

Company number: 08203205

PRIVATE COMPANY LIMITED BY GUARANTEE

**SPECIAL RESOLUTION**

of

**INSURANCE FRAUD BUREAU (the "Company")**

At a general meeting of the Company duly convened and held on 3 November 2016, the following resolutions were duly passed as special resolutions of the Company


**SPECIAL RESOLUTIONS**

**Change In Member Levy Calculation**

1. THAT, the change in the method of calculation of the Member Levy to that referred to in Article 27 of the new Articles of Association be adopted.

**Change of Articles**

2. THAT, the draft Articles produced to the meeting and, for the purposes of identification, attached to this Resolution are adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

.....   
Chairman  
T GARDINER

..... 16/11/16 .....  
Date

FRIDAY



A19 "A5JZNSKI" 18/11/2016 #221

COMPANIES HOUSE

Company number: 08203205

**THE COMPANIES ACT 2006**

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

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**ARTICLES OF ASSOCIATION**

**FOR**

**INSURANCE FRAUD BUREAU**

**Incorporated 5 September 2012**

The logo for Weightmans, featuring the name in white text on a black, wavy rectangular background.

**Weightmans**

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**THE COMPANIES ACT 2006**

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

**ARTICLES OF ASSOCIATION**

**FOR**

**Insurance Fraud Bureau**

**(As amended by special resolution passed on 3 November 2016)**

**1 Interpretation**

- 1.1 In these Articles (except where the context otherwise requires) the following words shall have the following meanings
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<b>ABI</b>	Association of British Insurers, whose principal place of business is at One America Square, 17 Crosswall, London EC3N 2LB,
<b>the Act</b>	The Companies Acts (as defined in section 2 of the Companies Act 2006) and as amended from time to time,
<b>Affiliates</b>	Claims handling agents, loss adjusters, lawyers and investigators, or such other categories as the Board may from time to time lawfully determine, who enter into agreements with Insurers or Syndicates at Lloyd's that are Members pursuant to which they assist Insurers or Syndicates at Lloyd's that are Members with certain elements of insurance claims and insurance fraud investigation processes and which in each case are admitted as Members in accordance with the provisions of these Articles,
<b>A Member</b>	An Insurer or Syndicate at Lloyd's who is determined by the Board to be an A Member in accordance with Article 12 and Article 15,
<b>Articles</b>	These articles of association of IFB,
<b>Associated Companies</b>	<b>Company or</b> In relation to any particular Member a person who would apart from its membership of the same Group as that Member be eligible for membership of IFB save for Article 14,

<b>B Member</b>		An Insurer or Syndicate at Lloyd's who is determined by the Board to be a B Member in accordance with Article 12 and Article 15,
<b>Board</b>		The board of directors of IFB including the Executive Directors,
<b>Chairman</b>		The Chairman of the Board of directors and as appointed by the Board in accordance with Article 61,
<b>Category A Intermediaries</b>	<b>Insurance</b>	An Insurance Intermediary who is designated as a category A insurance intermediary in their written application and invitation received from the IFB in accordance with Article 12 or who is redesignated as a Category A Insurance Intermediary subject to the prior written approval of the IFB,
<b>Category B Intermediaries</b>	<b>Insurance</b>	An Insurance Intermediary who is designated as a category B insurance intermediary in their written application and invitation received from the IFB in accordance with Article 12 or who is redesignated as a Category B Insurance Intermediary subject to the prior written approval of the IFB,
<b>Clear days</b>		That period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect,
<b>C Member</b>		An Insurer or Syndicate at Lloyd's who is determined by the Board to be a C Member in accordance with Article 12 and Article 15,
<b>Communications</b>		Has the same meaning as in the Electronic Communications Act 2000,

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<b>Compensation Payments</b>	A payment made by a Member (or an Associated Company), or for or and on behalf of a Member (or an Associated Company), by way of compensation for any claim for an accident, disease or personal injury, or other loss (whether in money or money's worth) including damage to property arising out of the same incident as gave rise to such claim,
<b>Delegated Authority</b>	A person appointed by a Member pursuant to Article 16,
<b>EEA</b>	European Economic Area,
<b>EEA Firm</b>	An EEA insurer or an EEA insurance intermediary,
<b>EEA insurance intermediary</b>	An EEA firm of the kind mentioned in paragraph 4A of Schedule 3 of FSMA which qualifies for authorisation under paragraph 15 of that Schedule or a "Treaty" firm which qualifies for authorisation under Schedule 4 of FSMA,
<b>EEA insurer</b>	An EEA firm of the kind mentioned in paragraph 5(d) of Schedule 3 of FSMA which qualifies for authorisation under paragraph 15 of that Schedule or a "Treaty" firm which qualifies for authorisation under Schedule 4 of FSMA,
<b>Electronic Communications</b>	Has the same meaning as in the Electronic Communications Act 2000,
<b>Executive Director</b>	Has the meaning set out in Article 50,
<b>Financial Conduct Authority</b>	or "FCA", the regulatory body for all providers of financial services in the United Kingdom pursuant to FSMA and any successor regulatory body or bodies responsible for the regulation of financial services and Insurance Business,

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<b>FSMA</b>	Financial Services and Markets Act 2000,
<b>General Meeting</b>	A general meeting of IFB,
<b>Group</b>	In respect of any company, means its subsidiaries or holding companies from time to time and any subsidiary of any holding company from time to time, and "subsidiary" and "holding company" shall have the meaning attributed thereto in s1159 of the Companies Act 2006,
<b>GWP</b>	<p>means an Insurer or Syndicate at Lloyd's total aggregate gross written premiums receivable (less rebates and refunds) for or attributable to the relevant categories or classes of Insurance Business (as the case may be) for the Year, save that</p> <p>a in the case of an Insurer exercising passporting or treaty rights as an EEA Insurer any reference to GWP shall be determined using such equivalent format and/or applying a formula as determined by the Board,</p> <p>b for the avoidance of doubt any references to GWP of the Insurer or Syndicate at Lloyd's shall be only to any relevant class of Insurance Business of such Insurer or Syndicate at Lloyd's as determined by the Board, and</p> <p>c where an Insurer or Syndicate at Lloyd's acts as agent for other insurers in underwriting an insurance in which the insurers assume a predetermined and fixed interest in the business being underwritten, the GWP will be calculated on the basis of the entirety of the total interest underwritten by all of the insurers in that insurance, including any interest which the Insurer or</p>

Syndicate at Lloyd's may write for its own account, except where it has been agreed with the Board that any Insurer or Syndicate at Lloyd's forming part of such arrangements will each account for their own interest, and provided that there shall not be any double counting of any applicable GWP for the same insurance risk of an Insurer or Syndicate at Lloyd's

**IFB**

Insurance Fraud Bureau,

**IFB Data Access Rules**

Any agreement, rules or licence for the procedures, operational requirements, rights and obligations by which a Member accesses data managed or operated by or for the IFB and such rules being -

- a determined and approved by the Board from time to time, and following determination and approval by the Board, provided the Members are given not less than three (3) months' notice prior to them becoming binding on the Members,
- b where such rules have previously been approved by Members by special resolution at a Meeting or in a resolution in writing of the Members then such rules shall become binding on all Members at the time such resolution is deemed passed or otherwise such time as specified in any resolution,
- c in place at the date these Articles are adopted and shall become binding and all Members from the date of adoption of the Articles, or
- d entered into as a separate agreement with Members,

