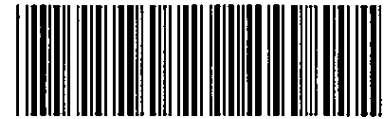


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COMPANIES HOUSE

Memorandum of The Medical Defence Union Limited

This document was updated following the Annual General Meeting 2007

- 1 The name of the company is THE MEDICAL DEFENCE UNION LIMITED (hereinafter called 'the MDU')
- 2 The registered office of the MDU will be situated in England
- 3 The objects for which the MDU is established are
 - (i) To promote support and protect the character and interests of such categories of medical and dental practitioners, teachers, students and other persons (including bodies corporate) involved or engaged in or with the practice of medicine and dentistry and other practitioners, teachers, students or managers of or in other professions and sciences (including bodies corporate) as shall for the time being be specified as eligible for membership of the MDU by the Board of Management of the MDU in accordance with the Articles of Association of the MDU for the time being in force
 - (ii) To promote high standards of professional practice
 - (iii) To give advice or legal assistance to or defend or to take part in advising assisting or defending members or applicants for election to membership or former members of the MDU or the personal representatives (whether in their representative or their personal capacity) or the beneficiaries (and those with an interest in or deriving from the estates of the beneficiaries) of deceased members or former members or the trustees in bankruptcy of a member, applicant for election to membership, deceased member or former member who may seek such advice and/or who are or are likely to become parties to or otherwise involved in litigation or disputes in respect of matters concerning or affecting directly or indirectly the professional character or interests or conduct in a professional capacity of any such member deceased member or former member or which raises directly or indirectly a question of professional principle
 - (iv) To indemnify wholly or in part and on such terms and conditions as may from time to time seem expedient any member or applicant for election to membership or former member of the MDU or the personal representatives (whether in their representative or their personal capacity) or the beneficiaries (and those with an interest in or deriving from the estates of the beneficiaries) of any deceased member or former member or the trustees in bankruptcy of a member, applicant for election to membership, deceased member or former member against liability loss or expense arising from actions proceedings claims and demands by or against them in respect of matters concerning or affecting whether directly or indirectly the professional character or interests or conduct in a professional capacity of any such member or applicant for election to membership or deceased member or former member or which raise directly or indirectly a question of professional principle including all incidental or consequential losses damages, costs, charges and expenses but exclusive of fines or penalties and to meet or compromise (whether or not by way of indemnity) or take part in meeting or compromising any such actions proceedings claims and demands
 - (v) To expend moneys of the MDU in paying the whole or any part of the costs charges, expenses and damages of any person in any proceedings whether legal or otherwise in which a question of importance to the members of the MDU is or is likely to be determined or which the Board of Management may think necessary or convenient for the protection of the interests of any applicant for election to membership, member or former member or the personal representatives or beneficiaries (and those with an interest in or deriving from the estates of the beneficiaries) of any deceased member or the trustees in bankruptcy of any member, applicant for election to membership, deceased member or former member or any group or category of such persons
 - (vi) To make suitable provision including the taking of financial measures and the purchasing of insurance for mitigating the risks or liabilities of the MDU or its members
 - (vii) To grant sums of money from the funds of the MDU and to provide its services for or to other persons or bodies concerned with the investigation or the promotion of matters relating to the medical dental and other professions or matters which concern or may affect members of those professions or their welfare

The MDU | Memorandum & Articles of Association

- (viii) To consider, originate, promote and support (so far as is legal) legislative measures likely to benefit the members of the MDU, and to oppose all measures calculated to injure them And for the purposes aforesaid to petition parliaments and take such other steps and proceedings as may be deemed expedient
- (ix) To provide services for reward for or to any person or body concerned with the handling of claims (a) involving medical or dental practitioners, teachers, students or others involved in or with the practice of medicine or dentistry or practitioners, teachers or students of other professions or sciences (b) otherwise arising out of the provision of medical or dental or related services or other professional services to the public
- (x) To provide or procure provision to its members of advice, assistance or services on any matters relating to their professional or business affairs
- (xi) To carry on business by way of the commercial exploitation of the assets, know-how and expertise of the MDU generally in data management, claims handling, risk management and related or non-related matters
- (xii) To carry on any business whatsoever which can in the opinion of the Board of Management of the MDU be conveniently, advantageously or profitably carried on by the MDU either in connection with or ancillary to any of the other objects of the MDU herein set forth or otherwise in the interests of the MDU or its members
- (xiii) To sell, improve, manage, develop, turn to account, exchange, let on rent, grant royalty, share of profits or otherwise, grant licences, easements or other rights in or over, and in any other manner deal with or dispose of the undertaking and/or any of the property or assets for the time being of the MDU for such consideration as the Board of Management may think fit
- (xiv) To subscribe to or become a member of or establish or promote or support by the application of funds of the MDU (whether by way of subscription for shares or other securities, grant, or loan, or otherwise) any company, institution, society or body whether charitable or not, which has objects similar to the objects of the MDU, or which is for the benefit of medicine or dentistry, teachers or students or others involved with the practice of medicine or dentistry or practitioners, teachers or students of other professions or sciences or which the Board of Management of the MDU may think necessary or convenient for the purpose of its objects
- (xv) In the attainment of the above objects to do all such things as are incidental or conducive thereto or to any of them including the purchase, lease, exchange or hire of any real or personal property and the taking or acquisition of all and any rights or privileges which the Board of Management of the MDU may think necessary or convenient for the purpose of its objects or any of them, the making of any agreement or contract, the making acceptance endorsement and execution of promissory notes, bills of exchange and other negotiable instruments, the investment of the moneys of the MDU not immediately required upon such securities or otherwise as may from time to time be determined by the Board of Management of the MDU, raising or borrowing money in such manner as the Board of Management of the MDU shall think fit, selling managing developing leasing mortgaging charging disposing of or otherwise dealing in any way with all or any part of the MDU's property

