

**COMPANY LIMITED BY GUARANTEE AND NOT  
HAVING A SHARE CAPITAL**

**ARTICLES OF ASSOCIATION**

OF

THE ASSOCIATION OF BUSINESS EXECUTIVES LIMITED  
(Company Number 01096719)

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**GENERAL**

1. In these articles the words standing in the first column of the Table next hereinafter contained shall bear the meaning set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context –

WORDS	MEANINGS
The Act	The Companies Act 2006.
These Articles	These Articles of Association, and the Regulations of the Association from time to time in force.
The Association	The above-named company.
The Council	The Council for the time being of the Association. All Council members are directors of the above named company.
Fellows	All Fellows are members.
The Office	The registered office of the Association.
The Seal	The common seal of the Association.
The United Kingdom	Great Britain and Northern Ireland.
Month	Calendar month.
In writing	Written, printed or lithographed, or partly one and partly another, and other modes of

representing or reproducing words in a visible form.

And words importing the singular number only shall include the plural number, and vice versa.

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

Subject as aforesaid, any words or expressions defined in the Act or any statutory modification thereof shall, if not inconsistent with the subject or context, bear the same meanings in these articles.

2. The Model Articles For Private Companies Limited By Guarantee made on 16th December 2008 and which will come into force on 1st October 2009 (SI2008/3229) shall, to the extent that they are not inconsistent with these articles, apply to the company.
3. The objects for which the Association is established are –
  - (A) To provide education, training, professional qualifications and continuing development through seminars and other means.
  - (B) To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Association may think necessary or convenient for the promotion of its objects, and to construct, maintain and alter any buildings or erections necessary or convenient for the work of the Association.
  - (C) To sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Association as may be thought expedient with a view to the promotion of its objects.
  - (D) To undertake and execute any charitable trusts which may lawfully be undertaken by the Association and may be conducive to its objects.
  - (E) To borrow or raise money for the purposes of the Association on such terms and on such security as may be thought fit.
  - (F) To invest the moneys of the Association not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided.
  - (G) To establish and support or aid in the establishment and support of any charitable associations or institutions and to subscribe or guarantee

money for charitable purposes in any way connected with the purposes of the Association or calculated to further its objects.

- (H) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

Provided that:-

- (i) In case the Association shall take or hold any property which may be subject to any trusts, the Association shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.
  - (ii) The Association shall not support with its funds any object, or endeavour to impose on or procure to be observed by its members or others any regulation, restriction or condition which if an object of the Association would make it a Trade Union.
  - (iii) In case the Association shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales or Secretary of State for Education and Science, the Association shall not sell, mortgage, charge or lease the same without such authority, approval or consent as may be required by law, and as regards any such property the Council of the Association shall be chargeable for any such property that may come into their hands and shall be answerable and accountable for their own acts, receipts, neglects and defaults, and for the due administration of such property in the same manner and to the same extent as they would as such the Council have been if no incorporation had been effected, and the incorporation of the Association shall not diminish or impair any control or authority exercisable by the Chancery Division, the Charity Commissioners or the Secretary of State for Education and Science over such Council, but they shall as regards any such property be subject jointly and separately to such control or authority as if the Association were not incorporated.
4. The income and property of the Association, whencesoever derived, shall be applied solely towards the promotion of the objects of the Association as set forth in these Articles of Association, and no portion thereof shall be paid or transferred directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to the members of the Association.

Provided that nothing herein shall prevent the payment of interest at a rate not exceeding 6 per cent per annum on money lent or reasonable and proper rent for premises demised or let by any member to the Association.