**ceased to carry on Insurance** Has the meaning set out in Article 23 1,

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## **Business**

### **Insurance Business**

The business carried on by,

- i) an Insurer or a Syndicate at Lloyd's of effecting and/or carrying out contracts of insurance capable of having effect in the United Kingdom of "long term business" or "general business" (as defined in Schedule 1 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 or elsewhere under analogous regulations,
  - ii) an Insurance Intermediary of carrying on any "insurance mediation activity", as provided in the FCA Handbook (as updated and amended from time to time) being activities capable of being carried out by an insurance intermediary in relation to contracts of insurance capable of having effect in the United Kingdom pursuant to the Financial Services and Markets Act 2000 (Regulated Activities Order 2001),
  - iii) or in respect of a Self-Insurer the making of arrangements protecting against the risks of certain events which have or may result in loss or claims from third parties against the self-insuring entity attracting primary liability,
  - iv) or in respect of an Affiliate the provision of the services of claims handling agents, loss adjusters, lawyers and investigators, or such other categories as the Board may from time to time lawfully determine pursuant to one or more written agreement with Insurers or Syndicates at Lloyd's that are Members
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pursuant to which they assist Insurers or Syndicates at Lloyd's that are Members with certain elements of insurance claims and insurance fraud investigation processes,

and in any case, business which may include assessing the risk of, pricing, funding, adjusting, settling and paying Compensation Payments as carried on by that Member and any Associated Company as it shall reasonably determine,

**Insurance Intermediary**

Any person who has obtained authorisation under section 31 of FSMA with permission to carry out relevant Insurance Business or, for an EEA insurance intermediary such person's home state equivalent provided that such person shall obtain in writing all necessary authorisations and approvals for the carrying on of such business, and shall produce the same for approval in writing prior to its entry on the Register,

**Insurer**

Any person who has obtained an authorisation under Section 31 of FSMA with permission to effect and/or carry out relevant Insurance Business or, for an EEA insurer, such person's home state equivalent provided that such person shall obtain in writing all necessary authorisations and approvals for the carrying on of such business and shall produce the same for approval in writing to IFB prior to its entry on the Register,

**LCD**

The levy calculation date being 31<sup>st</sup> August, for each Year in respect of the Levy, notwithstanding that the Board shall have discretion to bring forward or defer the LCD of the Levy in any Year if required,

**Levy**

The amount of the Member Levy payable by all of the Members in aggregate for a Year and determined by

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	IFB pursuant to Articles 27 2 to 27 3,
<b>Levy Year</b>	The Levy which is or may be called in any Year,
<b>Manager</b>	MIB Management Services Limited or such other person appointed as Manager in accordance with Article 73,
<b>Managing General Agent</b>	an entity that underwrites insurance risks, and who owes its primary duties to one or more Insurers, Syndicate at Lloyd's or other providers of insurance capacity,
<b>Member</b>	A member of IFB,
<b>Member Levy or Member Levies</b>	The levy or levies charged to a Member pursuant to Article 27 1,
<b>Month</b>	A calendar month,
<b>Nominations Committee</b>	A committee consisting of members of the Board who have in accordance with Article 68 been delegated the power by the Board to nominate appointments to the Board pursuant to Articles 53 and 56,
<b>Nominating Member</b>	Has the meaning set out in Article 10 9 of these Articles,
<b>Nominee</b>	Has the meaning set out in Article 10 9 of these Articles,
<b>Register</b>	The register of Members of IFB,
<b>Self-Insurer</b>	An organisation which maintains or holds primary liability for risks and events associated with its business or operations which otherwise are or would be typically within the general remit of risks falling within and covered by "general business" or "long-term business" (as defined in Insurance Business), including a local

	authority,
<b>Society of Lloyd's</b>	the society incorporated by the Lloyd's Act 1871 by the name of Lloyd's,
<b>Subsidiary</b>	A company is deemed to be a subsidiary of another if (but only if) <ul style="list-style-type: none"> <li>a that either it <ul style="list-style-type: none"> <li>(i) is a Member of it and controls the composition of its board of directors, or</li> <li>(ii) holds more than half in nominal value of its equity share capital, or</li> </ul> </li> <li>b the first-mentioned company is a subsidiary of any company which is itself a subsidiary of that other company,</li> </ul> and 'Parent' shall be construed accordingly,
<b>Syndicate at Lloyd's</b>	The duly appointed lead Member representative or active underwriter acting on their own behalf and for and on behalf of one or more persons, to whom a particular syndicate number has been assigned by or under the authority of the Council of the Society of Lloyd's constituted by section 3 of the Lloyd's Act 1982,
<b>Trade Union</b>	An organisation of workers whose principal purposes include the regulation of relations between workers and their employers and to facilitate the collective bargaining between workers and their employers,
<b>Total GWP</b>	The total GWP for all Members who are Insurers and Syndicates at Lloyd's in a relevant Year
<b>Year</b>	12 Months ended 31 December

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- 1 2 References to the singular number only shall include the plural number and vice versa, references to one gender only shall include all genders, and references to persons shall include corporations and Syndicates at Lloyd's
- 1 3 Headings are inserted for convenience only and shall not affect the construction of these Articles
- 1 4 References to being "written" or "in writing" refer to any method of representing or reproducing words in a visible form provided that such method is legible and (if not itself in paper form) capable of being reproduced in paper form
- 1 5 The words "include", "including", "in particular" and any similar expression will be construed as illustrating and will not limit the sense of the words preceding the term
- 1 6 A reference to a particular statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts and subordinate legislation for the time being in force made under it
- 1 7 Unless the context otherwise requires, words or expressions defined in the Act shall bear the same meaning in these Articles
- 1 8 The Companies (Model Articles) Regulations 2008 shall not apply to these Articles
- 1 9 References to a Member's "authorisation" under FSMA in respect of Syndicates at Lloyd's should be read as a reference to authorisation for managing the underwriting capacity of a Syndicate at Lloyd's of the relevant managing agent
- 1 10 The several groups of underwriting members of the Society of Lloyd's to which in successive years a particular syndicate number is assigned shall be treated for the purposes of these Articles as the same Syndicate at Lloyd's notwithstanding that they may not comprise the same underwriting members with the same individual participants
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## OBJECTS

- 2 The objects for which the IFB is established shall be limited to the following
    - 2 1 To develop systems and processes to detect and prevent organised and cross-insurance industry fraud and also including but not limited to
      - 2 1 1 co-ordinate or lead investigations and deliver investigation outcomes agreed with Members on a case by case basis,
      - 2 1 2 act in partnership to share intelligence about organised and cross-industry insurance fraud,
      - 2 1 3 establish and manage an infrastructure, based around a single point of contact role with each Member, to ensure security of intelligence and effective decision making,
      - 2 1 4 instruct as necessary any third parties or outsource suppliers, in order to deliver effective agreed investigation outcomes as required on a case by case basis,
      - 2 1 5 maintain a record of benefits delivered through IFB intelligence exchange and investigation activity and collect such data as maybe required in order to demonstrate the value of IFB's operations and activities to its Members,
      - 2 1 6 to create and maintain such protocols, procedures and service level agreements as necessary in order to ensure that the nature of its interactions with Members reflect the key principals and objects of the IFB
    - 2 2 The exercising of the powers pursuant to Article 2 1 IFB shall not -
      - 2 2 1 interfere with Members' conduct of individual investigations nor to undertake the handling of claims on behalf of its Members,
      - 2 2 2 act in any way lightly to detract from the Members' legal obligations or their right to determine the outcome of individual claims made by Members, policy holders or third parties, and
      - 2 2 3 assume any legal, statutory or regulatory regulations in relation to Members' activities, including without limitation or disclosure obligations require by FCA,
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the National Crime Agency, or any other such law enforcement or government regulatory body

