

THE COMPANIES ACT 2006
A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL
NEW ARTICLES OF ASSOCIATION
OF
TRADE MARKS PATENTS AND DESIGNS FEDERATION
(COMPANY NUMBER: 166772)

(Adopted by special resolution passed on 13 July 2012)

PRELIMINARY

MODEL REGULATIONS AND ARTICLES DO NOT APPLY

None of the regulations in the Companies (Model Articles) Regulations 2008 and none of the regulations in Table C in the Schedule to the Companies Act (Tables A to F) Regulations 1985 (as amended) shall apply to the Federation.

**PART 1: INTERPRETATION, OBJECTS, LIMITATION OF LIABILITY,
COMPOSITION OF COUNCIL**

1. INTERPRETATION

1.1 In the articles, unless the context requires otherwise:

“articles” means the Federation’s articles of association;

“associate” means an associate of the Federation appointed by council pursuant to article 30;

“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;

“byelaws” means any byelaws of the Federation made by the director under the powers conferred on him by these articles, as from time to time altered;

“committee-only fee” is a fee, the payment of which entitles a member to appoint a representative to any open committee under article 11.2;

“Companies Act” means the Companies Act 2006;

“council” and “councillors” have the meanings given to them in article 7;

“council fee” is a fee, the payment of which entitles a member to appoint a representative to council under article 7.2 and a representative to any open committee under article 11.2;

“director” means the sole director of the Federation (subject to the proviso below);

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

“electronic form” has the meaning given in section 1168 of the Companies Act;

“Federation” means the Trade Marks Patents and Designs Federation, company number 166772;

“governance committee” and “governors” have the meanings given in article 11.1;

“honorary fellow” means an honorary fellow of the Federation appointed by council pursuant to article 30;

“inherent conflict” has the meaning given in article 20.1;

“IP” has the meaning given in article 2.1(a);

“member” has the meaning given in section 112 of the Companies Act;

“ordinary resolution” has the meaning given in section 282 of the Companies Act;

“participate”, in relation to council meetings has the meaning given in article 15;

“president” means the president of the Federation appointed in accordance with the provisions of article 23 (subject to the proviso below);

“proxy notice” has the meaning given in article 40;

“relevant director” means, for the purposes of articles 48 and 49 the director or any former director of the Federation;

“relevant loss” means, for the purpose of article 49, any loss or liability which has been or may be incurred by a relevant director in connection with that director’s duties or powers in relation to the Federation, any pension fund or employees’ share scheme of the Federation;

“secretary” means the company secretary of the Federation;

“special resolution” has the meaning given in section 283 of the Companies Act;

“subsidiary” has the meaning given in section 1159 of the Companies Act;

“vice-president” means a vice-president of the Federation appointed in accordance with the provisions of article 23; 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;

provided that (it is stated for the avoidance of doubt and in the expectation that this will be commonly the case) the director and the president may be the same person.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act as in force on the date when these articles become binding on the Federation.

- 1.2 Unless the contrary intention appears, the singular includes the plural and vice versa and words referring to one gender include all genders.

2. OBJECTS

- 2.1 The objects for which the Federation is established are:

- (a) To discuss matters of general interest to commerce and industry in the United Kingdom and worldwide relating to intellectual property and analogous rights (“IP”) and to promote the views and interests of commerce and industry in relation to such matters.
- (b) To promote and aid in establishing and supporting international associations, bodies, conventions and arrangements for the protection of the rights of the owners or users of IP anywhere in the world.
- (c) To represent the views of industry and commerce relating to IP to governments, regulatory bodies and others.
- (d) To keep members apprised of legislative, case law and other measures, proceedings or proposals affecting IP anywhere in the world.
- (e) To comment on, oppose or promote the amendment or introduction of current or proposed legislation, administrative and other measures and proceedings affecting IP anywhere in the world.
- (f) To take steps to oppose the grant or registration of or the enforcement of any IP if, in the opinion of the council, such grant, registration or enforcement would be detrimental to the general interest of owners or users of IP.
- (g) To provide legal and other aid and assistance to owners and users of IP in cases where in the opinion of the council the interests of a substantial proportion of owners or users of IP are involved and generally in all cases relating to such matters in which the council may consider it desirable that legal aid or assistance should be afforded.
- (h) To establish and maintain library and information services.
- (i) To promote, subsidise and assist in the conduct, holding or promotion of industrial exhibitions and to give or contribute to prizes, medals and other awards.
- (j) To collect, collate and disseminate statistical and other information relating to IP and IP matters and provide facilities or assistance to members of the Federation or others for doing so.
- (k) To promote and provide education and training on any matters relating to IP.
- (l) To provide such facilities and services as are considered to be of assistance or benefit in furthering the objects of the Federation.
- (m) To do all other things (whether similar to the foregoing or not) as are, in the opinion of the council, incidental or conducive to the attainment of the Federation’s objects or desirable or for the benefit of the Federation.

2.2 The Federation’s powers in carrying out its objects set out above are unrestricted.

3. NO DIVIDEND

3.1 The income and property of the Federation must be applied solely towards the promotion of the Federation’s objects and no dividend shall be paid to its members.

4. SURPLUS PROPERTY

4.1 If the Federation is wound up or dissolved, any surplus property remaining after the satisfaction of all its debts and liabilities will not be distributed among the members of the Federation. It will be

given or transferred to some other body or bodies which have objects similar to those of the Federation or to a body or bodies the objects of which are the promotion of charity and anything incidental or conducive to those objects, whether or not a member of the Federation, as determined by the members of the Federation in general meeting.

5. LIABILITY OF MEMBERS

5.1 The liability of each member is limited to £10, being the amount that each member undertakes to contribute to the assets of the Federation 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 Federation'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: DIRECTOR, PRESIDENT AND COUNCIL

POWERS AND RESPONSIBILITIES

6. DIRECTOR'S GENERAL AUTHORITY AND PRESIDENT'S RESPONSIBILITY

6.1 Subject to the articles (including, without limitation, the authority of the council and the terms of reference of the governance committee under article 8), the director is responsible for the management of the Federation's activities, for which purpose he may exercise all the powers of the Federation.

6.2 Subject to the articles (including, without limitation, the authority of the council and the terms of reference of the governance committee under article 8), the president has day to day responsibility for managing the Federation's staff and taking day to day operational decisions.

7. COUNCIL, THE PRESIDENT, AND VICE-PRESIDENTS

7.1 Subject to these articles, council consists of:

- (a) one representative appointed by each member which is entitled to appoint a representative to council in accordance with article 7.2 below;
- (b) councillors retained or coopted pursuant to article 7.4 below; and
- (c) one representative appointed by the Confederation of British Industry;

together the "councillors". The president of the Federation is a person appointed from group (a) or group (b). One or more vice-presidents may also be appointed from group (a) or group (b).

7.2 Any member which pays the then current council fee may (subject to the consent of council for the time being) appoint a representative to council.

7.3 No person who has been appointed to council under article 7.1(a) or 7.1(c) shall participate in council meetings unless the person he represents has confirmed his appointment in writing in the form required by council. Council may at any time require a member to re-confirm the appointment of its representative to council, and if such appointment is not re-confirmed, the councillor in question shall cease to hold that position as councillor.

- 7.4 A president or vice-president who ceases to be a councillor under article 7.1(a) shall, if he is willing, be retained on council as such unless council decides that he shall leave council altogether, provided that (in the case of a president) council shall have the right to make his retention on council conditional on his immediately or at a later time becoming a vice-president instead of president. Council may also coopt any person with the status of vice-president.
- 7.5 A councillor may be removed from council by a decision of council taken in accordance with these articles, or by giving him notice to that effect signed by or on behalf of not less than three quarters of the councillors.