The objects set forth in any sub-clause of this clause shall not be restrictively construed but the widest interpretation shall be given thereto, and they shall not be in any way limited to, or restricted by, reference to or inference from any other object, or objects, set forth in such sub-clause or from the terms of any sub-clause or by the nature of the MDU. None of such sub-clauses or the object, or objects, therein specified or the powers thereby conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other sub-clause, but the MDU shall have full power to exercise all, or any of, the powers and to achieve or endeavour to achieve all or any of the objects conferred by and provided in any one or more of the said sub-clauses

- 4 The liability of the members is limited
- 5 The income and property of the MDU, whencesoever derived shall be applied solely towards the promotion of the objects of the MDU as set out in this Memorandum of Association
- 6 No dividends shall be paid to the members of the MDU

The MDU | Memorandum & Articles of Association

- 7 Every member of the MDU undertakes to contribute to the assets of the MDU, in the event of the same 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 the MDU 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 amongst themselves, such amount as may be required not exceeding £1 00

WE, the several persons, whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

FRANK HASTINGS DAUNEY, of No 6, Lexham Gardens, in the County of Middlesex, Solicitor

CHARLES FREDERICK RIDEAL, of 6, Belgrave Terrace, Brixton, in the County of Surrey, Gentleman

CHARLES TOPHAM CLEMENTS, of 3, Porchester Square, in the County of Middlesex, Gentleman

PHILIP HENRY WALTERS LEGATT, 47, Cornwall Gardens, Queen's Gate, in the County of Middlesex, Gentleman

JOHN FREDERICK SPENCER CRIDLAND, of No 17, Bedford Row, in the County of Middlesex, Solicitor

JOHN MOORE SINYANKI, 57, Pall Mall, in the County of Middlesex, Gentleman

EDWARD SOUTHWELL FITZGERALD, 98, Portland Place, in the County of Middlesex Gentleman

Dated the 23rd day of October, 1885

Witness to the above signatures,

HARRY CROMWELL, 17, Bedford Row, Middlesex, Clerk

Articles of Association of The Medical Defence Union Limited

(a company limited by Guarantee not having a share capital)

- 1 The MDU for the purposes of registration is declared to consist of 200,000 members The Board of Management may register an increase of members

INTERPRETATION

- 2 In these Articles

'Applicant for election to membership'	means a person who is eligible for membership in accordance with Article 5 and has duly applied for membership in accordance with Articles 6 and 7 and whose application has been received in accordance with Article 8 and in respect of whose application there is no reason to suppose that the same would not result in election to membership
'Chief Executive'	means the Chief Executive of the MDU
'the Articles'	means these Articles of the MDU
'the Act'	means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force
'the MDU'	means the Medical Defence Union Limited
'Board of Management'	means the Board of Management of the MDU constituted in accordance with the Articles the members of which shall for all purposes be the directors of the company
'the Council'	means the Council of the MDU appointed by the Board of Management pursuant to Article 59
'Corporate Member'	means a member which is a body corporate or a limited liability partnership
'the Seal'	means the common seal of the MDU
'Member'	means, where the context admits, a person accepted and continuing as such in accordance with Articles 4-14 and, subject to the Articles, includes an associate member
'Standing Orders of the Board of Management'	means the Standing Orders made by the Board of Management from time to time pursuant to Article 43
'The United Kingdom'	means Great Britain and Northern Ireland
'Register'	means the register of medical practitioners prescribed by the Medical Act 1983 and/or the register of dental practitioners prescribed by the Dentists Act 1984 or such registers as may be prescribed by any Acts amending modifying or re-enacting or replacing those Acts and/or any register of medical dental or other practitioners (whether described by the word 'register' or otherwise) and/or any other professional register which includes a member or group of members
'Executive'	means, when describing a member of the Board of Management, a person who is also a full-time employee of the MDU or of any Associated Company and "non-executive" shall be construed accordingly

The MDU | Memorandum & Articles of Association

'Chairman and Vice-Chairman'	mean the Chairman and Vice-Chairman of the Board of Management appointed pursuant to Article 59
'address'	in relation to electronic communications, any number or address used for the purpose of such communications
'appointment of proxy'	includes both a proxy in written form and a proxy contained in an electronic communication
'communication'	has the same meaning as in the Electronic Communications Act 2000
'electronic communication'	has the same meaning as in the Electronic Communications Act 2000
'Associated Company'	means an Associated Company of the MDU any company in which an Associated Company of the MDU holds, directly or indirectly, shares conferring the right to exercise 20 per cent or more of the votes which could be cast on a poll at a general meeting of such company, any company which holds, directly or indirectly, shares conferring the right to exercise 20 per cent or more of the votes which could be cast on a poll at a general meeting of an Associated Company of the MDU, and any subsidiary or holding company of any Associated Company
'Associated Company of The MDU'	means a company in which the MDU holds, directly or indirectly, shares conferring the right to exercise 20 per cent or more of the votes which could be cast on a poll at a general meeting of such company

