

THE COMPANIES ACT 2006

ARTICLES OF ASSOCIATION

OF

THE MERCEDES-BENZ CLUB LIMITED

(adopted by special resolution passed on **[]**)

INDEX

<u>PART 1 – INTERPRETATION, OBJECTS, POWERS AND LIMITATION OF LIABILITY</u>	4
<u>1. Defined terms</u>	3
<u>2. Objects</u>	4
<u>3. Powers</u>	5
<u>4. Liability of Members</u>	6
<u>PART 2 – DIRECTORS</u>	6
<u>DIRECTORS’ POWERS AND RESPONSIBILITIES</u>	6
<u>5. Directors’ general authority and limitations</u>	6
<u>6. Members’ reserve power</u>	6
<u>7. Directors may delegate</u>	6
<u>8. Committees</u>	7
<u>DECISION-MAKING BY DIRECTORS</u>	7
<u>9. Directors to take decisions collectively</u>	7
<u>10. Unanimous decisions</u>	7
<u>11. Calling a Directors’ meeting</u>	7
<u>12. Participation in Directors’ meetings</u>	8
<u>13. Quorum for Directors’ meetings</u>	8
<u>14. Chairing of Directors’ meetings</u>	8
<u>15. Casting vote</u>	9
<u>16. Conflicts of interest</u>	9
<u>17. Record of decisions to be kept</u>	11
<u>18. Directors’ discretion to make further procedural rules</u>	11
<u>APPOINTMENT OF DIRECTORS</u>	11
<u>19. Number of Directors</u>	11
<u>20. Appointment of Directors by Members</u>	11
<u>21. Temporary Directors</u>	11
<u>22. Termination of Director’s appointment</u>	12
<u>23. Directors not entitled to remuneration</u>	12
<u>24. Directors’ expenses</u>	13
<u>PART 3 – MEMBERS</u>	13
<u>BECOMING AND CEASING TO BE A MEMBER</u>	13
<u>25. Applications for membership</u>	13

<u>26. Termination of membership</u>	14
<u>27. Expulsion of Members</u>	14
<u>ORGANISATION OF GENERAL MEETINGS</u>	15
<u>28. Annual General Meetings</u>	15
<u>29. Quorum for general meetings</u>	15
<u>30. Attendance and speaking at general meetings</u>	15
<u>31. Chairing general meetings</u>	15
<u>32. Attendance and speaking by non-Members</u>	16
<u>33. Adjournment</u>	16
<u>VOTING AT GENERAL MEETINGS</u>	17
<u>34. Voting: general</u>	17
<u>35. Errors and disputes</u>	17
<u>36. Poll votes</u>	17
<u>37. Content of Proxy Notices</u>	18
<u>38. Delivery of Proxy Notices</u>	19
<u>39. Amendments to resolutions</u>	19
<u>PART 4 - ADMINISTRATION</u>	19
<u>NAME, COMPANY SECRETARY AND RULES</u>	19
<u>40. Change of name</u>	19
<u>41. Company Secretary</u>	20
<u>42. Rules</u>	20
<u>COMMUNICATION</u>	20
<u>43. Means of communication</u>	20
<u>44. Service of Documents etc</u>	20
<u>45. Overseas Members</u>	21
<u>46. Power to stop sending Documents and other information</u>	21
<u>INTELLECTUAL PROPERTY, INSPECTION OF RECORDS AND PROVISION FOR EMPLOYEES</u>	21
<u>47. Intellectual Property</u>	21
<u>48. Inspection of accounts and other records</u>	22
<u>49. Provision for employees on cessation of business</u>	22
<u>DIRECTORS' INDEMNITY AND INSURANCE</u>	22
<u>50. Indemnity and insurance</u>	22

PART 1 – INTERPRETATION, OBJECTS, POWERS AND LIMITATION OF LIABILITY

1. Defined terms

(1) In these Articles, unless the context otherwise requires:

“Act” means the Companies Act 2006

“Annual General Meeting” has the meaning given in Article 28(1)

“Articles” means the Company’s articles of association

“Bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy

“Chairman” means the Director appointed to chair meetings of the Directors pursuant to Article 14(1)