5. 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.
6. If upon the winding up or dissolution of the Association there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Association, but shall be given or transferred to some other institution or institutions having charitable objects similar to the objects of the Association, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Association under or by virtue of Article 4 hereof, such institution or institutions to be determined by the members of the Association at or before the time of dissolution, and if and so far as effect cannot be given to such provision, then to some charitable object.
  7. The Council may from time to time register new members. Each new member must sign a written consent to become a member.
  8. The Association is established for the purposes expressed in Article 3.
  9. The subscribers to the Memorandum of Association who are still members and such other persons as the Council have admitted to membership and shall admit to membership in accordance with the provisions hereinafter contained shall be members of the Association.
  10. An applicant for membership must be holding, and have held for not less than the three years immediately preceding the date of application, an executive appointment in industry or hold an appropriate professional qualification.
  11. The Council shall have full discretion to determine the suitability of an applicant for membership.
  12. Membership shall be subject to payment of an entrance fee and annual subscription as determined by the Council from time to time.
  13. A member may resign his membership by giving notice in writing prior to 31st December in any year. If such notice is not received at the registered office of the Association on or before 31st December in any year the member

shall be liable to pay his annual subscription for the ensuing year which shall be a legal debt.

#### GENERAL MEETINGS

14. All meetings of the members shall be called General Meetings.
15. The Council may whenever they think fit convene a General Meeting, and General Meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by Section 305 of the Act.
16. Fourteen days notice in writing at the least (exclusive in every case both of the day on which it is served or deemed to be served and of the day for which it is given), specifying the day and the hour of the meeting and the general nature of the business, shall be given in manner hereinafter mentioned to such persons as are under these articles or under the Act entitled to receive such notices from the Association; but with the consent of such proportion of the members as is prescribed by the Act a meeting may be convened by such notice as those members may think fit.
17. No business shall be transacted at any General Meeting unless a quorum is present. Seven persons entitled to vote on the business to be transacted, each being a member or a proxy for a member, shall be a quorum.
18. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened on the requisition of the members, shall be dissolved. In any other case it shall stand adjourned to a reasonable date, time and place chosen by the Council, but not to a date more than seven days from the date of the adjourned meeting, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting the members and proxies for members shall be a quorum.
19. The Chairman (if any) of the Council shall preside as Chairman at every General Meeting, but if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to preside, the members present shall choose some member of the Council, or if no such member be present, or if all the members of the Council present decline to take the chair, they shall choose some member of the Association who shall be present to preside.
20. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than business which might have been transacted

at the meeting from which the adjournment took place. Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, the members shall not be entitled to any notice of an adjournment, or of the business to be transacted at an adjourned meeting.

21. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is, before or upon the declaration of the result of the show of hands, demanded in accordance with the provisions of Article 22.
22. (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 by –
  - (a) the Chairman of the meeting;
  - (b) the Council members;
  - (c) two or more persons having the right to vote on the resolution; or
  - (d) 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.
- (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.
23. Subject to the provisions of Article 22, if a poll be demanded in manner aforesaid, it shall be taken at such time and place, and in such manner, as the Chairman of the meeting shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
24. No poll shall be demanded on the election of a Chairman of a meeting, or on any question of adjournment.
25. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote.

26. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

#### VOTES OF MEMBERS

27. Subject as hereinafter provided, every member shall have one vote.
28. Save as herein expressly provided, no member other than a member duly registered, who shall have paid every subscription and other sum (if any) which shall be due and payable to the Association in respect of his membership, shall be entitled to vote on any question either personally or by proxy.
29. (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 Council may determine; and
  - (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (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.
- (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.
30. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office

copy thereof shall be deposited at the office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. In the case of a poll taken more than forty-eight hours after it was demanded, the instrument must be deposited not more than twenty-four hours before the time appointed for the taking of the poll. In the case of a poll taken not more than forty-eight hours after it was demanded, the instrument must be deposited not later than the time that it was demanded. In default the instrument of proxy shall not be treated as valid.

31. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of the death, insanity or revocation as aforesaid shall have been received at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### THE COUNCIL

32. The number of members of the Council shall not be less than six.
33. Any member who is willing to act as a member of the Council, and is permitted by law to do so, may be appointed to be a member of the Council –
  - (a) by ordinary resolution, or
  - (b) by a decision of the members of the Council.
34. The Council may from time to time and at any time appoint any member of the Association as a member of the Council, either to fill a casual vacancy or by way of addition to the Council.
35. No person who is not a member of the Association shall in any circumstances be eligible to hold office as a member of the Council.
36.
  - (1) Members of the Council may undertake any services for the Association that the members of the Council decide.
  - (2) Members of the Council are not entitled to receive remuneration in respect of services that they provide for the Association, unless exceptionally approved by the Council.
37. The Association may pay any reasonable expenses which the members of the Council properly incur in connection with their attendance at –

(a) meetings of members of the Council or committees of members of the Council,

(b) general meetings,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

#### POWERS OF THE COUNCIL

38. Subject to the articles, the Council is responsible for the management of the Association's business, for which purpose they may exercise all the powers of the Association.