- 2 3 To establish, develop, operate, update, exploit, manage, maintain, and hold title to insurance databases, along with such systems and processes as may be necessary and which are capable of recording, capturing and making available to certain persons such information and details relating to insurance policies written and/or capable of having effect in the United Kingdom (or where such entities are self-insured or public bodies, in respect of any comparable arrangements or circumstances ), and any other associated matters or information arising out of or in connection with such insurance policies as the membership may determine necessary from time to time to assist with the objects set out in Article 2 1
  - 2 4 To collect, collate, maintain, provide access to, licence, classify, register, evaluate, sell and make available all or part of the insurance databases to Members or such persons to whom Members or the Board have delegated rights of access and to furnish, whether by a written report or direct access via computer or any other means as may be required, the insurance databases and to allow the Members access to the insurance databases (or particular parts thereof), and to assist any such Member to search the insurance databases for the purposes of their business or enterprise
  - 2 5 To carry on business as computer operators, installers, hirers, suppliers, developers, statisticians, engineers, mathematicians and compilers and developers of computer programs, data processors, computer systems and to provide bureau services to carry out systems and procedures analyses, to prepare for the writing, testing and documenting of programs for all makes, grades and types of computer, to assess the feasibility of applications for computers, to write programs for all makes, grades and types of computer, to buy and sell computer time and provide data capture facilities, to recruit and hire out computer personnel, research, and generally develop and advise on all matters concerning computers, computer programs, computer systems, bureaux and computer and electronic equipment
  - 2 6 To purchase or otherwise acquire any patents, brevets d'invention, licences, concessions, copyrights, trade marks, designs and the like, conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention, process or development which may seem to IFB capable of being used for any of the purposes of
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IFB, or the acquisition of which may be directly or indirectly to benefit IFB, to use, exercise, develop, grant licences in respect of or otherwise turn to account any of the same and with a view to the working and development of the same to carry on any business whatsoever, whether manufacturing or otherwise, which IFB may think calculated directly or indirectly to achieve these objects

- 2 7 To enter into partnerships or into any arrangement for sharing profits, union of interests, co-operation, reciprocal concessions or otherwise with any person or company for the purpose of carrying on business within any of the objects of IFB
  - 2 8 To manage and conduct the affairs of any companies, firms and persons carrying on business of any kind whatsoever and in any part of the world which is directly or indirectly for the benefit of IFB or its Members
  - 2 9 To make loans or donations to such person and in such cases (and in the case of loans either of cash or of other assets) as IFB may think directly or indirectly conducive to any of its objects or otherwise expedient
  - 2 10 To enter into any agreements or arrangements with any governments or authorities, municipal, local or otherwise, or any corporations or persons (including the Members of IFB) that may seem conducive to IFB's objects, and to obtain from any such government, authority, corporation or person any rights, privileges and concessions which IFB may think it desirable to obtain, and to carry out, exercise and comply with any such agreements, arrangements, rights, privileges and concessions
  - 2 11 To acquire by assignment any judgements or choses in action or any rights or privileges which IFB may think necessary or convenient for the promotion of its objects, and to enforce the same
  - 2 12 To act as arbitrators or mediators or to nominate arbitrators or mediators for the settlement of disputes
  - 2 13 To pay, satisfy or compromise any claims made against IFB (whether or not enforceable) which it may seem expedient to pay, satisfy or compromise
  - 2 14 To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property
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- 2 15 To undertake and execute any trusts and to act as the agents of any other person
- 2 16 To sell, let, mortgage, dispose of or turn to account all or any of the property or assets of IFB as may be thought expedient with a view to the promotion of its objects
- 2 17 To enter into agreements with or make calls or levies on the Members and/or their Delegated Authority or any of them to keep IFB supplied with all funds necessary to enable it to discharge its obligations or further its objects and for such other purposes as may be conducive to the efficient, economical or expeditious discharge of its obligations and the furtherance of its objects
- 2 18 To borrow and raise money and secure any debt or obligation of or binding on IFB in such manner as may be thought fit, and in particular by mortgages or charges upon the undertaking and all or any of the real and personal property and assets (present or future) for the time being of IFB, and whether with or without IFB receiving any consideration to guarantee or secure (with or without a mortgage or charge on all or any part of the undertaking and assets, present and future for the time being of IFB) the performance of the obligations of any person, firm or company, including (without prejudice to the generality of the foregoing) any company which is for the time being a subsidiary of IFB (as defined by Article 1 1) or the holding company (as defined by the said Section) or another subsidiary (as so defined) of IFB's holding company or otherwise associated with IFB in business and (without prejudice to the generality of the foregoing) to procure bankers or others to guarantee all or any of the obligations of IFB
- 2 19 To invest the moneys of IFB not immediately required for its purposes in or upon such investments, securities or property as may be thought fit
- 2 20 To do any of its objects by itself or through subsidiary, associated or related companies or through any agent or nominee
- 2 21 To establish and support or aid in the establishment and support of any charitable or benevolent associations or institutions and to subscribe or guarantee money for charitable or benevolent purposes in any way connected with the purposes of IFB or calculated to further its objects
- 2 22 To develop added value services, including but not limited to, assisting with or charging for the facilitating of authorised access to data contained on insurance databases
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maintained by IFB and the provision of training services to any person, company or government body or authority to defray any costs, losses or expenses of IFB in connection with the operation of IFB

- 2 23 To extend any of its objects to any country or territory
- 2 24 To carry on any other business or activity of any nature and do anything which may seem to IFB capable of being carried on directly or indirectly for the benefit of IFB or its Members
- 2 25 To do all such other things as are incidental or conducive to the attainment of the above objects or any of them
- 3 IFB shall not support with its funds any object or endeavour to impose on or procure to be observed by its Members and/or their Delegated Authority or others, any restrictions or conditions which if an object of IFB would make it a Trade Union
- 4 The objects of IFB as specified in Article 2 (except only if and so far as otherwise expressly provided in any paragraphs) shall be separate and distinct objects of IFB and shall not in any way be limited by reference to any other paragraph or the name IFB

## **INCOME AND PROPERTY**

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- 5 1 The income and property of IFB shall be applied solely towards the promotion of the objects as set out in these Articles, and no portion shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit, to the Members and/or any entity with Delegated Authority
- 5 2 Nothing in this Article 5 shall prevent the refund to any Member of any amount of overpaid Levy pursuant to Article 27 8, or the payment, in good faith, of reasonable and proper remuneration to any officer or servant of IFB, or to any Member and/or any Delegated Authority, in return for any services actually rendered to IFB, nor prevent the payment of interest at a rate agreed by the Board on money lent or reasonable and proper rent for premises demised or let by any Member and/or any Delegated Authority to IFB
- 5 3 Other than any executive director no member of the Board shall be appointed to any
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salaried office of IFB or to any office of IFB paid by fees, and no remuneration or other benefit or money's worth shall be given by IFB to any member of such Board except interest as agreed by the Board on money lent or reasonable and proper rent for premises demised or let to IFB or repayment of out-of-pocket expenses