“Chairman of the Meeting” has the meaning given in Article 31(3)

“Companies Acts” means the Companies Acts (as defined in section 2 of the Act) in so far as they apply to the Company

“Company” means The Mercedes-Benz Club Limited, a company limited by guarantee and registered in England and Wales under number 00615792

“Company Secretary” means the company secretary of the Company, if any

“Conflict” means a situation in which a Director has or can have a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company

“Director” means a director of the Company, and includes any person occupying the position of director, by whatever name called

“Document” includes, unless otherwise specified, any document sent or supplied in Electronic Form

“Electronic Form” has the meaning given in section 1168 of the Act

“Eligible Director” means a Director who would be able to vote on the matter at a meeting of Directors (but excluding in relation to the authorisation of a Conflict pursuant to Article 16, any Director whose vote is not to be counted in respect of the particular matter)

“Eligible Member” has the meaning given in Article 20(1)

“Intellectual Property Rights” means intellectual property rights of all descriptions, including patents, inventions, registered designs, copyrights, database rights, domain names, design rights, rights affording equivalent protection to copyright, topography rights, trademarks, service marks, business names, trade names, moral rights, know-how, technical information and knowledge that is not in the public domain, registration of or an application to register any of the foregoing, and rights in the nature of any of the foregoing in any country and rights to sue for passing off

“Interested Director” has the meaning given in Article 16(1)

“Member” has the meaning given in section 112 of the Act and includes each of two (2) joint Members

“Ordinary Resolution” has the meaning given in section 282 of the Act

“Overseas Member” means a Member whose registered address is in a country other than the United Kingdom or Ireland;

“Participate”, in relation to a Directors’ meeting, has the meaning given in Article 12(1) and cognate expressions shall be construed accordingly

“Proxy Notice” has the meaning given in Article 37(1)

“Rules” means rules made by time to time by the Directors pursuant to Article 42(1)

“Special Resolution” has the meaning given in section 283 of the Act

“Subsidiary” has the meaning given in section 1159 of the Act

“Temporary Director” means a Director appointed in accordance with Article 21

“Working Day” has the meaning given in section 1173 of the Act, and

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

- (2) Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Act as in force on the date when these Articles become binding on the Company.
- (3) Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- (4) A reference in these Articles to an “Article” is a reference to the relevant article of these Articles.
- (5) Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
 - (a) any subordinate legislation from time to time made under it, and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- (6) Words importing the masculine gender only shall include all other genders.
- (7) Any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

2. Objects

The objects for which the Company is established are to foster admiration and enthusiasm for the Mercedes-Benz marque (including its precursors and derivatives), to represent the marque in contemporary motoring circles, and to provide a range of club benefits and services for persons who are at any time Members.

3. Powers

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

- (a) buy, lease or otherwise acquire and deal with any property real or personal and any rights or privileges of any kind over or in respect of any property real or personal and

to improve, manage, develop, construct, repair, sell, lease, mortgage, charge, surrender or dispose of or otherwise deal with all or any part of such property and any and all rights of the Company

- (b) borrow and raise money in such manner as the Directors shall think fit and secure the repayment of any money borrowed, raised or owing by mortgage, charge, lien or other security on the Company's property and assets
- (c) invest and deal with the funds of the Company not immediately required for its operations in or upon such investments, securities or property as may be thought fit
- (d) subscribe for, take, buy or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority in any part of the world
- (e) lend and advance money or give credit on such terms as may seem expedient and with or without security to customers and others, to enter into guarantees, contracts of indemnity and suretyships of all kinds to receive money on deposit or loan upon such terms as the Company may approve and to secure or guarantee the payment of any sums of money or the performance of any obligation by any company, firm or person including any holding company or subsidiary
- (f) lobby, advertise, publish, educate, examine, research and survey in respect of all matters of law, regulation, economics, accounting, governance, politics and/or other issues and to hold meetings, events and other procedures and co-operate with or assist any other body or organization in each case in such way or by such means as may, in the opinion of the Directors, affect or advance the principal object in any way,
- (g) pay all or any expenses in connection with the promotion, formation and incorporation of the Company and to contract with any person, firm or company to pay the same,
- (h) enter into contracts to provide services to or on behalf of other bodies
- (i) provide and assist in the provision of money, materials or other help
- (j) open and operate bank accounts and other facilities for banking and draw, accept, endorse, issue or execute promissory notes, bills of exchange, cheques and other instruments
- (k) incorporate subsidiary companies to carry on any trade, and
- (l) do all such other lawful things as are incidental to or conducive to the pursuit or to the attainment of any of the objects set out in Article 2.