8. COUNCIL'S AUTHORITY

- 8.1 Subject to the articles, the approval of council is required for the following decisions:
- (a) the approval of new members;
 - (b) appointment of honorary fellows and associates;
 - (c) the terms on which members are entitled to appoint representatives to council;
 - (d) the council fee and the committee-only fee for members, including any discounts, and the fee payable by each associate;
 - (e) the terms of reference of the governance committee;
 - (f) the approval of policy positions;
 - (g) the approval of budgets and financial reports; and
 - (h) approval of any byelaws or any amendments to byelaws.
- 8.2 Council may direct the director to take, or refrain from taking, specified action. No such direction invalidates any previous action taken by the director.

9. MEMBERS' RESERVE POWER

- 9.1 The members may, by special resolution, direct the director and/or council to take, or refrain from taking, specified action.
- 9.2 No such special resolution invalidates anything which the director has and/or the council have done before the passing of the resolution.

10. DIRECTOR AND COUNCIL MAY DELEGATE

- 10.1 Subject to the articles, the director and council may delegate any of the powers which are conferred on him or them under the articles:
- (a) to such person or committee;
 - (b) by such means (including power of attorney);
 - (c) to such an extent;
 - (d) in relation to such matters or territories; and
 - (e) on such terms and conditions

as he or they think fit.

- 10.2 If the director or council (as the case may be) so specify, any such delegation may authorise further delegation of the director's or council's powers by any person to whom they are delegated.
- 10.3 The director or council (as the case may be) may revoke any delegation in whole or part, or alter its terms and conditions.

11. COMMITTEES

- 11.1 A governance committee of the council shall be formed which shall consist of the president and between 3 and 6 other councillors, plus the director (if not the same person as the president) if he is not already in the governance committee by virtue of being one of the other councillors on the governance committee. Said other councillors shall be appointed to the governance committee in accordance with article 23.6 or 23.7. The president, said other councillors and the director are together the "governors".
- 11.2 Committees of the council may be formed with such composition and terms of reference as Council thinks fit. Council may at any time designate (and dedesignate) any committee as an open committee as it thinks fit. Each member which pays the council fee may appoint a representative to any open committee, without prejudice to the right of any councillor to participate fully in any such committee. In addition, each member which pays the committee-only fee is entitled to appoint a representative to any open committee.
- 11.3 Subject to article 11.4, the governance committee and any other committee to which the director or council delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by council.
- 11.4 The director and council (as the case may be) may make rules of procedure for all or any such committees which prevail over rules derived from the articles if they are not consistent with them.

DECISION MAKING BY COUNCIL

12. COUNCIL TO TAKE DECISIONS COLLECTIVELY

The general rule about decision-making by the council is that any decision of the council must be either a majority decision at a meeting or a decision taken in accordance with article 13.

13. WRITTEN (ETC) DECISIONS

- 13.1 A decision of the council is taken in accordance with this article when at least 75% of all councillors indicate to each other by any means that they share a common view on a matter.
- 13.2 Such a decision may take the form of a resolution in writing, copies of which have been signed by the requisite number of councillors or to which each of those councillors has otherwise indicated agreement in writing.

14. CALLING A COUNCIL MEETING

- 14.1 The president or any two governors or any four councillors may call a council meeting by giving notice of the meeting to the councillors or by authorising the secretary (if any) to give such notice.
- 14.2 Notice of any council meeting must indicate:
 - (a) its proposed date and time;

- (b) where it is to take place; and
- (c) if it is anticipated that councillors 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.

14.3 Notice of a council meeting must be given to each councillor, but need not be in writing.

14.4 Notice of a council meeting need not be given to councillors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Federation not more than 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.

15. PARTICIPATION IN MEETINGS

15.1 Subject to the articles, councillors participate in a council meeting, or part of a meeting, when:

- (a) the meeting has been called and takes place in accordance with the 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.

15.2 In determining whether councillors are participating in a meeting, it is irrelevant where any councillor is or how they communicate with each other.

15.3 If all the councillors 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. In the absence of such a decision the meeting is deemed to take place at the location from where the chairman participates.

