regardless of the date on which it may have been executed) shall be treated as replacing and revoking the others. If two or more valid but differing proxy appointments are received in respect of the same Member for use at the same meeting and the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that meeting.

#### **14.21 Content of proxy notices**

14.21.1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:

- (a) states the name and address of the member appointing the proxy;
- (b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the Directors may determine; and
- (d) is delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

14.21.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

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

14.21.4 Unless a proxy notice indicates otherwise, it must be treated as:

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

## **14.22 Delivery of proxy notices**

- 14.22.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
- 14.22.2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 14.22.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

## **14.23 Special voting requirements**

- 14.23.1 The following may only occur if approved by a special resolution of the Company and if at least 50% of the members entitled to vote on the resolution do vote (whether in person or by proxy):
- (a) a transfer of the business of the Company to any proprietary company under Part VII of FSMA;
  - (b) rescission, disapplication or alteration of this Article 14.23;

For the purposes of this Article, "proprietary company" means a body corporate, the capital of which is divided into shares which are (or will be) capable of being transferred to persons to whom the body corporate does not supply financial services.

## **14.24 Voting requirements for ordinary and special resolutions**

An ordinary resolution of the Members (or of a class of Members) of the Company means a resolution that is passed by a simple majority of votes cast and a special resolution of the Members (or of a class of members) of the Company means a resolution passed by a majority of not less than 75% of votes cast.

## **14.25 Amendments to resolutions**

- 14.25.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairperson of the meeting may determine); and
  - (b) the proposed amendment does not, in the reasonable opinion of the chairperson of the meeting, materially alter the scope of the resolution.
- 14.25.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- (a) the chairperson of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

14.25.3 If the chairperson of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairperson's error does not invalidate the vote on that resolution.

## **15. DISPUTES**

15.1 If any Dispute arises between a Member (or a person claiming through a Member or under the Articles) or any person aggrieved who has ceased to be a Member (or any person claiming through such person aggrieved) on the one hand and the Company or any officer of the Company on the other hand, the Dispute shall be decided by a single arbitrator who shall be appointed by agreement between the parties to the Dispute or, if they cannot agree, by the President for the time being of the Law Society or, where both parties to the Dispute agree, by the County Court.

## **16. COMPLAINTS**

16.1 The Board may from time to time:

16.1.1 establish and amend such procedures as it may think fit; or

16.1.2 accede to any scheme or schemes

for the investigation and resolution of complaints by Members or other persons whom the Board considers to have a sufficient interest in the Company's business or activities to justify the investigation of the complaint. Such complaints may relate to any aspect of the Company's business or activities. Nothing in this Article 16 shall prevent a Member who makes a complaint to the Company utilising the disputes procedure set out in Article 15, from referring a complaint to the ombudsman scheme as set out in Part XVI of the Financial Services and Markets Act 2000.

16.2 The Board shall provide, free of charge, written details of any procedure or scheme from time to time in force under this Article 16 to any Member or other person requesting them, provided that the person (unless he or she is a Member) has an interest as specified in Article 16.1.

## **17. DISSOLUTION, WINDING-UP AND DISTRIBUTION OF SURPLUS ASSETS**

17.1 The Company may be dissolved at any time by an instrument of dissolution approved by a special resolution of the Company.

17.2 Upon the Company's being dissolved by consent or upon its winding up, any surplus remaining after the payment in full of the Company's creditors shall be divided among the Members as at the date of commencement of the dissolution or winding up in accordance with the provisions of Part IV of the Insolvency Act 1986, and the amount of each Member's share shall be in the same proportion as that Member's financial interest in the Company or, as the case may be, in any sub-funds of the Company's fund, (each as determined having regard to the advice of the Chief Actuary and With-Profits Actuary and the requirements and restrictions of the Companies Act) bears to the Company's total assets or, as the case may be, to the amount of the relevant sub-fund.

## **18. NOTICES AND COMMUNICATIONS**

18.1 The Company can send any notice or other document or information pursuant to these Articles and/or Relevant Legislation to a member by whichever of the following methods it may in its absolute discretion determine:

18.1.1 personally; or

18.1.2 by sending it through the postal system addressed to the member at the Member's Current Address or by leaving it at the Current Address addressed to the Member; or

- 18.1.3 where appropriate, by sending or supplying it in electronic form to an address notified by the member to the Company for that purpose; or
  - 18.1.4 where appropriate, by making it available on a website and notifying the Member of its availability in accordance with this Article; or
  - 18.1.5 by any other method approved by the Board.
- 18.2 A notice, document or information sent by post and addressed to a Member at their address or address for service in the United Kingdom is deemed to be given to or received by the intended recipient 24 hours after it was put in the post if pre-paid as first class post and 48 hours after it was put in the post if pre-paid as second class post, and in proving service it is sufficient to prove that the envelope containing the notice, document or information was properly addressed, pre-paid and posted.
- 18.3 A notice, document or information sent or supplied by electronic means to an address specified for the purpose by the member is deemed to have been given to or received by the intended recipient 24 hours after it was sent, and in proving service it is sufficient to prove that the communication was properly addressed and sent.
- 18.4 A notice, document or information sent or supplied by means of a website is deemed to have been given to or received by the intended recipient when
- 18.4.1 the material was first made available on the website or
  - 18.4.2 if later, when the recipient received (or, in accordance with this article 18(4), is deemed to have received) notification of the fact that the material was available on the website.