### **LIMITATION OF LIABILITY**

- 6 The liability of the Members is limited
- 7 Every Member undertakes to contribute to the assets of IFB, in the event of IFB being wound up while he is a Member, or within one year after he ceases to be a Member, for payment of the debts and liabilities of IFB contracted before he ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves such amount as may be required not exceeding £1,000

### **DISSOLUTION**

- 8 If upon the winding up or dissolution of the IFB 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 IFB and/or any entity with Delegated Authority, but shall be given or transferred to some other institution or institutions having objects similar to the objects of IFB, 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 IFB under or by virtue of Article 5, such institution or institutions to be determined by the Members of IFB at or before the time of dissolution

### **MEMBERS**

- 9 The number of Members of IFB shall be unlimited
  - 10 Subject to these Articles, and to any terms and conditions determined by the Board from time to time in respect of requirements on which any Members may duly be admitted, the following persons carrying on Insurance Business, shall be Members and have agreed to have their names entered in the Register if they have completed a written application pursuant to Article 12 or they have received an invitation from the IFB to become a Member with a request for payment of a Member Levy and such Member Levy is received by the IFB
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- 10 1 Subject to Article 13, any person whose name appears on the Register at the date of adoption of these Articles,
- 10 2 Any person who is an Insurer,
- 10 3 Any person who is a Self-Insurer,
- 10 4 Subject to Article 10 10, any person who is a Syndicate at Lloyd's,
- 10 5 Any person who is an Insurance Intermediary,
- 10 6 Any person who is a Managing General Agent,
- 10 7 Any person who is an Affiliate,
- 10 8 Such other body or entity which is otherwise appropriately involved with, or interested in, Insurance Business as may be determined and approved by the Board from time to time,
- 10 9 Any person (the '**Nominee**') who is duly authorised managing agent and who either prior to the adoption of these Articles or after has been nominated by a Syndicate at Lloyd's which is either a Member entered on the Register or otherwise duly entitled to be entered on the Register as a Member (the '**Nominating Member**') provided that
- 10 9 1 where the Nominating Member is a Member already entered on the Register then upon the name of such Nominee being entered upon the Register the Nominating Member shall cease to be a Member but shall retain the right to revoke nomination of the Nominee either in favour of itself or another Nominee whereupon it or the new Nominee (as the case may be) shall become a Member and be entered on the Register in place of the original Nominee,
- 10 9 2 where the Nominating Member is a Syndicate at Lloyd's who is or is intending to carry on Insurance Business and has nominated a Nominee without having first been entered on the Register as a Member then such Nominee shall still be treated as a Member and entered on the Register accordingly but shall retain the right to revoke nomination of the Nominee either in favour of itself or another Nominee whereupon it or the new Nominee (as the case may be) shall become a Member and be entered on the Register in place of the original Nominee,
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- 10 9 3 any notice or revocation sent pursuant to this Article 10 9 shall be in writing and sent to the directors at the registered office of IFB,
- 10 9 4 where a Nominee's nomination is revoked pursuant to any of the circumstances listed in Article 23 and 24 then the Nominating Member shall be required to make a nomination in respect of a new Nominee within ten (10) days or otherwise shall be automatically entered itself upon the Register until a new nomination is made,
- 10 9 5 where a Nominating Member would have had its membership revoked under Article 24 were it a Member and not a Nominating Member then the Nominating Member's Nominee shall cease to be a Member and be removed from the Register and the Nominating Member shall not have any right to appoint any new Nominee on its behalf until such time as the Board at their sole discretion permit,
- 10 9 6 nothing in this Article 10 9 shall prejudice obligations in Article 25 and such shall apply both to a Nominating Member and Nominee as the case may be,
- 10 9 7 a Nominating Member will remain ultimately liable for any Levy due under Article 27 notwithstanding any payments made on its behalf by a Nominee
- 10 10 Any Insurer, Self-Insurer, Insurance Intermediary , Syndicate at Lloyd's or Affiliate acting by an administrator, provisional liquidator, liquidator or other duly appointed insolvency professional, practitioner or representative,
- 11 In submitting any application for membership each Member shall provide the following
- 11 1 a duly completed application for membership, and
- 11 2 such other documents or requirements as the Board may determine from time to time
- 12 Subject to Article 13, following any application for membership by a prospective Member, the Board shall confirm in writing that such Member applicant has been successfully admitted and, in its absolute discretion, whether or not an Insurer or Syndicate at Lloyd's will be classified as an A Member, B Member or C Member
- 13 Notwithstanding any other provision in these Articles, the Board may in their absolute discretion reject any application for membership of IFB and such determination shall be final and
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conclusive

- 14 There shall only be one Member admitted to the membership of IFB at any time in respect of each Group and Members will promptly keep IFB informed of any changes to the Associated Companies within their Group unless the Board consents to separate and independent membership being granted to such entity or entities from time to time and the Board will consent to separate and independent membership being granted to the extent that any Group may have one Member who is an Insurer or Syndicate at Lloyds, one Member who is a Self Insurer and one Member who is a Insurance Intermediary and one Member who is an Affiliate, but no more than one Member in each such classification of membership
- 15 The membership of an Insurer or Syndicate at Lloyd's shall be re-classified each Year by the Board as an A Member, B Member or C Member by reference to the GWP of such Member during the previous Year or as otherwise determined by the Board

#### **DELEGATED AUTHORITY**

- 16 Subject to the consent of the Board a Member
- 16.1 not established in the United Kingdom shall appoint a person established within the United Kingdom to be its Delegated Authority,
- 16.2 established in the United Kingdom may appoint a person to act on its behalf as a Delegated Authority, and
- a Delegated Authority shall represent its appointing Member's interests under delegated authority from the respective Member and IFB shall be entitled to act (but shall not be obliged to do so) on the Delegated Authority's instructions. A Delegated Authority may, but need not, itself be a Member and nothing in this Article 16 shall make any Delegated Authority a Member or the proxy of a Member
- 17 The Member shall notify IFB of any Delegated Authority so appointed and the scope of such Delegated Authority's authority, rights and obligations and as appropriate and necessary shall procure that the Delegated Authority shall fulfil the appointing Member's duties and shall provide to IFB such information as may be required about the Delegated Authority's activities and role. Members shall ensure that they hold and maintain rights of audit within any contractual arrangements with a Delegated Authority commensurate with a Delegated
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Authority's duties and responsibilities and that such rights are assignable in whole or in part to IFB

- 18 Any Member who has appointed a Delegated Authority shall remain principally responsible and liable for any actions or omissions of the appointed Delegated Authority

### **MEMBER OBLIGATIONS**

- 19 Every Member shall

19 1 further to the best of his ability the objects and interests of IFB,

19 2 observe all the regulations of IFB including where applicable to such Member, the IFB Data Access Rules, the terms of any policy document issued or adopted by IFB and the terms of any agreement which may be entered into between it and IFB,