16. COUNCIL MEETINGS – QUORUM, CHAIRING, CASTING VOTE

16.1 At a council meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

16.2 The quorum for council meetings may be fixed from time to time by a decision of the council, but it must never be less than three and unless otherwise fixed it is three.

16.3 The president shall chair council meetings in which he participates, save (for a particular item of business) with the agreement of or at the request of council.

16.4 Council may appoint any vice-president or other councillor to chair the meetings in the president's absence or formulate rules to determine who must chair council meetings in the president's absence. They may also terminate this appointment or such rules at any time.

16.5 If neither the president nor the person who is to chair the meeting under paragraph 16.4 is participating in a council meeting within ten minutes of the time at which it was to start, the participating councillors must appoint one of themselves to chair it.

16.6 If the numbers of votes for and against a proposal are equal, the person chairing the meeting has a casting vote.

16.7 But paragraph 16.6 does not apply if, in accordance with the articles, the person chairing the meeting is not to be counted as participating in the decision-making process for quorum or voting purposes.

16.8 Other persons may attend council meetings at the invitation of the person chairing the meeting on such terms (excluding the right to vote or be counted in the quorum) as he thinks fit or (in the case of an associate) has been agreed with the associate.

17. RECORDS OF DECISIONS TO BE KEPT

- 17.1 The director and council must ensure that the Federation keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every decision taken by the director or council.

18. DIRECTOR'S AND COUNCILLORS' DISCRETION TO MAKE FURTHER RULES

- 18.1 Subject to the articles, the director and councillors may make any rule which he or they think fit about how he or they take decisions, and about how such rules are to be recorded or communicated to the director, councillors and members.

DIRECTOR'S INTERESTS

19. DIRECTOR'S INTERESTS IN RELATION TO TRANSACTIONS OR ARRANGEMENTS WITH THE FEDERATION

The relevant provisions of the Companies Act (including without limitation sections 177 and 182 of the Companies Act) shall apply in relation to declarations of interests in proposed and existing transactions or arrangements with the Federation. Council shall be informed of any such declarations made.

For the avoidance of doubt, any interest falling within section 177 or 182 of the Companies Act shall not constitute an "inherent conflict" under article 20 below or a "relevant situation" under article 21 below.

20. INHERENT CONFLICTS

- 20.1 An "inherent conflict" is a situation where a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Federation in circumstances where that situation arises as a direct or indirect result of:
- (a) the director's relationship with the member who appointed him to council (or any of that member's associated companies); or
 - (b) the director acting on behalf of that member (or any of that member's associated companies or himself) in any representative or professional body or any learned society or institution.
- 20.2 A director is authorised to have an interest which constitutes an inherent conflict.
- 20.3 A director who is subject to an inherent conflict may, subject to article 21, vote as a director (and be counted in the quorum) on a decision concerning any such situation and attend a meeting, or participate in any discussion, relating to that situation and receive information or advice received by the Federation on such situations.
- 20.4 Any reference in article 20.1 to a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- 20.5 In this article, companies are "associated" if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

21. DIRECTOR'S INTERESTS OTHER THAN IN RELATION TO TRANSACTIONS OR ARRANGEMENTS WITH THE FEDERATION

- 21.1 If a situation, other than one relating to an “inherent conflict” (a “relevant situation”), arises in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Federation (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Federation could take advantage of it but excluding any situation which cannot reasonably be regarded as likely to give rise to a conflict of interest) the following provisions shall apply:
- (a) if the relevant situation arises from the proposed appointment of a person as a director of the Federation:
 - (i) the current director; or
 - (ii) the members (by ordinary resolution),