4. Liability of Members

The liability of each Member is limited to £5, being the amount that each Member undertakes to contribute to the assets of the Company in the event of its being wound up while he is a member or within one year after he ceases to be a Member, for:

- (a) payment of the Company's debts and liabilities contracted before he ceases to be a Member
- (b) payment of the costs, charges and expenses of winding up, and

- (c) adjustment of the rights of the contributories among themselves.

PART 2 – DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

5. Directors' general authority and limitations

- (1) Subject to these Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.
- (2) Notwithstanding Article 5(1), the Directors shall not do any of the following without prior authorisation by Ordinary Resolution of the Members:
 - (a) buy any real property or enter into any lease of real property for a term exceeding five (5) years
 - (b) borrow or raise money other than pursuant to normal trade credit
 - (c) lend or advance money to any person, or
 - (d) change the name of the Company pursuant to Article 40.

6. Members' reserve power

- (1) The Members may, by Special Resolution, direct the Directors to take, or refrain from taking, specified action.
- (2) No such Special Resolution invalidates anything which the Directors have done before the passing of the resolution.

7. Directors may delegate

- (1) Subject to these Articles, the Directors may delegate any of the powers which are conferred on them under these Articles:
 - (a) to such person or committee
 - (b) by such means (including by power of attorney)
 - (c) to such an extent
 - (d) in relation to such matters or territories, and
 - (e) on such terms and conditionsas they think fit.
- (2) If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.
- (3) The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

8. Committees

- (1) Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by Directors.

- (2) The Directors may make rules of procedure for all or any committees, which prevail over procedural rules derived from these Articles if they are not consistent with them.
- (3) Unless the terms of reference of a committee otherwise specify, any decisions of a committee shall not bind the Company but shall be provided to the Directors who may ratify them or not as the case may be.

DECISION-MAKING BY DIRECTORS

9. Directors to take decisions collectively

The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 10.

10. Unanimous decisions

- (1) A decision of the directors is taken in accordance with this Article 10 when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- (2) Such a decision may take the form of a resolution in Writing, where each Eligible Director has signed one or more copies of it or to which each Eligible Director has otherwise indicated agreement in Writing.
- (3) A decision may not be taken in accordance with this Article 10 if the Eligible Directors would not have formed a quorum at a Directors' meeting to consider the matter the subject of the decision.

11. Calling a Directors' meeting

- (1) Any Director may call a Directors' meeting by giving not less than fourteen (14) days' notice of the meeting (or such lesser notice as all the Directors may agree) to the Directors or by authorising the Company Secretary to give such notice.
- (2) 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.
- (3) Notice of a Directors' meeting shall be given to each Director, but need not be in Writing.
- (4) A director who is absent from the United Kingdom and who has no registered address in the United Kingdom or Ireland shall not be entitled to notice of the Directors' meeting.
- (5) Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than seven (7) days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

12. Participation in Directors' meetings

- (1) Subject to these Articles, Directors Participate in a directors' meeting, or part of a Directors' meeting, when:
 - (a) the meeting has been called and takes place in accordance with these Articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (2) In determining whether Directors are Participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- (3) If all the Directors Participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

13. Quorum for Directors' meetings

- (1) Subject to Article 13(4), unless a quorum is Participating, no proposal is to be voted on at a Directors' meeting, except a proposal to call another meeting.
- (2) Subject to Article 13(3), the quorum for the transaction of business at a meeting of directors is any five (5) Eligible Directors.
- (3) For the purposes of any meeting (or any part of a meeting) held pursuant to Article 16 to authorise a Conflict, if there is only one Eligible Director in office other than the Interested Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- (4) If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decisions other than decisions to do all or any of the following:
 - (a) to hold a ballot of the Members in accordance with the Rules for the purposes of appointing further Directors
 - (b) to call a general meeting so as to enable the Members to appoint further Directors, or
 - (c) to appoint one or more Temporary Directors in accordance with Article 21.