Unless the context otherwise requires

- (a) words or expressions contained in these Articles bear the same meaning as in the Act, but excluding any statutory modification thereof not in force when these Articles become binding on the MDU,
- (b) the singular shall include the plural and vice versa and the masculine shall include the feminine and neuter and vice versa,
- (c) references to persons include individuals and bodies corporate

The MDU | Memorandum & Articles of Association

OBJECTS AND POWERS OF THE MDU

- 3 The objects for which the MDU is established, as set forth in the Memorandum of Association, shall be carried out in the manner provided by these Articles

MEMBERS

- 4 The Board of Management shall from time to time specify the categories of persons or groups of persons (including bodies corporate) who are eligible for membership of the MDU being medical or dental practitioners, teachers, students and others involved in or with the practice of medicine or dentistry, and practitioners, teachers, students or managers of or in other professions and sciences. The Board of Management shall have power subject to the following Articles from time to time to lay down the conditions and terms on which such persons shall be eligible for membership and may lay down such different terms or conditions (including the rate, frequency and method of payment of subscriptions and/or that the period of any membership is to be for a fixed period of time or is to terminate automatically upon the occurrence of any event) for such different categories or groups (including of associate members) as to it may seem fit
- 5 Any person or member of a group of persons or in a category specified by the Board of Management as eligible for membership may, subject to the following Articles and any conditions or terms laid down by the Board of Management become a member of the MDU
- 6 Applications for membership shall be made by completion of such forms to be submitted to such persons or bodies as the Board of Management may from time to time approve and different forms persons or bodies may be approved for different categories of persons or groups of persons who are eligible for membership
- 7 Every application shall include an address to which notices to be given pursuant to these Articles are to be sent and it shall be the obligation of every member of the MDU or (as the case may be) group of members to notify the MDU of any changes in the address to which such notices are to be sent
- 8 On receipt by the approved person or body of the appropriate application form duly completed the applicant or applicants shall be deemed to have agreed to become members of the MDU
- 9 If the Board of Management or any committee or sub-committee to which the Board of Management may delegate its powers in this respect passes a resolution accepting an applicant or group of applicants as member or members of the MDU the name and address of the applicant or applicants (provided in accordance with Article 7) shall be entered in the register of members of the MDU (with a note, if appropriate, that the member or members is an associate member or are associate members) and membership shall be deemed to have commenced as from the date on which the application was received or from such other date as the Board of Management or such committee or sub-committee may decide
- 10 The rights and privileges of every member and applicant for election to membership shall be personal to himself and they shall not be transferable by his own act or by operation of law, but this shall not prevent the Board of Management exercising its powers as provided by these Articles in relation to any deceased person who was at the date of his death a member or who was not at the date of his death a member but had formerly been a member and had ceased to be such
- 11 The Board of Management shall be entitled in its absolute discretion
- (a) and subject only to giving 42 days' prior notice to the member of its intention to do so to refuse to renew the membership of any member with effect from the date on which that member's current subscription expires ("the expiry date") and in such event at the end of the expiry date such member shall cease to be a member of the MDU
 - (b) to terminate the membership of any member by not less than 14 days' notice given at any time and, in such circumstances, a due proportion of that member's subscription (if any), reflecting the period from the date of such termination until the expiry date, shall forthwith be refunded to that member by the MDU
- 12 Without prejudice to Article 11
- (a) Any member whose name having previously appeared therein is erased from any register or whose licence or entitlement to practise the profession previously earned on by him in any place is withdrawn or cancelled shall unless the Board of Management otherwise determines ipso facto forthwith cease to be a member of the MDU

The MDU | Memorandum & Articles of Association

- (b) Any member whose registration in any register or licence to practise the profession previously carried on by him in any place is suspended or restricted or made subject to conditions, whether or not as an interim measure, shall unless the Board of Management otherwise determines ipso facto forthwith cease to be a member of the MDU
 - (c) Any member whose fitness to practise has been found to be impaired or who has been found guilty of serious professional misconduct in disciplinary proceedings in any jurisdiction (whether in those words or not and whether or not any sanction or penalty may have been imposed) or who has been given a warning by a registration body regarding his conduct or performance (whether in those words or not) shall unless the Board of Management otherwise determines ipso facto forthwith cease to be a member of the MDU
 - (d) Any member who becomes the object of bankruptcy or insolvency proceedings or enters or proposes to enter into a voluntary arrangement with creditors or, being a corporate member, is placed in liquidation or receivership (whether in respect of the whole or part of its assets) or applies for the appointment of an administrator (including in any jurisdiction matters having a similar effect) shall unless the Board of Management otherwise determines ipso facto forthwith cease to be a member of the MDU
- 13 A member or any group of members may at any time withdraw from membership by giving at least 90 clear days' notice to the Chief Executive or such lesser notice as the Board of Management may agree
- 14 If any member or applicant for election to membership or any group to which the member belongs makes default in any payment of whatsoever nature due to the MDU then if such default shall continue for 30 days after such payment shall become due the member shall, unless the Board of Management at any time otherwise determines, cease to be a member
- 15 Any person who shall by any means cease to be a member shall nevertheless remain liable for, and shall pay to the MDU, all moneys which shall, at the time of his ceasing to be a member, be due from him to the MDU