19 3 enter into and perform fully any agreement between it and any person which the Board may determine to be necessary for or incidental or conducive to the attainment of the objects of IFB,

19 4 procure that subject to their fiduciary duties, any Member of the Board nominated by it will support and implement all reasonable proposals put forward at Board and other meetings of IFB for the proper development and conduct of the business of IFB,

19 5 ensure and procure that any obligations imposed on Members by these Articles and IFB Data Access Rules be complied with by any Associated Companies of that Member, as necessary and determined by the Board from time to time, and such Members shall be directly accountable and liable for any acts, omissions, of any of their Associated Companies

19 6 if an Insurer or Syndicate at Lloyd's, provide GWP details in respect of each Year in a form and content as required by the Board from time to time and in particular shall ensure that such GWP details are provided no later than 31 July in the following Year GWP details shall be provided to IFB or as required by IFB to the ABI

20 1 When a change in control of any Member occurs at any time, notice in writing of that fact shall forthwith be given by the Member concerned to IFB

20 2 In order to be valid, any notice to be given under Article 20 1 shall be sent to the directors at the registered office of IFB and shall contain sufficient particulars to indicate the nature of the change in control

20 3 For the purposes of this Article

20 3 1 control of any Member means control of one-third (1/3) or more of the votes capable of being cast at a general meeting of the members of that Member or in a resolution in writing of the members of that Member,

20 3 2 there shall be deemed to be a change in control if control is acquired by any person or any readily identifiable group or association of persons not, at the time when the change occurred, being a Member of IFB,

20 3 3 where one Member controls another, any change in control of the controlling Member shall be deemed to be a change in control of the Member which is so controlled, and

20 3 4 for the avoidance of doubt, in respect of a mutual society where voting rights are linked to premium income paid by its members, then fluctuations in existing members' voting rights from time to time shall not constitute a change in control

21 Without limiting the operation of Articles 10 7 and 16 the rights and obligations of a Member shall not be transferable

### **TERMINATION AND SUSPENSION OF MEMBERSHIP**

22 A Member shall give the IFB twelve (12) Months notice which shall commence from the end of the current Year and such Member will remain a Member, subject to Articles 23 and 24, and remain liable for the Levy for twelve (12) Months following the end of the current Levy Year



23 1 Subject to Articles 23 2 where a Member ceases to carry on Insurance Business, the date of which shall be determined as follows,

23 1 1 the date such Member gives notice in writing (such notice to be signed by a director, or the company secretary, or a designated contact of that Member approved previously by IFB) to IFB that it has ceased or intends to cease to carry on Insurance Business, or, if earlier,

23 1 2 the date such Member ceases to have appropriate authorisation to carry an Insurance Business under FSMA or for EEA Firms such persons home state equivalent, or where such Member is or continues to be a Self-Insurer the date upon which they no longer maintain primary liability or self-insurance for such risks, or where such Member is an Affiliate the date upon which they no longer provide the services of claims handling agents, loss adjusters, lawyers and investigators , or such other categories as the Board may from time to time lawfully determine, pursuant to one or more written agreement with Insurers or Syndicates at Lloyd's that are Members pursuant to which they assist Insurers or Syndicates at Lloyd's that are Members with certain elements of insurance claims and insurance fraud investigation processes ;

then such Member's membership shall terminate but such Member may, subject to the Board's discretion pursuant to Article 23 2 , remain a Member of IFB providing that such Member continues to pay all elements (if any) of the required Levy and continues to comply with such requirements under these Articles and the IFB Data Access Rules as determined by the Board from time to time

23 2 Notwithstanding any of the provisions of this Article 23 but subject to Article 24 , the Board reserves the right to suspend or terminate the membership of any Member who has not paid the full amount of the Member Levy due to or requested by IFB on the due date of such Member Levy, and to remove such Member from the Register A failure or breach by any Member of any of the aforementioned provisions of this Article 23 3 shall be treated as a concurrent default of the IFB Data Rules by the Member The Board in such event of default can, at its sole discretion allow such Member to continue to have the benefits and rights provided for under the IFB Data Access Rules subject to receiving the appropriate assurances and guarantees from the respective Member as required by the

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Board Any decision by the Board to allow a Member to remain a Member, notwithstanding any non-payment, shall not constitute a waiver of any of the Board's rights in respect of terminating the membership of such Member

23 3 Any Member who is suspended pursuant to Article 23 2 shall not be entitled to vote at any General Meeting, or on any resolution in writing of the Members, and shall have no other rights under these Articles until such suspension is revoked by the Board but shall still be required to comply with such obligations under the Articles or IFB Data Access Rules as the Board deems necessary and appropriate

24 A Member shall forthwith cease to be a Member if the Board at any time resolves that

24 1 in its opinion the continuance of the membership of such Member will be prejudicial to the interests of IFB, or

24 2 in the event of any material breach of the IFB Data Access Rules, or

24 3 subject to Article 22, the Member has submitted written notice to the Board requesting that its Membership be terminated and the Board consents that such Member's membership should be terminated accordingly (such consent not to be delayed or unreasonably withheld by IFB), or

24 4 such Member has failed to pay any Levy that are payable by that Member pursuant to these Articles within the time limits set out in the Articles

provided that such resolution shall not be effective unless the Member concerned shall have been given not less than fourteen (14) Clear days' notice in writing of, and the right to attend and be heard at, the meeting of the Board In exercising its functions under this Article, the Board may take account of any matter it considers to be relevant including, but without limiting the generality of the foregoing, any breach of any provision of these Articles which, in the opinion of the Board, it appears that such Member has committed

25 Where any Member ceases to be a Member it shall remain fully liable in respect of all obligations incurred by it, any Associated Companies, or its Delegated Authority, by virtue of its membership of IFB before its cessation and, for the avoidance of doubt, where an incident arises prior to cessation of membership and that incident would give rise to an obligation on that Member by virtue of its membership then that Member shall remain fully liable in respect of that obligation notwithstanding its being unaware of such incident or obligation prior to the

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cessation of its membership

- 26 Subject to the provisions of the Articles, no Member shall be disqualified by his membership from contracting with IFB