14. Chairing of Directors' meetings

- (1) The Directors may appoint a Director to chair their meetings and the person so appointed for the time being is known as the Chairman.
- (2) The Directors may terminate the Chairman's appointment at any time.
- (3) If the Chairman is not Participating in a Directors' meeting within ten (10) minutes of the time at which it was to start, the Participating Directors must appoint one of themselves to chair it.

15. Casting vote

- (1) If the numbers of votes for and against a proposal at a meeting of the Directors are equal, the Chairman or other Director chairing the meeting has a casting vote in addition to his own vote.

- (2) Article 15(1) shall not apply in respect of a meeting (or part of a meeting) if, in accordance with these Articles, the Chairman or other Director is not an Eligible Director for the purposes of that meeting (or part of a meeting).

16. Conflicts of interest

- (1) The Directors may, in accordance with the requirements of this Article 16, authorise any conflict 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 Act to avoid conflicts of interest.
- (2) Any authorisation under this Article 16 shall be effective only if:
- (a) to the extent permitted by the Act, 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, and
 - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- (3) Any authorisation of a Conflict under this Article 16 may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised
 - (b) provide that the Interested 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 involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he shall 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 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.
- (4) Where the directors authorise a Conflict, the Interested Director shall be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.

- (5) The Directors may revoke or vary such authorisation at any time, but this shall not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- (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 derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles 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.
- (7) Subject to sections 177(5) and 177(6) of the Act, a Director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other Directors before the Company enters into the transaction or arrangement in accordance with the Act.
- (8) Subject to sections 182(5) and 182(6) of the Act, a Director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other Directors as soon as reasonably practicable in accordance with the Act, unless the interest has already been declared under Article 16(7).
- (9) Subject, where applicable, to any terms and conditions imposed by the Directors in accordance with Article 16(3), and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
 - (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested
 - (b) shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested
 - (c) shall be entitled to vote at a meeting of the Directors (or of a committee of the Directors) or Participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested
 - (d) may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and
 - (e) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration constitute a breach of his duty under section 176 of the Act.

17. Record of decisions to be kept

- (1) The Directors must ensure that the Company keeps a record, in Writing, for at least ten (10) years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.
- (2) Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye.

18. Directors' discretion to make further procedural rules

Subject to these Articles, the Directors may make any procedural rule which they think fit about how they take decisions, and about how such procedural rules are to be recorded or communicated to Directors.

APPOINTMENT OF DIRECTORS

19. Number of Directors

Unless otherwise determined by Ordinary Resolution of the Members, the number of Directors shall be subject to a maximum of ten (10) and shall not be less than five (5).

20. Appointment of Directors by Members

- (1) Any Member who is willing to act as a Director, who is permitted by law to do so, and who meets the eligibility requirements specified in the Rules (an "Eligible Member") may be appointed to be a Director:
 - (a) by ballot of the Members conducted in accordance with the Rules, or
 - (b) by Ordinary Resolution of the Members.
- (2) Any Eligible Member who is appointed a Director pursuant to Article 20(1) shall hold office for a period not exceeding three (3) years from the date of his appointment but shall then be eligible for re-appointment in accordance with Article 20(1).

21. Temporary Directors

- (1) If at any time the total number of Directors for the time being is less than the quorum required, the Directors shall promptly take steps to secure the appointment by the Members pursuant to Article 20(1) of sufficient Directors to bring the total number of Directors to at least the quorum required.
- (2) If at any time the total number of Directors for the time being is less than the quorum required, the Directors may also, by decision of the Directors, appoint further Directors ("Temporary Directors") to hold office pending the appointment of Directors by the Members pursuant to Article 20(1) provided that:
 - (a) the number of Temporary Directors so appointed shall not exceed the number required to bring the total number of Directors to the quorum required
 - (b) each Temporary Director so appointed shall hold office for a period determined by the Directors which shall not exceed three (3) months, and
 - (c) until the Members have appointed sufficient additional Directors pursuant to Article 20(1) to bring the total number of Directors to at least the quorum required, the

Directors shall not make any changes to the Rules pursuant to Article 42 other than with the sanction of an Ordinary Resolution of the Members.