SUBSCRIPTIONS

- 16 Save insofar as the Board of Management may otherwise determine every member shall pay or cause to be paid to the MDU in such amount and manner and on such date or dates as the Board of Management may from time to time determine a subscription
- 17 The Board of Management may determine different rates, frequencies and methods of payment of subscriptions for members or for such categories or groups of members, whether for a year or any other period, and according to such criteria as to it may seem fit
- 18 The Board of Management may in circumstances which it considers to be urgent or exceptional give notice to such categories or groups of members as it may decide requiring them to pay a special levy to the MDU in addition to any subscription payable. A special levy shall be payable in such amount and on such date as the Board of Management may determine save that it shall not be payable
- (a) in an amount exceeding the amount of any subscription payable by such member or group in the year in which the Board of Management calls for a special levy, nor
 - (b) on a date earlier than 21 days after the date of the notice of the special levy

GENERAL MEETINGS

- 19 All general meetings other than annual general meetings shall be called special meetings. Meetings shall be held at such time and place as the Board of Management shall determine
- 20 The MDU shall in each year hold a general meeting as its annual general meeting in addition to other meetings in that year and shall specify the meeting as such in the notices calling it. Not more than 15 months shall elapse between the date of one annual general meeting and the next
- 21 The Board of Management may call a special meeting whenever it thinks fit and on a members' requisition pursuant to the provisions of the Act shall forthwith proceed to call a special meeting for a date not later than 49 days after receipt of the requisition

The MDU | Memorandum & Articles of Association

NOTICE OF GENERAL MEETINGS

- 22 (a) An annual general meeting and a special meeting shall, except where the Act or the Articles require a shorter period of notice, be called by at least 21 days' notice. Every notice shall specify the time and place of the meeting and the general nature of the business to be transacted. Subject to the provisions of the Articles the notice shall be given to all members other than associate members and to the members of the Board of Management and the auditors. Subject to Articles 20 and 21, the Board of Management may withdraw a notice of a general meeting or postpone a general meeting, in each case by notice given not less than seven clear days prior to the date fixed for the meeting, and in the case of a postponement may fix a new date for the meeting being not less than the period required by Sections 369 and 378 of the Act.
- (b) Where the notice of a meeting is published on a website in accordance with Article 83, it shall continue to be published in the same place on that website from the date of notification given under Article 83 until the conclusion of the meeting to which the notice relates. However, where the notice of a meeting published on a website in accordance with Article 83 is published in different places on the website or published for only part of that period from the date of notification given under Article 83 until the conclusion of the meeting to which the notice relates, the proceedings at such meeting are not thereby invalidated.
- 23 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person or group of persons entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

- 24 No business shall be transacted at any meeting unless a quorum is present. Ten persons entitled to vote upon the business to be transacted and present in person or by proxy each being a member or a proxy for a member or a duly authorised representative of a corporate member shall be a quorum.
- 25 If such a quorum is not present within half an hour from the time appointed for the meeting or if during a meeting such a quorum ceases to be present the meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the Board of Management may determine.
- 26 The Chairman or in his absence the Vice-Chairman, shall preside as chairman of the meeting but if neither the Chairman nor the Vice-Chairman be present within 15 minutes after the time appointed for holding the meeting and willing to act such other member of the Board of Management as the Board may from time to time determine shall preside as chairman of the meeting.
- 27 The chairman may, with the consent of a 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 properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for more than 14 days at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
- 28 A resolution put to the vote of a meeting shall be decided on a show of hands unless before or on the declaration of the result of the show of hands a poll is duly demanded. A poll may be demanded
- (a) by the chairman, or
- (b) by at least 25 members having the right to vote at the meeting, and a demand by a person as proxy for a member shall be the same as a demand by the member.
- 29 Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority, or lost or not carried by a particular majority and an entry to that effect in the books of the proceedings of the MDU shall be sufficient evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 30 The demand for a poll may before the poll is taken be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 31 If a poll is duly demanded it shall be taken as provided in Article 32 and the chairman may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

The MDU | Memorandum & Articles of Association

- 32 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 33 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

VOTES OF MEMBERS

- 34 On a show of hands every member other than an associate member who (being an individual) is present in person or (being a body corporate) is present by a duly authorised representative not being himself a member entitled to vote shall have one vote and on a poll every member other than an associate member shall have one vote. On a poll votes may be given either personally or by proxy. In the case of an equality of votes, whether on a show of hands, or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.
- 35 A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may on a poll, vote by proxy. Evidence to the satisfaction of the Board of Management of the authority of the person claiming to exercise the right to vote shall be deposited at the registered office, or at such other place as is specified in accordance with the Articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
- 36 No person shall be appointed a proxy who is not a member and entitled to vote at the meeting or adjourned meeting for which the proxy is given.
- 37 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
- 38 The appointment of a proxy shall be executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Board of Management may approve)—

"The Medical Defence Union Limited

I/We, _____, of _____

being a member/members of the above-named company hereby appoint

of _____
or failing him,
of _____

as my/our proxy to vote in my/our name(s) and on my/our behalf at the annual/special meeting of the company to be held on

Signed on _____ 20____, and at any adjournment thereof

The MDU | Memorandum & Articles of Association

- 39 Where it is desired to afford members an opportunity of instructing the proxy how he shall act the appointment of a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Board of Management may approve)–