## FINANCES

### 27 Levy

- 27 1 IFB shall be funded by, inter alia, a Member Levy charged on each of the Members and such Member Levy shall be made from time to time in accordance with these Articles as and when necessary and any changes to the basis upon which the Member Levy is calculated (but not its amount from time to time) shall be agreed by the Members in General Meeting or in a resolution in writing of the Members
- 27 2 The total sum of the Levy shall be the discrete funding determined by the Board required by IFB to carry out and fulfil the objects of the IFB after taking account of any contribution agreed and actually contributed by ABI by reference to ABI members who are not Members ,
- 27 3 The Board shall determine by each LCD the amount of the Levy, taking into account any surplus or deficit in respect of the Levy collected or sums contributed by ABI on the previous LCD and shall notify the relevant Members of the amount of the Levy and the amount of the respective Member Levy for each of the Members as soon as is reasonably practicable following determination of the Levy and each Member Levy
- 27 4 In the ordinary course, the Board will seek to determine the amount of the Levy by the LCD however, nothing in these Articles shall prevent the Board from staggering or separating any notifications or collections for any or all of the Levy from time to time
- 27 5 The Member Levy and any variations to the Member Levy shall each be apportioned between and paid by all the Members subject to the following provisions
- 27 5 1 a Category A Insurance Intermediary shall pay the fixed fee to be determined by the Board each Year,
- 27 5 2 a Category B Insurance Intermediary shall pay the fixed fee to be determined by the Board each Year,
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- 27 5 3 Managing General Agents shall pay such aggregate amount as would be payable if each Insurer it represents were itself a Member or such other amount to be determined by the Board each Year,
- 27 5 4 a Self-Insurer shall pay the fixed fee to be determined by the Board each Year, which at the time of adoption of these Articles is £10,000,
- 27 5 5 an Affiliate shall pay the fixed fee to be determined by the Board each Year for such Affiliate,
- 27 5 6 Insurers and Syndicates at Lloyd's shall pay the Relevant Amount as determined pursuant to Article 27 6, and
- 27 5 7 otherwise a Member of a type specified in Article 10 7 shall pay the amount to be determined by the Board each Year
- 27 6 The "Relevant Amount" for an Insurer or Syndicate at Lloyd's , shall be the sum of the amounts payable by such Member in respect of each Category Applicable Levy
- 27 6 1 In respect of each Year the Board shall determine how the Total Applicable Levy shall be apportioned between the relevant categories or classes of insurance (a "Category Applicable Levy")
- 27 6 2 the " Total Applicable Levy", shall be the total amount of the Levy less the aggregate of the Member Levies of the Insurance Intermediaries, Self-Insurers, Managing General Agents, Affiliates and any amounts specified in accordance with Article 27 5 7,
- 27 6 3 the amount of each Category Applicable Levy for that Member shall be the proportion that Member's GWP for the relevant class or category of insurance bears to the Total GWP of all such Members in respect of the relevant class or category of insurance .
- 27 7 Each Member shall pay its due proportion of the Levy in the amount notified to each Member pursuant to Article 27 3 within thirty (30) days of such notification
- 27 8 If after a Member Levy has been called, a Member notifies IFB, or it appears to IFB, that an Insurer or Syndicate at Lloyd's GWP records upon which the apportionment of that Member Levy was based is incorrect, then
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27 8 1 IFB shall in the case of an overpayment in excess of £500 (five hundred pounds), refund the overpayment,

27 8 2 in the case of no payment by a Member or an underpayment by a Member, then such Member or Members (as the case may be) shall pay to IFB the amount so required or underpaid on demand, together with (other than in the case of an underpayment occasioned by reason solely of an overpayment made by another Member or Members) interest on the required or underpaid amount from the date that the Member Levy which was so required or underpaid became due until the date on which the amount required or of the underpayment is paid in full to IFB by the Member or Members. The rate of interest shall be four (4) per cent per annum above the base rate from time to time of such UK clearing bank as IFB may from time to time nominate,

27 8 3 such additional payment or refund due from or to any Member pursuant to this Article 27 8 shall be made in one payment within ninety (90) days, or as soon as reasonably practicable, following the receipt by IFB of the corrected or late GWP records occasioning the additional payment or refund, and

provided that no refund for any overpayment will be paid under Article 27 8 which has arisen in respect of any Year other than the then current Year or which would require IFB to re-assess or re-calculate any previous Year's Levy which has been closed

27 9 Where IFB determines at any time in its discretion that any Levy is greater than that required by IFB for any current or subsequent Year then on a reasonable basis and at the discretion of the Board each Member who has contributed towards the Levy shall receive a refund of their proportion of the Members' Levy that is greater than that required by IFB as soon as is reasonably practicable following such determination that such Levy is greater than that required by IFB

27 10 Notwithstanding any other provision in these Articles, the Board may at its sole discretion where it is just and equitable to do so, and/or following receipt of any such request from the relevant Member(s), elect to waive, adjust or disapply any amount or other requirement pursuant to a Member Levy thereof having regard to the circumstances such as (without limitation) where such Member(s) may be subject to a winding-up, dissolution, or an insolvent administration, or insolvent scheme of arrangement, or to the

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extent such Member has already effectively contributed to the funding of IFB through its membership of ABI in the Year the Member becomes a Member of IFB

## **28 Commencement and Cessation of Levy Provisions**

28 1 In the first Year of membership where the Insurer or Syndicate at Lloyd's did not carry on the relevant Insurance Business or did carry on the relevant Insurance Business but did not have any GWP during the preceding Year an Insurer or Syndicate at Lloyd's will be required to pay a provisional Levy as determined by the Board After the first twelve (12) Months of membership a Member Levy will be adjusted such that the first Member Levy is based upon GWP in the Year of commencement of Membership

28 2 In the first Year of membership where the Insurer or Syndicate at Lloyd's did carry on the relevant Insurance Business and had a GWP during the preceding Year, such Member will be required to pay a Levy based on the GWP of the Member in the preceding Year,

28 3 All Member Levies will continue to be assessable on and payable by a Member for twelve (12) Months from the end of the current Levy Year in which such Member's membership is terminated

## **29 Late Payments**

29 1 If any Member fails to pay on the due date any amount payable by it under these Articles

29 1 1 it shall forthwith on demand by IFB pay interest on the overdue amount from the due date up to the date of actual payment at the rate of four (4) per cent per annum above the base rate from time to time of such UK clearing bank as IFB may from time to time nominate, and

29 1 2 it shall indemnify IFB against all costs, charges and expenses (including legal fees) incurred by IFB in collecting the overdue amount (including any interest thereon)

## **30 Deductions and Set Off**

30 1 All sums payable by a Member to IFB shall be paid without deduction, each Member bearing all transmissions, tax, exchange or other costs and in the currency as the Board shall determine from time to time

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30 2 IFB retains the right to set off any monies due to it from any Member against any monies due and payable by IFB to that Member

### **GENERAL MEETINGS**

31 The Board may whenever it thinks fit convene a General Meeting and in accordance with the notice requirements provided in Articles 32, 33 and 34

32 The Members may call a General Meeting in accordance with the provisions of the Act

33 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting

34 General Meetings shall be called by at least fourteen (14) Clear days' notice but a General Meeting may be called by shorter notice if it is so agreed by a majority in number of the Members having a right to attend and vote being a majority together holding not less than ninety (90) per cent of the total voting rights at meetings of the Members

35 The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and shall be given to all the Members and to all of the members of the Board and the Auditors

36 Subject to the provisions of the Act, a resolution in writing signed by the required percentage (as set out in the Act with reference to the subject matter of such resolution in writing) of the Members for the time being entitled to attend and vote at General Meetings, shall be as valid and effective as if the same had been passed at a General Meeting of IFB duly convened and held

### **BUSINESS AT GENERAL MEETINGS**

37 The Chairman of the Board or in his absence some other person as the Board may appoint shall preside as Chairman at every General Meeting

38 No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business Save as herein otherwise provided, ten persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation, shall be a quorum

39 If within half an hour from the time appointed for the holding of a General Meeting a quorum is

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not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or at such other time and place as the Chairman shall appoint, 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 present shall be a quorum.