- (3) Nothing in Article 21(2) shall preclude a Temporary Director from being appointed as a Director by the Members pursuant to Article 20(1).

22. Termination of Director's appointment

A Director shall cease to hold office as a Director if:

- (a) he ceases to be a Director by virtue of any provision of the Act or is prohibited by law from being a Director
- (b) a Bankruptcy order is made against him or he makes any arrangement or composition with his creditors
- (c) he resigns his office by notice in Writing to the Company
- (d) he fails to attend more than three (3) consecutive Directors' meetings without the prior consent in Writing of a majority of the other Directors
- (e) he fails to declare the nature and extent of any interest as required under Article 16
- (f) he ceases to be a Member
- (g) he is removed from office by a majority vote of the other Directors (and, for the avoidance of doubt, the Director proposed to be removed shall have no right to vote on any such resolution)
- (h) he reaches the end of his term of office and is not re-appointed as a Director.

23. Directors not entitled to remuneration

- (1) No Director shall be entitled to any remuneration for his services to the Company as Director.
- (2) No Director or his firm may be remunerated for any other professional or other services he or his firm undertakes for the Company for so long as he remains a Director.

24. Directors' expenses

- (1) The Company may pay any reasonable expenses which the Directors and Company Secretary properly incur in connection with their attendance at:
 - (a) meetings of Directors or committees of the Directors
 - (b) general meetings, or
 - (c) separate meetings of the holders of debentures of the Companyor otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company (including in attending Club events and other events at which they are representing the Company in an official capacity).
- (2) Summary details of all expenses paid by the Company pursuant to Article 24(1) in respect of each Director and the Company Secretary for each financial year shall be included in the Company's annual accounts.

PART 3 – MEMBERS

BECOMING AND CEASING TO BE A MEMBER

25. Applications for membership

- (1) No person shall become a Member of the Company unless:
 - (a) he has completed an application for membership in a form approved by the Directors from time to time (which may be in Writing, over the telephone or internet or by email), and
 - (b) the Directors have approved the application.
- (2) A letter shall be sent to each successful applicant confirming their membership of the Company and the details of each successful applicant shall be entered into the register of members by the Company Secretary (or by a person directed to do so by the Company Secretary or the Directors).
- (3) The Directors may decline to accept any application for membership (or any renewal of membership) and need not give any reasons for doing so.
- (4) All Members (save for any Honorary Member, Life Member, Honorary President or Honorary Vice President appointed pursuant to these Articles or the Rules unless he is required by the Directors to do so) must pay to the Company on becoming a Member a joining fee together with an annual subscription fee to be decided by the Directors from time to time.
- (5) The Directors may establish different classes of Members and set out their conditions of membership and respective rights and obligations in the Rules.
- (6) The Directors shall be entitled to appoint such person or persons as they shall deem fit to be (i) Honorary President of the Club, (ii) Honorary Vice-Presidents of the Club, (iii) Life Members, and (iv) Honorary Members (and for the avoidance of doubt any person may be elected into more than one category). Such appointments shall be for such term as the Directors think fit and the Directors, shall in their absolute discretion, have power to remove any of the Honorary President, the Honorary Vice-Presidents, the Life Members and the Honorary Members at any time. The Honorary President and, unless they are also Life Members, Honorary Vice-Presidents shall have no powers, rights or duties and if invited to join Directors' meetings or general meetings shall not have the right to vote, although they may speak. The Life Members and Honorary Members shall not be entitled to attend Directors' meetings and shall have all of the rights and privileges of membership of the Club, including the right to vote (subject to the provisions of these Articles) at general meetings.