"The Medical Defence Union Limited

I/We, _____, of _____,

being a member/members of the above-named company hereby appoint

of _____

or failing him, _____

of _____

as my/our proxy to vote in my/our name(s) and on my/our behalf at the

annual/special meeting of the company to be held on _____

20 _____

, and at any adjournment thereof

This form is to be used in respect of the resolutions mentioned below as follows

Resolution No 1 *for *against _____

Resolution No 2 *for *against _____

*Strike out whichever is not desired

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting

Signed this _____

day of _____

20 _____

- 40 The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Board of Management may—

- (a) (i) in the case of an instrument in writing, be deposited at the registered office of the MDU not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or
- (ii) in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications
- (aa) in the notice convening the meeting, or
- (bb) in any instrument of proxy sent out by the MDU in relation to the meeting, or
- (cc) in any invitation contained in an electronic communication to appoint a proxy issued by the MDU in relation to the meeting,

be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote, or

- (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for taking the poll, or
- (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the Company Secretary or to any member of the Board of Management,

and an appointment of proxy which is not deposited, received or delivered in a manner so permitted shall be invalid. The Board of Management accept an appointment of proxy received in an electronic communication on such terms and subject to such conditions as they consider fit, and may require the production of any evidence they consider necessary to determine the validity of such appointment

- 41 A vote given or poll demanded by proxy or by the duly authorised representative of a corporate member 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 the Board of Management at the registered office or at 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 the appointment was duly received before the commencement of 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

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THE BOARD OF MANAGEMENT

- 42 Subject to Articles 51, 53 and 56, the Board of Management of the MDU shall consist of not more than 20 persons of whom not less than three shall be executive members of the Board of Management and not less than ten non-executive members of the Board of Management

THE POWERS OF THE BOARD OF MANAGEMENT

- 43 Subject to the provisions of the Act the Memorandum and the Articles and to any directions given by special resolution the management of the affairs and the control of the MDU shall be vested in the Board of Management which may exercise all the powers of the MDU. No alterations of the Memorandum or Articles and no such direction shall invalidate any prior act of the Board of Management which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Board of Management by the Articles and a meeting of the Board of Management at which a quorum is present may exercise all powers exercisable by the Board of Management including the making of such Standing Orders of the Board of Management as to any matter within the powers of the Board of Management and their exercise as to the Board of Management may from time to time seem fit
- 44 The Board of Management shall have power on such terms as to it may seem fit to appoint and determine the appointment of the executive members of the Board of Management provided that the exercise of such power shall not deprive any such person of any compensation or damages payable to him in respect of the termination of his appointment
- 45 The Board of Management may, by power of attorney or otherwise appoint any person to be the agent of the MDU for such purposes and on such conditions as it determines including authority for the agent to delegate all or any of his powers
- 46 The Board of Management may delegate any of its powers to any committee or sub-committee. It may also delegate to any member of the Board of Management or employee or agent such of its powers as it considers desirable to be exercised by such person. Any such delegation may be made subject to any conditions the Board of Management may impose and either collaterally with or to the exclusion of its own powers and may be revoked or altered
- 47 The Board of Management or any member of the Board of Management or employee or agent or committee of the MDU authorised by the Board of Management for the purpose may subject to the limits of any such authority give to any member, any applicant for election to membership, any former member, the personal representatives (whether in their representative or their personal capacity) or the beneficiaries (and those with an interest in or deriving from the estates of the beneficiaries) of any deceased member (who was at the date of his death a member or who was not at the date of his death a member but had formerly been a member and had ceased to be such) or the trustees in bankruptcy of any member, applicant for election to membership, deceased member or former member (who was at the date of his bankruptcy a member or who was not at the date of his bankruptcy a member but had formerly been a member and had ceased to be such) advice or legal assistance or defend or take part in advising, assisting or defending in respect of any matter cause or proceeding, concerning or affecting whether directly or indirectly the professional character or interests or conduct in a professional capacity of such person or in respect of any matter cause or proceeding which raises directly or indirectly a question of professional principle,

provided that

- (1) Save insofar as the Board of Management may otherwise determine the Board of Management or such member of the Board of Management or employee or agent or committee shall be satisfied that in a case involving a member, applicant for election to membership, former member or deceased member the matter originated or the cause or proceedings arose or proceedings were served or, whether before or after the adoption of this proviso in its present form, the matter was notified to the MDU by or on behalf of such member, applicant for election to membership, former member or deceased member during the period when the person concerned was a member of the MDU or an applicant for election to membership
- (2) If the Board of Management or such member of the Board of Management or employee or agent or committee decides to act in accordance with this Article the person making a request that it do so shall abide absolutely by every decision of the Board of Management or any such member of the Board of Management or employee or agent or committee on the conduct or defence of the matter and shall not himself without prior consent of the Board of Management or any such member of the Board of Management or employee or agent or committee take any steps with reference to such matter or the determination thereof

The MDU | Memorandum & Articles of Association

- (3) Any such advice or legal assistance or defence may be granted or terminated by resolution of the Board of Management or any authorised committee or decision of any authorised agent and the giving of advice or legal assistance or defence in every case shall be made only upon such terms and conditions as the Board of Management committee or agent shall think proper and it shall rest only in the absolute discretion of the Board of Management committee or agent in every case to limit or restrict the giving of such advice or legal assistance or defence or altogether to decline to give the same or to terminate any advice or legal assistance or defence so given without assigning any reason

For the purpose of proviso (1) in the case of an application by a former member for reinstatement on any register or for restoration of a licence or entitlement to practise the profession previously carried on by him or the lifting of a suspension the matter shall be deemed to have originated immediately before the date upon which his name was erased from such register or his licence or entitlement so to practise was withdrawn or cancelled or upon which his registration in such register, licence or entitlement was suspended as the case may be