- 40 The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn a 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. If a meeting is adjourned for twenty (20) 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 any adjournment or of the business to be transacted at an adjourned meeting.
- 41 At all General Meetings a resolution put to the vote of the meeting shall be decided on a show of hands unless before, or upon the declaration of the result of, the show of hands a poll is demanded in writing by the Chairman or by at least three persons having the right to vote at the meeting, and unless a poll is so demanded a declaration by the Chairman of the meeting that a resolution has been carried, or has been carried unanimously or by a particular majority, or lost, or not carried by a particular majority, shall be conclusive, and an entry to that effect in the minute book of IFB shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against that resolution.
- 42 If a poll is demanded as provided above, 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.
- 43 No poll shall be demanded on the election of a Chairman of a meeting or on any question of adjournment.
- 44 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a casting vote, but otherwise shall not be entitled to vote.
- 45 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

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#### **46 Votes of Members**

Where a Member is not prohibited from voting pursuant to Articles 23 and 24

##### *Show of hands*

46 1 every Insurer and Syndicate at Lloyd's at a General Meeting, who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative at a General Meeting shall have one (1) vote on a show of hands and other Members (being Insurance Intermediaries, Self-Insurers and Affiliates) shall not have any votes. A Member, although duly authorised to represent another Insurer or Syndicate at Lloyd's, shall only be entitled to one vote on a show of hands, but shall be entitled to vote both in his personal and representative capacity on a poll, and

##### *Poll*

46 2 on a poll at a General Meeting every

46 2 1 Insurer and Syndicate at Lloyd's present in person or by his duly authorised representative at a General Meeting shall have votes calculated by reference to its category of membership

- (i) if an A Member, shall have four (4) votes,
- (ii) if a B Member, shall have two (2) votes,
- (iii) if a C Member shall have one (1) vote,

46 2 2 Members other than Insurers and Syndicates at Lloyd's (being Self-Insurers, Insurance Intermediaries and Affiliates) shall not have any votes

#### **47 Subsidiaries**

Subject to Article 14, the classification of membership of an Insurer or Syndicate at Lloyd's on a poll shall be based upon all the GWP of that Member and any Associated Companies within their Group

#### **48 Commencement provisions**

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48 1 Upon commencement of membership of IFB an Insurer and Syndicate at Lloyd's shall be immediately credited with the number of votes at a General Meeting determined by its classification of membership and subsequent changes in the number of that Member's votes shall be calculated in accordance with Articles 12, 15 and 46

49 **Proxy Votes**

49 1 Any Member entitled to attend and vote may appoint another person (whether a Member or not) as his proxy to attend and vote instead of him A proxy appointed to attend and vote instead of a Member has the same right as the Member to speak at the meeting

49 2 A Member is not entitled to appoint more than one proxy to attend on the same occasion and a proxy is not entitled to vote except on a poll

49 3 In the case of an instrument in writing, the instrument appointing a proxy, or any other document necessary to show the validity of, or otherwise relating to, the appointment of a proxy must be received by IFB at its registered office no less than forty-eight (48) hours before a meeting or adjourned meeting in order that the appointment may be effective

49 4 In the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications

49 4 1 in the notice convening the meeting, or

49 4 2 in any instrument of proxy sent out by IFB in relation to the meeting, or

49 4 3 in any invitation contained in an electronic communication to appoint a proxy issued by IFB in relation to the meeting

such appointment must be received at such address not less than forty-eight (48) hours before the time for the holding of the meeting or adjourned meeting at which the person named in the appointment proposes to vote

49 5 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by IFB at the office or such other place at which the instrument of proxy was duly deposited or, where the appointment of the proxy was contained in an electronic communication, at the address at which such appointment was duly received before the commencement of

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the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll

## THE BOARD

50 There shall be a maximum of sixteen (16) members of the Board and a minimum of five (5) members of the Board. The Board may at its option appoint not more than three (3) members of the Board to hold an executive function (an "Executive Director" being a member of the Board who is not a Member, an officer or employee of any Member nor an elected official of a Member) and shall be nominated, appointed and removed by resolution of the Members or by such other body as determined by the Members from time to time

51 The Board shall determine from time to time what functions shall be delegated and performed by the Executive Directors as it thinks fit and upon such terms as the Board may agree from time to time and if there are no Executive Directors then such responsibilities and functions shall fall to the Board generally

52 The Board may from time to time appoint one of the Executive Directors to be the Chief Executive who shall serve as such for such period and upon such terms as the Board may agree from time to time

53 No person shall be eligible for appointment to the Board unless he or she has been proposed by the Nominations Committee and

53 1 he or she holds a similar position with a Member or a Member's Group, or

53 2 is an officer or employee of the Motor Insurers' Bureau or similar insurance industry body. In case of dispute in this connection the decision of the Chairman shall be final and binding

54 Period of service

54 1 Subject to the following paragraphs of this Article 54 and to Articles 58 and 59, each member of the Board shall serve for a maximum period of three (3) years from the date of the appointment to the Board. At the end of this period that member of the Board shall immediately resign but shall be eligible for re-appointment for a second period of up to three (3) years (and so that such member of the Board may be re-appointed to the

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Board once only )

54 2 The provisions of Article 54 1 shall not apply to the Chairman or any Executive Directors from the date of their appointment as such The Executive Directors shall serve on the Board for the period of their office determined pursuant to Article 50 Subject to Article 59 and the provisions of the Act, at the end of the prescribed term an Executive Director may be re-appointed for another term by the Board pursuant to Article 50 The Chairman shall serve on the Board for the period of his office determined pursuant to Article 61 At the end of that period the Chairman shall immediately resign but shall be eligible for re-appointment either as Chairman or simply to the Board (and so that he may be re-appointed under this Article 54 2 once only)

55 No member of the Board shall be permitted to appoint an alternate

56 No person shall be appointed or reappointed a member of the Board at any General Meeting or in a resolution in writing of the Members unless

56 1 He is recommended by the Board and the Nominations Committee, or

56 2 Not less than three (3) nor more than twenty-eight (28) Clear days before the date appointed for the General Meeting or attached to the resolution in writing of the Members, a notice signed by a Member qualified to vote at the General Meeting or in a resolution in writing of the Members has been given to IFB of the intention to propose that person for appointment or reappointment together with notice signed by that person of his willingness to be appointed or reappointed

57 The Nominations Committee shall be comprised of the Chairman and two other directors of IFB appointed by the Board

58 The Board may appoint a person who is willing to act to be a member of the Board, either to fill a vacancy or as an additional member of the Board, provided that the appointment does not cause the number of members of the Board to exceed sixteen (16) A member of the Board so appointed shall hold office only until the General Meeting or resolution in writing of the Members in the next financial year of IFB in respect of which such appointments are considered If not reappointed at such General Meeting or pursuant to such resolution in writing of the Members, he shall vacate office at the conclusion thereof or the date such resolution in writing is passed

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- 59 The Members in General Meeting or in a resolution in writing of the Members may by ordinary resolution remove any member of the Board before the expiration of his period of office and may by ordinary resolution appoint another person to the Board in his stead, but any person so appointed shall serve so long only as the member of the Board in whose place he is appointed would have served if he had not been removed

### **POWERS OF THE BOARD**

- 60 Subject to the provisions of the Act, these Articles and to such directions as may be prescribed by the Members in General Meeting or resolution in writing of the Members, the business of IFB shall be managed by the Board or as delegated by the Board to the Manager, who may pay all such expenses of, and preliminary and incidental to, the promotion of IFB as they think fit, and may exercise all such powers of IFB and perform on behalf of IFB all such acts as may be required and necessary including without limitation the power to appoint and at the Board's discretion

60 1 to make or repeal any of the IFB Data Access Rules in accordance with the provisions of these Articles,

60 2 to create categories and classes of membership,

60 3 to determine how and to what extent information relating to any of the insurance databases may be used, disclosed or processed and to restrict and place conditions on such use, disclosure and processing,

60 4 to remove or suspend any services of the Manager, employees and agents as they from time to time think fit,

60 5 to determine the powers and duties and fix any salaries or emoluments of any manager, employee and agents, and

60 6 to require security in such instances and to such amount as they think fit for any manager, employee and agents

No alteration of the Articles the IFB Data Access Rules, or direction given by the Members in General Meeting or resolution in writing of the Members shall invalidate any prior act of the Board which would have been valid if such direction had not been given

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## CHAIRMAN

- 61 The Board shall from time to time appoint one of its number (not being an Executive Director, nor a member of the Board who has previously been appointed as Chairman) to be a Chairman for such period not exceeding four (4) years and upon such terms as may be agreed. The Chairman shall preside at meetings of the Board and perform such other duties as the members of the Board may agree from time to time.