26. Termination of membership

- (1) A person shall cease to be a Member of the Company if:
 - (a) he withdraws from membership of the Company by giving seven (7) days' notice to the Company in Writing, or
 - (b) he dies or ceases to exist, or
 - (c) his membership is terminated by the Directors pursuant to Article 27.

(2) Following termination of a person's membership, the Member shall be removed from the register of Members by the Company Secretary (or by a person directed to do so by the Company Secretary or the Directors).

(3) Membership is not transferable.

27. Expulsion of Members

(1) Subject to the provisions of Article 27(2), the Directors may terminate the membership of any Member without his consent by giving him notice in Writing if, in the reasonable opinion of the Directors:

(a) he is guilty of conduct which has or is likely to have a serious adverse effect on the Company or bring the Company or any or all of the Members and Directors into disrepute, or

(b) he has acted or has threatened to act in a manner which is offensive or contrary or harmful to the interests of the Company as a whole, or

(c) he has failed to observe the terms of these Articles or the Rules.

(2) Prior to giving any notice in Writing pursuant to Article 27(1), the Company Secretary (or such other person directed to do so by the Company Secretary or the Directors) shall inform the Member of the complaints made against him and give the Member at least 21 days' notice to appear before the Directors and answer complaints made against him and to give reasons why his membership should not be terminated.

(3) No such Member shall have their membership terminated unless a simple majority of the Directors present at the meeting convened pursuant to Article 27(5), having considered the representations made by the Member, vote in favour of his expulsion (in which case they shall inform the Member of their decision by giving such member notice in Writing pursuant to Article 27(1)).

(4) Neither the Company nor any Director shall be required or obliged to provide any explanation or reason for such expulsion and there shall be no right to appeal from a decision of the Directors to terminate the membership of a Member.

(5) A Member whose membership is terminated under this Article 27 shall not be entitled to any refund or any subscription or membership fee and shall remain liable to pay to the Company any subscription or other sum owed by him.

ORGANISATION OF GENERAL MEETINGS

28. Annual General Meetings

(1) The Company shall hold in each calendar year a general meeting as its "Annual General Meeting" in addition to any other general meetings in the year and shall specify the meeting as such in the notice calling it.

(2) Not more than fifteen (15) months shall elapse between the date of one Annual General Meeting and that of the next.

(3) The Annual General Meeting shall be held at such time and place as the Directors may appoint.

29. Quorum for general meetings

- (1) The quorum for the transaction of business at a general meeting of the Company shall be twenty-five (25) Members present in person or by proxy.
- (2) No business other than the appointment of the Chairman of the Meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

30. Attendance and speaking at general meetings

- (1) 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.
- (2) 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, 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.
- (3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- (4) In determining attendance at a general meeting, it is immaterial whether any two (2) or more members attending it are in the same place as each other.
- (5) Two (2) or more persons who are not 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.

31. Chairing general meetings

- (1) If the Directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so.
- (2) If the Directors have not appointed a Chairman, or if the Chairman is unwilling to chair the meeting or is not present within ten (10) minutes of the time at which a meeting was due to start:
 - (a) the Directors present, or
 - (b) if no Directors are present, the meeting,must appoint a Director or Member to chair the meeting, and the appointment of the Chairman of the Meeting must be the first business of the meeting.
- (3) The person chairing a meeting in accordance with this Article 31 is referred to as the "Chairman of the Meeting".

32. Attendance and speaking by non-Members

The Chairman of the Meeting may permit other persons who are not Members of the Company to attend and speak at a general meeting.

33. Adjournment

- (1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chairman of the Meeting must adjourn it.
- (2) The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if:
 - (a) the meeting consents to an adjournment, or
 - (b) it appears to the Chairman of the Meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- (3) The Chairman of the Meeting must adjourn a general meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the Chairman of the Meeting must:
 - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors, and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) If the continuation of an adjourned meeting is to take place more than fourteen (14) days after it was adjourned, the Company must give at least seven (7) clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
 - (a) to the same persons to whom notice of the Company's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

34. Voting: general

- (1) A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.
- (2) On a resolution at any general meeting:
 - (a) each Member who is entitled to vote and is present in person has one vote on a show of hands and one vote on a poll, and
 - (b) each proxy present who has been duly appointed by one or more Members entitled to vote has:
 - (i) one vote on a show of hands unless he has been instructed 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, in which case he has two votes, one for and one against, and for this purpose where a proxy is given discretion as to how to vote,

this shall be treated as an instruction by the relevant Member to vote in the way in which the proxy elects to exercise that discretion, and

(ii) one vote on a poll for each Member by whom he has been appointed.