- 48 (1) The Board of Management or any member of the Board of Management or employee or agent or committee of the MDU authorised by the Board of Management for the purpose may subject to the limits of any such authority and sub-paragraph (3) of this Article, and subject also to the like conditions as are specified in the provisos of the preceding Article, grant from the funds of the MDU to any member or any applicant for election to membership or former member or the personal representatives (whether in their representative or their personal capacity) or the beneficiaries (and those with an interest in or deriving from the estates of the beneficiaries) of any deceased member or the trustees in bankruptcy of any member, applicant for election to membership, deceased member or former member an indemnity wholly or in part with regard to any action proceeding claims or demands by or against them in respect of any matter concerning or affecting whether directly or indirectly the professional character or interests or conduct in a professional capacity of any such member applicant for election to membership or former member or deceased member as the case may be or which raises directly or indirectly a question of professional principle and such indemnity may extend to all incidental or consequential losses, damages, costs, charges and expenses but excluding fines and penalties and to grant funds to meet or compromise (whether or not by way of indemnity) or take part in meeting or compromising any such action proceeding claims or demands
- (2) The Board of Management or any authorised committee or agent may terminate any such indemnity or grant at any time by notice in writing to the member or applicant for election to membership or former member (or if the member, applicant or former member dies or becomes bankrupt subsequent to the granting of the indemnity his personal representatives or his trustees in bankruptcy as the case may be) or the personal representatives or beneficiaries of the deceased member concerned or the trustees in bankruptcy of the member applicant or former member concerned as the case may be
- (3) Any such indemnity may be granted or terminated by resolution of the Board of Management or any authorised committee or decision of any authorised agent and the grant of indemnity in every case shall be made only upon such terms and conditions as the Board of Management committee or agent shall think proper and it shall rest only in the absolute discretion of the Board of Management committee or agent in every case to limit or restrict the grant of such indemnity or altogether to decline to grant the same or to terminate any indemnity so granted without assigning any reason
- 49 The Board of Management or any committee of the Board of Management authorised for that purpose may
- (a) appoint one or more arbitrators or umpires either from its own body or from among the members of the MDU or otherwise for the settlement of difficulties and disputes in which matters concerning the medical, dental or other professions arise or in which any member of the MDU may be concerned
- (b) request any one of its own body or any member of the MDU to give his professional services or to render any special services for the MDU or for any member or members
- (c) authorise payment out of the funds of the MDU to any person so appointed or requested of such special remuneration as it shall think fit and any such person or any member of the Board of Management or the MDU who performs any special services for a member without being so requested by the Board of Management or any such committee shall be entitled to retain for his own benefit any fees or endowments paid to him by any other person notwithstanding that the other person may have received them in the first instance out of the funds of the MDU
- 50 The Board of Management may enter into or authorise the making of such contracts and do or authorise the doing of all such acts or things as it may deem expedient for the purposes of the MDU

The MDU | Memorandum & Articles of Association

APPOINTMENT AND RETIREMENT OF THE MEMBERS OF THE BOARD OF MANAGEMENT

- 51 At each annual general meeting one-third of the members of the Board of Management or, if their number is not a multiple of three, the number nearest to one-third shall retire from office
- 52 Subject to the provisions of the Act, the members of the Board of Management to retire by rotation shall be those who have been longest in office since they were last elected or re-elected, but as between persons who were elected or who were last re-elected members on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot
- 53 No person other than a member of the Board of Management retiring either by rotation within six years of first being appointed or elected (subject to Article 60(b)) or by virtue of Article 56 shall be elected to membership of the Board of Management at an annual general meeting unless
- (a) he is recommended by the Board of Management, or
 - (b) not less than 28 nor more than 56 clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the MDU of the intention to propose that person for election together with notice executed by that person of his willingness to be elected
- 54 Not less than seven nor more than 28 clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a member of the Board of Management retiring by rotation or by virtue of Article 56 at the meeting) who is recommended by the Board of Management for election as a member of the Board of Management at the meeting or in respect of whom notice has been duly given to the MDU of the intention to propose him at the meeting for election as a member of the Board of Management
- 55 Subject as aforesaid the MDU may by ordinary resolution appoint a person who is willing to act to be a member of the Board of Management either to fill a vacancy or as an additional member
- 56 The Board of Management may appoint a person who is willing to act to be a member of the Board of Management either to fill a vacancy or as an additional member, provided that the appointment does not cause the number of members of the Board of Management to exceed any number fixed by or in accordance with the Articles as the maximum number of members. A person so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the members of the Board of Management who are to retire by rotation at the meeting. If not elected at such annual general meeting, he shall vacate office at the conclusion thereof
- 57 Subject as aforesaid a member of the Board of Management who retires at an annual general meeting may, if willing to act, be re-elected. If he is not re-elected, he shall retain office as such until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting
- 58 At the conclusion of each annual general meeting all the members of the Council of the MDU for the time being shall retire but shall be eligible for re-appointment under Article 59
- 59 As soon as may be after the annual general meeting in each year, the members of the Board of Management shall meet and shall appoint from among their number a Chairman and a Vice-Chairman of the Board of Management. At that meeting the Board of Management shall also appoint as many persons to be members of the Council as the Board of Management may from time to time select. The President and Vice-President of the Council shall be appointed from the non-executive members of the Board of Management and must also be members of the MDU. The Council shall act as a forum for discussion and analysis of professional, scientific and allied issues referred to it by the Board of Management
- 60
- (a) The Chairman and Vice-Chairman shall until the appointment of their successors continue to exercise the duties of their respective offices
 - (b) For the purpose of Article 53 the Chairman in office at the commencement of any annual general meeting shall if retiring by rotation be eligible for re-election to the Board of Management at such meeting notwithstanding that he may have served as a member for more than six years