may resolve to authorise the appointment of the director and the relevant situation on such terms as they may determine; and
 - (b) if the relevant situation arises in circumstances other than in paragraph (a), the members (by ordinary resolution), may resolve to authorise the relevant situation and the continuing performance by the director of his duties on such terms as they may determine.
- 21.2 Any reference in paragraph 21.1 to a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- 21.3 Any terms determined by the director or the members under paragraphs 21.1(a) or 21.1(b) may be imposed at the time of the authorisation or may be imposed or varied subsequently by the members and may include (without limitation):
- (a) whether the interested director may vote (and be counted in the quorum at any meeting) in relation to any decision relating to the relevant situation;
 - (b) the exclusion of the interested director from all information and discussion by the Federation of the relevant situation; and
 - (c) (without prejudice to the general obligations of confidentiality) the application to the interested director of a strict duty of confidentiality to the Federation for any confidential information of the Federation in relation to the relevant situation.
- 21.4 Any authorisation given under paragraphs 21.1(a) or 21.1(b) may be withdrawn by the members by giving notice to the director concerned.
- 21.5 An interested director must act in accordance with any terms determined by the director or the members under paragraphs 21.1(a) or 21.1(b).
- 21.6 Except as specified in paragraph 21.1, any proposal made to the director and any authorisation by the director in relation to a relevant situation shall be dealt with in the same way as any other matter may be proposed to and decided by the director in accordance with the articles.
- 21.7 Any authorisation of a relevant situation given by the director or the members under paragraph 21.1 may provide that, where the interested director obtains (other than through his position as a director of the Federation) information that is confidential to a third party, he will not be obliged to disclose it

to the Federation or to use it in relation to the Federation's affairs in circumstances where to do so would amount to a breach of that confidence.

- 21.8 (a) If the director makes an authorisation under paragraph 21.1, he shall, as soon as reasonably practicable, notify the members of this fact and provide, where applicable, any relevant particulars regarding the authorisation or its terms.
- (b) If the members make an authorisation under paragraph 21.1, impose or vary the terms of an authorisation under paragraph 21.3, or withdraw an authorisation under paragraph 21.4, they shall, as soon as reasonably practicable, notify the director of this fact and provide, where applicable, any relevant particulars regarding the authorisation or its terms.
- 21.9 (a) A director shall, as soon as reasonably practicable, declare the nature and extent of his interest in a relevant situation within paragraph 21.1(a) or 21.1(b) to the members.
- Failure to comply with this requirement does not affect the underlying duty to make the declaration of interest.
- (b) If a declaration of interest in relation to a relevant situation proves to be, or becomes, inaccurate or incomplete, a further declaration must be made.

22. DIRECTOR'S INTERESTS GENERALLY AND VOTING

- 22.1 Subject to the Companies Act and to articles 19 and 20, the director notwithstanding his office:
- (a) may be a party to, or otherwise interested or participate in, any transaction or arrangement with the Federation or in which the Federation is otherwise interested;
- (b) may act by himself or his firm in a business or professional capacity for the Federation (except as auditor) and he or his firm shall be entitled to remuneration as if he were not a director;
- (c) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Federation or in which the Federation is otherwise interested; and
- (d) shall not, by reason of his office (or of the fiduciary relationship established by holding that office), be accountable to the Federation for any remuneration, profit or other benefit resulting from any relevant situation authorised under article 20 or any interest permitted under paragraphs 22.1(a), 22.1(b), or 22.1(c), and no contract, transaction or arrangement shall be liable to be avoided on the grounds of any director having an interest authorised under article 20 or permitted under paragraphs 22.1(a), 22.1(b), or 22.1(c).
- 22.2 Subject to articles 19 and 20 and to any contrary direction from the members or council, the director shall be entitled to vote on any decision concerning any matter in which he has, directly or indirectly, an interest or a duty.
- 22.3 Subject to the Companies Act, the Federation may, by ordinary resolution, suspend or relax the provisions of this article to any extent or ratify any contract, transaction or arrangement not duly authorised by reason of a contravention of this article.