(3) No Member shall be entitled to vote at any general meeting in person or by proxy unless all moneys which are due and payable to the Company from him have been paid.

35. Errors and disputes

(1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

(2) Any such objection must be referred to the Chairman of the Meeting whose decision is final.

36. Poll votes

(1) A poll on a resolution may be demanded:

(a) in advance of the general meeting where it is to be put to the vote, or

(b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded at any general meeting by:

(a) an individual who is a Member

(b) a person authorised under section 323 of the Act to act as the representative of a Member that is a corporation in relation to the meeting, or

(c) a person appointed as proxy of a Member in relation to the meeting

who in any case is present and entitled to vote at the meeting.

(3) A demand for a poll may be withdrawn if:

(a) the poll has not yet been taken, and

(b) the Chairman of the Meeting consents to the withdrawal.

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

(4) Polls must be taken immediately and in such manner as the Chairman of the Meeting directs.

37. Content of Proxy Notices

(1) Proxies may only validly be appointed by a notice in Writing (a "Proxy Notice") the body of which shall be in the following form (or in a form as near to the following form as circumstances allow [or in any other form which is usual or which the Directors may approve]):

"
I/We _____, being a member of the above-named
company with membership number _____, hereby appoint:

Limited

(a) _____, of _____, or*

(b) _____ the Chairman of the meeting*

as my/our proxy to vote in my/our name and on my/our behalf at the Annual General Meeting/general meeting of the Company to be held on _____ 20____ and at any adjournment of such meeting.

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

Resolution 1: for* against* abstain* at proxy's discretion*

Resolution 2: for* against* abstain* at proxy's discretion*

**delete as applicable"*

(2) Proxy Notices must state that in the absence of voting instruction in relation to a resolution listed in the Proxy Notice, the proxy appointed will treat the Member as having instructed him to abstain on the relevant resolution.

(3) A Proxy Notice must be:

(a) signed and dated by or on behalf of the Member appointing the proxy, or authenticated in such manner as the Directors may determine, and

(b) delivered to the Company in accordance with these Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which it relates

and a Proxy Notice which is not delivered in such manner shall be invalid.

(4) In calculating the period of 48 hours referred to in Article 37(3)(b), no account shall be taken of any part of a day that is not a Working Day.

(5) 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.

38. Delivery of Proxy Notices

(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.

(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.

(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.

- (4) If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by evidence in Writing of the authority of the person who executed it to execute it on the appointor's behalf.

39. Amendments to resolutions

- (1) An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution of the Members 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 Chairman of the Meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution.
- (2) A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution of the Members, if:
- (a) the Chairman 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.
- (3) If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairman's error does not invalidate the vote on that resolution.

PART 4 - ADMINISTRATION

NAME, COMPANY SECRETARY AND RULES

40. Change of name

Subject to Article 5(2), the Company may change its name by resolution of the Directors.

41. Company Secretary

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

42. Rules

- (1) Subject to Article 21(2), the Directors may from time to time make rules governing matters relating to Company administration that are required for the proper conduct and management of the Company (including the provisions relating to classes of Members, the rights and privileges of membership, membership fees and subscriptions, the admission criteria for Members, the terms on which Members may resign or have their membership terminated, the eligibility requirements for Directors and the procedures for conducting ballots of members for the appointment of Directors).

- (2) The Directors shall adopt such means as they may deem sufficient to bring to the notice of the member all such Rules, which so long as they are in force, shall be binding on all Members.
- (3) The Directors, may in their discretion, decide to put any change to the Rules to the Members for their approval in general meeting, in which event such changes to the Rules shall not be made unless approved by the Members in accordance with these Articles.
- (4) If there is a conflict between the terms of these Articles and any Rules established under this Article 42, the terms of these Articles shall prevail.