The MDU | Memorandum & Articles of Association

DISQUALIFICATION AND REMOVAL OF THE MEMBERS OF THE BOARD OF MANAGEMENT COUNCIL AND COMMITTEES

- 61 A member of the Board of Management shall vacate his office as such
- (a) if he ceases to be eligible for such membership by virtue of any provision of the Act or he becomes prohibited by law from being such a member, or
 - (b) if he becomes bankrupt or makes any arrangement or composition with his creditors generally, or
 - (c) if he is, or may be, suffering from mental disorder and either—
 - (i) 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 1984, or in Northern Ireland, an application for admission under the Mental Health (Northern Ireland) Order 1986, or
 - (ii) 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, or
 - (d) if he resigns his office by notice to the MDU, or
 - (e) if he shall for more than six consecutive months have been absent without permission of the Board of Management from meetings of the Board of Management held during that period and the Board of Management resolves that his office be vacated, or
 - (f) if being an executive member of the Board of Management he ceases to be a full-time employee of the MDU, or of an Associated Company
 - (g) if the Board of Management so resolves

REMUNERATION AND EXPENSES OF THE MEMBERS OF THE BOARD OF MANAGEMENT COUNCIL AND COMMITTEES

- 62 The members of the Board of Management and of committees of the Board of Management and the members of the Council of the MDU appointed in accordance with Article 59 shall be paid by the MDU such reasonable travelling, hotel and other expenses as they may incur in attending or returning from meetings of the MDU or of the Board of Management or of the Council or of committees of the Board of Management or of the Council as the case may be or which they may otherwise incur in or about the affairs of the MDU. The members of the Board of Management and of the committees of the Board of Management and of the Council of the MDU may also be paid out of the funds of the MDU by way of remuneration at such rates as may from time to time be determined by the Board of Management

APPOINTMENTS AND INTERESTS OF MEMBERS OF THE BOARD OF MANAGEMENT

- 63 Subject to the provisions of the Act, and provided that he has disclosed to the Board of Management the nature and extent of any material interests of his, a member of the Board of Management notwithstanding his office—
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the MDU or in which the MDU is otherwise interested,
 - (b) may be a member director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the MDU or in which the MDU is otherwise interested, and
 - (c) shall not, by reason of his office, be accountable to the MDU for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit

The MDU | Memorandum & Articles of Association

64 For the purposes of Article 63—

- (a) a general notice given to the Board of Management that a member of the Board of Management is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the member of the Board of Management has an interest in such transaction of the nature and extent so specified, and
- (b) an interest of which a member of the Board of Management has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his

GRATUITIES AND PENSIONS

65 The Board of Management may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any person who has held but no longer holds any employment with the MDU whether before or after his death, and for any member of his family (including a spouse and/or a former spouse) and/or any person who is or was dependent on him, and may (as well before as after he ceases to be so employed) contribute to any fund and pay premiums for the purchase or provision of any such benefit

PROCEEDINGS OF THE BOARD OF MANAGEMENT

- 66 Subject to the provisions of the Articles the Board of Management may regulate its proceedings as it thinks fit. Any three members of the Board of Management may and the Company Secretary at the request of such members shall call a meeting of the Board of Management. Questions arising at a meeting shall be decided by a simple majority of votes of those attending and voting. In the case of an equality of votes the chairman shall have a second or casting vote.
- 67 The quorum necessary for the transaction of business of the Board may be fixed from time to time by the Board and unless so fixed at any other number shall be eight. For the purposes of these Articles any director who is able (directly or by telephonic or video conference communication) to speak and be heard by each of the other directors present or deemed to be present at any meeting of the Board, shall be deemed to be present in person at such meeting and shall be entitled to vote or be counted in the quorum accordingly. Such meeting shall be deemed to take place at the place in England where the largest group of those participating is assembled, or, if there is no such group, where the Chairman of the meeting then is, and the word 'meeting' shall be construed accordingly.
- 68 The continuing members of the Board of Management may act notwithstanding any vacancies in their number but if the number of members is less than the number fixed as a quorum the continuing members may act only for the purpose of filling vacancies or of calling a general meeting.
- 69 The Chairman shall preside at the meetings of the Board of Management. In his absence, the chairman shall be the Vice-Chairman and in his absence shall be such member of the Board of Management as the Board of Management may from time to time determine or in the absence of such person or if there is no such person at any time such member of the Board of Management as the members of the Board of Management present after the time appointed for a meeting may determine.
- 70 All acts done at any meeting of the Board of Management or committee of the Board of Management or by any persons acting as members of the Board of Management shall notwithstanding that it shall be afterwards discovered that there was some defect in the appointment of any such members of the Board of Management or committee or persons acting as aforesaid, or any of them, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and qualified and had continued to be a member of the Board of Management and had been entitled to vote.
- 71 A resolution in writing signed by all the members of the Board of Management entitled to receive notice of a meeting of the Board of Management shall be as valid and effectual as if it had been passed at a meeting of the Board of Management duly convened and held and may consist of several documents in the like form each signed by one or more members of the Board of Management.