DIRECTOR, PRESIDENT AND VICE-PRESIDENT APPOINTMENTS AND THE GOVERNANCE COMMITTEE

23. APPOINTMENTS

- 23.1 The maximum number of directors of the Federation shall be one.
- 23.2 Subject to these articles, the Federation may, by ordinary resolution, elect any councillor who is willing to act to be the director.
- 23.3 Subject to these articles, council may appoint any councillor who is willing to act to be a director to fill a vacancy.
- 23.4 If, for any reason the Federation has no director, the chairman of the governance committee shall, if willing, assume the position of director until such time as a replacement director is appointed pursuant to the terms of these articles.
- 23.5 Any councillor who is willing to act as president or as vice-president may be so appointed by ordinary resolution or by council, provided that there may only be one president at any one time.
- 23.6 Any councillor who is willing to act on the governance committee may be appointed to this position by ordinary resolution or by council, or otherwise as provided by the terms of reference of the governance committee, provided that no such appointment may be made which would cause the number of councillors on the governance committee to exceed any maximum number set out in these articles.
- 23.7 At each annual general meeting the director, the president, all vice-president(s) and the governors (in each case, holding such office 10 days before the date of notice of the annual general meeting) shall retire from that position, but shall be eligible for re-election. The meeting shall elect a director, a president, vice-president(s) (if desired) and governors in place of those retiring. If the place of any such retiring office holder is not filled he shall, if willing to act, be regarded as having been re-appointed unless the meeting expressly resolves not to fill the office vacated or unless a resolution for his re-election is put to the meeting and lost. Those retiring and not re-elected or re-appointed shall retain office until the dissolution or adjournment of the meeting.
- 23.8 Each candidate for election other than one retiring and seeking re-election shall be nominated in writing. Such nomination, signed by or on behalf of at least two members (or in such form, including without limitation self-nomination, as the president or the chairman of the governance committee deems fit provided that neither may deem fit any nomination of himself) shall be received by the secretary (if any) at least 10 days before the notice of annual general meeting is sent out and shall be accompanied by an intimation from the candidate of his willingness to serve if elected. The receipt of such nomination and intimation shall be stated in the notice of the annual general meeting sent to each member.

24. REMOVAL OF DIRECTORS AND PRESIDENTS (ETC)

- 24.1 The Federation may, by special resolution, remove any director, president or vice-president before his period of office has expired notwithstanding anything in these articles or in any agreement between him and the Federation.
- 24.2 The director, the president or any vice-president may also be removed from office by a decision of council taken in accordance with these articles, or giving him notice to that effect signed by or on behalf of not less than three quarters of the councillors.

24.3 A governor may be removed from the governance committee by a decision of council taken in accordance with these articles, or by giving him notice to that effect signed by or on behalf of not less than three quarters of the councillors.

25. VACATION OF OFFICE OF DIRECTOR

25.1 Without prejudice to the provisions of the Companies Act or these articles for retirement or removal, a person shall cease to be a director as soon as:

- (a) that person ceases to be a director by virtue of any provision of the Companies Act or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who has examined that person gives a written opinion to the Federation stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or
- (f) notification is received by the Federation from the director that the director is resigning from office and such resignation has taken effect in accordance with its terms.

26. DIRECTOR'S EXPENSES

The Federation may pay any reasonable expenses which the director properly incurs in connection with the exercise of his powers and the discharge of his responsibilities in relation to the Federation.

27. SECRETARY

A secretary shall be appointed by council for such term, at such remuneration and on such conditions as it thinks fit, and council may remove from office any person so appointed (without prejudice to any claim for damages for any breach of contract between him and the Federation).

The council may appoint an assistant or deputy secretary, and any person so appointed may act in place of the secretary if there is no secretary or no secretary capable of acting.

PART 3: MEMBERS, ETC

BECOMING AND CEASING TO BE A MEMBER, ETC

28. APPLICATIONS FOR MEMBERSHIP

28.1 No person shall become a member of the Federation unless:

- (a) it has completed an application for membership in a form approved by the council;
- (b) the council has approved the application; and
- (c) it has complied with any conditions prescribed by council for applicants for membership.

29. MEMBERSHIP AND TERMINATION OF MEMBERSHIP

29.1 Any type of legal person including bodies corporate may be members. A member may, if permitted by council, represent an unincorporated association or partnership.

29.2 Membership of the Federation is normally reserved for traders – providers of goods or services – which are carrying on businesses in which the creation, ownership or use of IP is important. However, the council has absolute discretion as to who shall be admitted as a member.