39. (1) The members may, by special resolution, direct the Council to take, or refrain from taking, specified action.

(2) No such special resolution invalidates anything which the Council has done before the passing of the resolution.

40. The members for the time being of the Council may act notwithstanding any vacancy in that body, provided always that in case the members of the Council shall at any time be or be reduced in number to less than the minimum number prescribed by or in accordance with these articles, it shall be lawful for them to act as the Council for the purpose of admitting persons to membership of the Association, filling up vacancies in that body, or of summoning a General Meeting, but not for any other purpose.

#### SECRETARY

41. The Secretary, if the Council wish to have a Secretary, shall be appointed by the Council for such time, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them. The Council may from time to time by resolution appoint an assistant or deputy Secretary, and any person so appointed may act in place of the Secretary if there be no Secretary or no Secretary capable of acting.

#### THE SEAL

42. The seal of the Association shall not be affixed to any instrument except by the authority of a resolution of the Council, and in the presence of at least two members of the Council or of one member of the Council and the Secretary, and the said members or member and Secretary shall sign every instrument to which the seal shall be so affixed in their presence, and in favour of any purchaser or person bona fide dealing with the Association such signatures shall be conclusive evidence of the fact that the seal has been properly affixed.

## TERMINATION OF APPOINTMENT OF MEMBERS OF THE COUNCIL

43. A person ceases to be a member of the Council as soon as –
- (a) that person ceases to be a member by virtue of any provision of the Companies Act 2006 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 is treating that person gives a written opinion to the company 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;
  - (f) notification is received by the Association from the member that the member is resigning from office, and such resignation or retirement has taken effect in accordance with its terms;
  - (g) the Council resolves that that person shall cease to be a member;
  - (h) a general meeting resolves by an ordinary resolution of which special notice has been given that that person shall cease to be a member.

## ROTATION OF MEMBERS OF THE COUNCIL

44. At the first Council meeting held in each year one third of members of the Council for the time being, or if their number is not a multiple of three then the number nearest to one third, shall retire from office.
45. The members of the Council to retire shall be those who have been longest in office since their last election or appointment. As between members of equal seniority, the members to retire shall in the absence of agreement be selected from among them by lot. The length of time a member has been in office shall be computed from his last election or appointment. A retiring member of the Council shall be eligible for re-election.
46. The Council may, at the meeting at which a member of the Council retires in manner aforesaid, fill up the vacated office by appointing a person thereto,

and in default the retiring member shall, if offering himself for re-appointment, be deemed to have been re-appointed, unless at such meeting it is decided not to fill such vacated office, or unless a resolution for the re-appointment of such member shall have been put to the meeting and lost.

47. No person shall, unless recommended by the Council for election, be eligible for election to membership of the Council at any General Meeting, unless within the prescribed time before the day appointed for the meeting there shall have been given to the Secretary notice in writing, by some member duly qualified to be present and vote at the meeting for which such notice is given, of his intention to propose such person for election, and also notice in writing, signed by the person he proposed, of his willingness to be elected. The prescribed time above mentioned shall be such that, between the date when the notice is served, or deemed to be served, and the day appointed for the meeting there shall be not less than four nor more than twenty-eight intervening days.
48. The Association may from time to time increase or reduce the number of members of the Council and may make the appointments necessary for effecting any increase.