COMMUNICATION

43. Means of communication

- (1) Subject to these Articles, anything sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which the Act provides for Documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- (2) Subject to these Articles, any notice or Document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or Documents for the time being.
- (3) A Director may agree with the Company that notices or Documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

44. Service of Documents etc

- (1) Any Document or other information sent or supplied by the Company shall be deemed received by the intended recipient:
 - (a) if properly addressed and sent by prepaid post, three (3) Working Days after it was posted
 - (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address
 - (c) if properly addressed and sent by electronic means, one hour after the Document or information was sent, and
 - (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.
- (2) In proving that any Document or other information was properly addressed, it shall suffice to show that the Document or other information was addressed to an address permitted for the purpose by the Act.

45. Overseas Members

- (1) Subject to Article 45(2), a Member whose registered address is not within the United Kingdom or Ireland (an "Overseas Member") shall not be entitled to receive any Document or other information from the Company.

- (2) Any Overseas Member who gives to the Company an address for the purposes of communications by electronic means may have Documents or other information sent to him at that address or, where appropriate, by making them available on a website and notifying the Member at that address.

46. Power to stop sending Documents and other information

- (1) Subject to Article 45, if on any occasion any Document or other information sent to a Member has been returned undelivered, that Member shall not subsequently be entitled to receive Documents or other information from the Company until he has communicated with the Company and supplied to the Company a new registered address for the despatch or supply of Documents and other information, or has informed the Company of an address for the despatch or supply of Documents and other information by electronic means.
- (2) For the purposes of Article 46(1), any Document or other information sent by post shall be treated as returned undelivered if it is served, sent or supplied back to the Company and a Document or other information served, sent or supplied by electronic means shall be treated as returned undelivered if the Company receives notification that the Document or other information was not delivered to the address to which it was sent.

INTELLECTUAL PROPERTY, INSPECTION OF RECORDS AND PROVISION FOR EMPLOYEES

47. Intellectual Property

- (1) All Intellectual Property Rights developed by any Member (including by any Director) in the course of volunteering for the Company shall belong to the Company and the relevant Member shall:
 - (a) forthwith on the Directors' request unconditionally assign to the Company with full guarantee such Intellectual Property Rights, and
 - (b) do all such acts and execute any documents as may be required by the Directors at any time to vest such Intellectual Property Rights in the Company.
- (2) All Intellectual Property Rights commissioned by any Member (including by any Director) for or on behalf of the Company shall be commissioned on terms that such Intellectual Property Rights shall be owned by the Company and unconditionally assigned to the Company unless the Directors in any case otherwise agree.
- (3) Where the Intellectual Property Rights referred to in Article 47(1) or 47(2) relate to copyright work, the Member shall waive, or procure the waiver of, all moral rights to such work unless otherwise agreed in writing by the Directors.

48. Inspection of accounts and other records

- (1) Any Member may by appointment inspect the Company's accounting records at the registered office of the Company or such other location as the Directors may determine.
- (2) Except as provided by law or authorised by the Directors or an Ordinary Resolution of the Members, no person is entitled to inspect any of the Company's other records or Documents merely by virtue of being a Member.
- (3) Notwithstanding Article 48(2), no Member is authorised to inspect any records or Documents to the extent it would be contrary to applicable law.

49. Provision for employees on cessation of business

The Directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former Director or a shadow director of the Club) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

DIRECTORS' INDEMNITY AND INSURANCE

50. Indemnity and insurance

(1) Subject to Article 50(2), but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

(a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

(i) in the actual or purported execution and/or discharge of his duties, or in relation to them, and

(ii) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgement is given in his favour or in which is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs, and

(b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 50(1)(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

(2) This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law and any such indemnity is limited accordingly.

(3) The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

(4) In this Article 50:

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate

(b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company, and

(c) a "relevant officer" means any Director or other officer or former Director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the

Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a Director or other officer) to the extent he acts in his capacity as auditor).