29.3 All members must contribute to the funds of the Federation such sums (if any) by such dates as council may decide from time to time (membership fees). The amount of the membership fees (as specified in article 8.1(d)) and due dates for payment shall be decided by council and notified to members in writing giving at least 30 days' notice in advance.

29.4 Membership is not transferable.

29.5 A member shall cease to be a member if:

- (a) it withdraws from membership of the Federation giving one month's prior written notice to the Federation;
- (b) it is excluded from membership under paragraph 29.7;
- (c) it becomes bankrupt or being a company goes into liquidation other than for the purposes of solvent reconstruction; or
- (d) it fails to pay any element to the membership fee by the due date and this remains unpaid for 14 days after being given a final written warning signed by the president or the secretary of the Federation; or
- (e) it otherwise ceases to qualify for membership under these articles.

29.6 Cessation of membership:

- (a) shall not entitle the former member to repayment of any part of any subscription or fee previously paid; and
- (b) shall not affect the former member's liability to pay any subscription or fee which became due and payable before he ceased to be a member.

29.7 Any member may be excluded from membership of the Federation by a resolution of a majority of at least 75% of the councillors present and voting at a meeting of council at which not less than 50% of the total number of councillors are present. Such member must have seven clear days' notice sent to him of the meeting and is entitled to attend the meeting and be heard in defence but not to be present at the voting or take part in the proceedings other than as the council permits.

29.8 There shall be only one class of membership.

30. HONORARY FELLOWS AND ASSOCIATES

30.1 Council may from time to time appoint honorary fellows and associates on such terms as it may from time to time decide. For associates only, these may include terms as to payment. For the avoidance of doubt, such honorary fellows and associates shall not be members of the Federation and shall not be entitled to receive notice of, or be present or vote at, general meetings of the Federation (nor have any other rights as members of the Federation, either under these articles or law).

ORGANISATION OF GENERAL MEETINGS

31. GENERAL MEETINGS AND ANNUAL GENERAL MEETINGS

- 31.1 The director shall convene and the Federation shall hold a general meeting as its annual general meeting in each period of 9 months beginning with the day following its accounting reference date (in addition to any other meetings held during that period).
- 31.2 Subject to the Companies Act, a general meeting of the Federation must be called by notice of at least 14 days.

32. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 32.1 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.
- 32.2 The president may make whatever arrangements he considers appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 32.3 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 32.4 Two 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.

33. QUORUM FOR GENERAL MEETINGS

- 33.1 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.
- 33.2 Except as otherwise provided by these articles, three qualifying persons entitled to vote shall be a quorum unless:
- (a) each is a qualifying person only because he is authorised to act as the representative of a corporation in relation to the meeting and they are representatives of the same corporation; or
 - (b) each is a qualifying person only because he is appointed as proxy of a member in relation to the meeting, and they are proxies of the same member.
- 33.3 For the purposes of this article a qualifying person means:
- (a) an individual who is a member of the Federation;
 - (b) a person authorised to act as the representative of a corporation in relation to the meeting; or
 - (c) a person appointed as a proxy of a member in relation to the meeting.

34. CHAIRING GENERAL MEETINGS

- 34.1 The president shall chair general meetings if present and willing to do so.
- 34.2 The council may appoint the director to chair the meeting in the president's absence or if he is unwilling to do so. It may also terminate this appointment at any time.

34.3 If the president or the director is not present or is unwilling to chair the meeting, or if the councillors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

- (a) the councillors present, or
- (b) (if no councillors are present) the meeting,

must appoint a councillor or member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

34.4 The person chairing a meeting in accordance with this article is referred to as “the chairman of the meeting”.

35. ATTENDANCE AND SPEAKING BY COUNCILLORS, THE DIRECTOR AND NON-MEMBERS

35.1 Councillors and the director and the president may attend and speak at general meetings, whether or not they are members.

35.2 The chairman of the meeting may permit other persons who are not members of the Federation to attend and speak at a general meeting.