#### PROCEEDINGS OF THE COUNCIL

49. The Council may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Unless otherwise determined by the members of the Council three shall be a quorum. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote.
50. Any two members of the Council may, and on the request of these members of the Council the Secretary shall, at any reasonable time, summon a meeting of the Council by notice served upon the members of the Council.
51. The Council shall from time to time elect a Chairman who shall be entitled to preside at all meetings of the Council at which he shall be present, and may determine for what period he is to hold office, but if no such Chairman be elected, or if at any meeting the Chairman be not present within thirty minutes after the time appointed for holding the meeting and willing to preside, the members of the Council present shall choose one of their number to be Chairman of the meeting.
52. A meeting of the Council at which a quorum is present shall be competent to exercise all the authorities, powers and discretions by or under the regulations of the Association for the time being vested in the Council generally.

53. The Council may delegate any of their powers to committees consisting of such member or members of the Council as they think fit, and any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations imposed on it by the Council. The meetings and proceedings of any such committee shall be governed by the provisions of these articles for regulating the meetings and proceedings of the Council so far as applicable and so far as the same shall not be superseded by any regulations made by the Council.
54. All acts bona fide done by any meeting of the Council or any committee of the Council, or by any person acting as a member of the Council, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such member or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a member of the Council.
55. The Council shall cause proper minutes to be made of all appointments of officers made by the Council and of the proceedings of all meetings of the Association and of the Council and of committees of the Council, and all business transacted at such meetings and any such minutes of any meeting if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting shall be sufficient evidence without any further proof of the facts therein stated.
56. A resolution in writing signed by all the members for the time being of the Council or of any committee of the Council who are entitled to receive notice of a meeting of the Council or of such committee shall be as valid and effectual as if it had been passed at a meeting of the Council or of such committee duly convened and constituted.

#### CONFLICT OF INTEREST

57.
  - (1) If a proposed decision of the Council is concerned with an actual or proposed transaction or arrangement with the Association in which a member of Council is interested, that member of Council is not to be counted as participating in the decision-making process for quorum or voting purposes.
  - (2) But if paragraph (3) applies, a member of Council who is interested in an actual or proposed transaction or arrangement with the Association is to be counted as participating in the decision-making process for quorum and voting purposes.
  - (3) This paragraph applies when –

- (a) the Council by ordinary resolution disapplies the provision of the articles which would otherwise prevent a member of Council from being counted as participating in the decision-making process;
  - (b) the member of Council's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
  - (c) the member of Council's conflict arises from a permitted cause.
- (4) For the purposes of this article, the following are permitted causes –
- (a) a guarantee given, or to be given, by or to a member of Council in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
  - (b) subscription, or an agreement to subscribe, for securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and
  - (c) arrangements pursuant to which benefits are made available to employees and members of Council or former employees and members of Council of the Association or any of its subsidiaries which do not provide special benefits for members of Council or former members of Council.
- (5) For the purposes of this article, references to proposed decisions and decision-making processes include any member of Council's meeting or part of a Council meeting.
- (6) Subject to paragraph (7), if a question arises at a meeting of Council or of a committee of members of Council as to the right of a member of Council to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any member of Council other than the Chairman is to be final and conclusive.
- (7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, the question is to be decided by a decision of the members of Council at that meeting, for which purpose the Chairman of the meeting is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

## ACCOUNTS

58. The Council shall cause proper books of account to be kept with respect to –
- (a) all sums of money received and expended by the Association and the matters in respect of which such receipts and expenditure take place;
  - (b) all sales and purchases of goods by the Association; and
  - (c) the assets and liabilities of the Association.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the affairs of the Association and to explain its transactions.

59. The books of account shall be kept at the office, or, subject to section 388 of the Act, at such other place or places as the Council shall think fit, and shall always be open to the inspection of the members of the Council.
60. The Council shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Association or any of them shall be open to the inspection of members not being members of the Council, and no member (not being a member of the Council) shall have any right of inspecting any account or book or document of the Association except as conferred by statute or authorised by the Council or by the Association in General Meeting.

## NOTICES

61. A notice may be served by the Association upon any member, either personally or by sending it through the post in a prepaid letter, addressed to such member at his registered address as appearing in the register of members. A notice may also be served electronically to a member who has agreed to accept service in this way and who has supplied the necessary information.
62. Any notice, if served by post, shall be deemed to have been served on the day following that on which the letter containing the same is put into the post, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office as a prepaid letter.