## DISQUALIFICATION OF MEMBERS OF THE BOARD

- 62 The office of a member of the Board shall be vacated

62.1 if a winding up, provisional liquidation or administration order is made against the Member he represents or if he or the Member he represents becomes bankrupt or insolvent or if a receiving order is made against him or the Member he represents or if he or the Member he represents makes any arrangement or composition with his or its creditors,

62.2 if by notice in writing to IFB he resigns his office,

62.3 if the Member he represents ceases to be a Member of IFB,

62.4 if he ceases to be in the employment of the Member he represents,

62.5 if he ceases to hold office by virtue of any provision of these Articles or the Act or he becomes prohibited by law from being a member of the Board,

62.6 if he is, or may be, suffering from a mental disorder and either

62.6.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or

62.6.2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs,

62.7 if he is convicted of a criminal offence (other than a minor motor offence) and the Board

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resolves that his office should be vacated,

62 8 if he breaches the provisions of Article 67 and the Board resolves that his office should be vacated, or

62 9 if he shall for more than three (3) consecutive meetings of the Board have been absent without permission of the Board and the Board resolves that his office be vacated

### **PROCEEDINGS OF THE BOARD**

63 The Board may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit Unless otherwise determined, five (5) members of the Board 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 of the meeting shall have a casting vote , but otherwise shall not be entitled to vote

64 Two members of the Board may, and on the request of two members of the Board the Chairman shall, at any time summon a meeting of the Board by notice in writing served upon the several members of the Board A member of the Board who is absent abroad shall be entitled to notice of a meeting at his business address as notified to IFB in writing

65 If there is no Chairman or such Chairman is not present within fifteen (15) minutes after the time appointed for holding the same and willing to preside, the members of the Board present shall choose one of their number to be Chairman of the meeting

66 A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers and discretions of IFB for the time being vested in the Board generally Any director may participate in a meeting of the Board by means of telephone or other means of communication whereby all persons participating in the meeting can speak to each other and hear each other speak Participation in a meeting in this manner shall constitute presence in person at such meeting and be counted in the quorum accordingly

67 A member of the Board who, in relation to any matter in which he, or any Member that he represents, has, directly or indirectly, an interest or duty which conflicts (or may conflict) with the interests of IFB, has a duty to declare the nature of his interest at that meeting of the Board, and additionally such member of the Board may not vote at that meeting of the Board, nor form part of the quorum present at that meeting

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- 68 The Board may delegate any of its powers to committees consisting of such member or members of the Board and/or of IFB's executive staff as it thinks fit, and any committee so formed shall, in the execution of the powers so delegated, conform to any regulations imposed on it by the Board. 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 Board. Such committee or committees shall have the power to co-opt any person to act in an advisory but non-voting capacity.
- 69 All acts performed in good faith by any meeting of the Board or of any committee of the Board, or by any person acting as a member of the Board, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any member of the Board or that they or any of them were disqualified from holding office or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a member of the Board.
- 70 The continuing members of the Board may act notwithstanding any vacancy in their body, provided always that if the members of the Board shall at any time 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 for the purpose of filling up vacancies in their body or for accepting applications from Members for membership or for summoning a General Meeting but not for any other purpose.
- 71 The Board shall cause proper minutes to be made of all appointments of officers made by the Board and of the proceedings of all meetings of IFB and of the Board and of committees of the Board and all business transacted at such meetings. Any such minutes of any meeting, if purported 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.
- 72 A resolution in writing signed by all the members for the time being of the Board or of any committee of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board or such committee of the Board duly convened and constituted.
- 73 The Board may appoint independent managers to manage any or all aspects of the business of IFB on such terms, including the payment of remuneration to the Manager, as will be specified in the management agreement between IFB and the Manager approved by the Board.
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## **ACCOUNTS**

- 74 The Board shall cause proper books of account to be kept with respect to
- 74 1 all sums of money received and expended by IFB and the matters in respect of which such receipts and expenditure take place,
  - 74 2 all sales and purchases of goods by IFB, and
  - 74 3 the assets and liabilities of IFB
- 75 The books of account shall always be open to the inspection of the members of the Board at the registered office of IFB
- 76 The Members in General Meeting or in a resolution in writing of the Members may from time to time make reasonable conditions and regulations as to the time and manner of the inspection by the Members of the accounts and books of IFB, or any of them, and subject to such conditions and regulations the accounts and books of IFB shall be open to the inspection of Members at all reasonable times during business hours
- 77 The Board shall lay before the Members in General Meeting an income and expenditure account for the period since the last preceding account, together with a balance sheet made up as at the same date. Every such balance sheet shall be accompanied by a report of the Board and a report of the Auditors, and a copy of such account, balance sheet and reports shall not less than twenty-one (21) days before the date of the meeting be sent to all persons entitled to receive notices of General Meetings. Should the Board resolve not to lay such documents before the Members in General Meeting but to send copies of the same to all persons entitled to receive notice of General Meeting instead, the Board shall comply with the time limits set out in this regard pursuant to the provisions of the Act

## **AUDIT**

- 78 Once at least in every Year the accounts of IFB shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by a properly qualified auditor
- 79 An auditor shall be appointed and his duties regulated in accordance with the Act

## **NOTICES**

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- 80 Any notice to be given to or by any person pursuant to these Articles (other than a notice calling a meeting of the directors) shall be in writing or shall be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice. In this Article 80, Article 49 4, Article 81 and Article 83, 'address', in relation to electronic communications, includes any number or address used for the purposes of such communications.
- 81 IFB may give any notice to a Member either personally or by sending it by post in a prepaid envelope addressed to the Member or by giving it using electronic communications, in each case
- 81 1 to his principal address within the United Kingdom, or
- 81 2 in the case of a Member having a Delegated Authority, to the principal address of the Delegated Authority or to the Member's principal foreign address at the discretion of the Board from time to time, or
- 81 3 in the case of a notice given by electronic communication, to an address for the time being notified to IFB by the Member
- 82 A Member present either in person or by proxy at any meeting of IFB shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called
- 83 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of forty-eight (48) hours after the envelope containing it was posted or, in the case of a notice contained in an electronic communication, at the expiration of forty-eight (48) hours after the time it was sent
- 84 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the meeting
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