36. ADJOURNMENT

36.1 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.

36.2 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.

36.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

36.4 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 director, and
- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

36.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Federation must give at least 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 Federation’s general meetings is required to be given, and
- (b) containing the same information which such notice is required to contain.

- 36.6 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

37. VOTING: GENERAL

- 37.1 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 the articles.

38. ERRORS AND DISPUTES

- 38.1 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.

- 38.2 Any such objection must be referred to the chairman of the meeting whose decision is final.

39. POLL VOTES

- 39.1 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.

- 39.2 A poll may be demanded by:

- (a) the chairman of the meeting;
- (b) the president;
- (c) the director;
- (d) council;
- (e) two or more persons having the right to vote on the resolution; or
- (f) a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution.

- 39.3 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.

- 39.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

40. CONTENT OF PROXY NOTICES

- 40.1 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 Federation in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

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

40.3 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.

40.4 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.

41. DELIVERY OF PROXY NOTICES

41.1 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 Federation by or on behalf of that person.

41.2 An appointment under a proxy notice may be revoked by delivering to the Federation a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

41.3 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.

41.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

42. AMENDMENTS TO RESOLUTIONS

42.1 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 Federation 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.

42.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, 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.

42.3 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.

43. BYELAWS

43.1 Subject to approval by council, the director shall have power to make byelaws concerning such matters regarding the government and management of the Federation as he may from time to time think fit and to revoke or alter the byelaws, provided that no byelaw shall have effect if and to the extent that it is inconsistent with these articles.

43.2 The director shall record (or cause to be recorded) in a book or books kept for that purpose all byelaws (and amendments to byelaws) made by him.

PART 4: ADMINISTRATIVE ARRANGEMENTS

44. MEANS OF COMMUNICATION TO BE USED

44.1 Subject to the articles, anything sent or supplied by or to the Federation under the articles may be sent or supplied in any way in which the Companies 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 Federation.

44.2 Subject to the articles, any notice or document to be sent or supplied to the director or council in connection with the taking of decisions by the director or council may also be sent or supplied by the means by which that director or council has asked to be sent or supplied with such notices or documents for the time being.

44.3 The director or council may agree with the Federation that notices or documents sent to that director or council 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.

45. COMPANY SEALS

45.1 Any common seal may only be used by the authority of the director.

45.2 The director may decide by what means and in what form any common seal is to be used.

45.3 Unless otherwise decided by the director, if the Federation has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

45.4 For the purposes of this article, an authorised person is:

- (a) the director of the Federation;
- (b) the secretary ; or
- (c) any person authorised by the director for the purpose of signing documents to which the common seal is applied.

46. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

46.1 Except as provided by law or authorised by the director, council, or an ordinary resolution of the Federation, no person is entitled to inspect any of the Federation's accounting or other records or documents merely by virtue of being a member.

47. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

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

INDEMNITY AND INSURANCE

48. INDEMNITY

48.1 Subject to paragraph 48.5, a relevant director of the Federation or an associated company may be indemnified out of the Federation's assets against:

- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Federation or an associated company,
- (b) any liability incurred by that director in connection with the activities of the Federation or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act), or
- (c) any other liability incurred by that director as an officer of the Federation or an associated company.

48.2 The Federation may fund the expenditure of a relevant director of the Federation for the purposes permitted under the Companies Act and may do anything to enable such relevant director to avoid incurring such expenditure as provided in the Companies Act.

48.3 No relevant director of the Federation shall be accountable to the Federation or the members for any benefit provided pursuant to this article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the Federation.

48.4 The powers given by this article shall not limit any general powers of the Federation to grant indemnities, purchase and maintain insurance or provide funds (whether by way of loan or otherwise) to any person in connection with any legal or regulatory proceedings or applications for relief.

48.5 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Act or by any other provision of law.

49. INSURANCE

The director or councillors may decide to purchase and maintain insurance, at the expense of the Federation, for the benefit of any relevant director in respect of any relevant loss.