The MDU | Memorandum & Articles of Association

72 Save as otherwise provided by the Articles, a member of the Board of Management shall not vote at a meeting of the Board of Management on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the MDU unless his interest or duty arises only because the case falls within one or more of the following paragraphs—

- (a) the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the MDU,
- (b) the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the MDU for which the member has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security,
- (c) his interest arises by virtue of his subscribing or agreeing to subscribe for any debenture of the MDU or by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such debentures, by the MDU for subscription, purchase or exchange,
- (d) the resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by H M Revenue & Customs for taxation purposes

For the purposes of this Article, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this Article becomes binding on the MDU), connected with a member shall be treated as an interest of the member

73 A member of the Board of Management shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote

74 The MDU may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a member of the Board of Management from voting at a meeting of the Board of Management

75 If a question arises at a meeting of the Board of Management as to the right of a member of the Board of Management to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any member other than himself shall be final and conclusive

COMPANY SECRETARY

76 Subject to the provisions of the Act the Company Secretary shall be appointed by the Board of Management for such term, at such remuneration and upon such conditions as it may think fit, and any Company Secretary may be removed by the Board of Management

MINUTES

77 The Board of Management shall cause minutes to be made in books kept for the purpose

- (a) of all appointments of the Chairman, Vice-Chairman, members of the Board of Management, of Council and of committees, and
- (b) of all proceedings at meetings of the MDU, of the Board of Management, of the Council and of committees including the names of those present at such meetings

THE SEAL

78 The seal shall only be used by the authority of the Board of Management or of a committee of the Board of Management authorised by the Board of Management. Any instrument to which the seal is affixed shall be signed by two persons out of the Company Secretary and the members of the Board of Management unless the Board of Management otherwise determines

ACCOUNTS

79 The books of account shall be kept at the registered office of the MDU or at such other place or places as the Board of Management thinks fit and shall always be open to the inspection of the Board of Management

The MDU | Memorandum & Articles of Association

- 80 The Board of Management shall from time to time determine whether and to what extent and at what time and places and under what conditions and regulations the accounts and books of the MDU or any of them shall be open to the inspection of any member who is not a member of the Board of Management and any such member shall not have any right of inspecting any account or book or document of the MDU except as conferred by statute or authorised by the Board of Management or by the MDU in general meeting
- 81 It shall be the responsibility of the Board of Management to cause the MDU to keep lay and deliver accounting records and accounts of the MDU and to report thereon in accordance with the provisions of the Act

NOTICE

- 82 Any notice to be given to or by any person pursuant to the Articles (other than a notice calling a meeting of the Board of Management) 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
- 83 (a) The MDU may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at the address registered from time to time in accordance with Articles 7 and 9 or by leaving it at that address, or by giving it using electronic communications to an address for the time being notified to the MDU by the member for that purpose or by any other means authorised by the member concerned. If no such address is registered the member shall not be entitled to be served with any notice
- (b) A notice of general meeting may, instead of being sent to the member in any of the ways specified in Article 83 (a), be given to the member by the MDU publishing the notice on a website, provided that the following conditions are met
- (i) the member and the MDU have agreed that notices of general meetings may be accessed by him on a website instead of being sent to the member in one of the ways specified in Article 83 (a), and
 - (ii) the member is given a notification, in the manner agreed for the time being between the member and the MDU, containing the following information,
 - (aa) the fact that the notice has been published on the website,
 - (bb) the address of the website,
 - (cc) the place on the website where the notice may be accessed and how it may be accessed,
 - (dd) a statement that it concerns a notice of general meeting served in accordance with the Act,
 - (ee) the place, date and time of the general meeting, and
 - (ff) whether the meeting is to be an annual or special meeting

A notice given under paragraph (b) of this Article is deemed to have been given at the time of the notification under sub-paragraph (b)(ii) of this Article 83

- 84 A member present, either, being an individual, in person or, being a body corporate, by its authorised representative, or by proxy, at any meeting of the MDU shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called
- 85 (a) Proof that an envelope containing a notice was properly addressed prepaid and posted on a certain date shall be sufficient to prove that the notice was given and posted and a certificate in writing signed by the Company Secretary or other officer of the MDU that the envelope containing the notice was so addressed, prepaid and posted shall be conclusive evidence thereof. A notice shall be deemed to have been given where it is addressed to an address in the United Kingdom at the expiration of 48 hours after it was posted
- (b) 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 contained in an electronic communication sent in accordance with the Articles is deemed to have been given at the expiration of 48 hours after the time it was sent
- (c) A notice shall be deemed to have been given in any other case at the expiration of seven days after it was posted

The MDU | Memorandum & Articles of Association

INDEMNITY

- 86 Subject to the provisions of the Act but without prejudice to any indemnity to which any member of the Board of Management may otherwise be entitled, every member of the Board of Management or other officer of the MDU shall be indemnified out of the assets of the MDU against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with which any application for relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the MDU
- 87 The Board of Management may from time to time purchase and maintain in force insurance, at the expense of the MDU, for the benefit of any member of the Board of Management, manager or other officer of the MDU or of any Associated Company of the MDU or of any company which is a subsidiary of the MDU against any liability which may attach to him or loss or expenditure which he may incur in relation to anything done or omitted to be done or alleged to have been done or omitted to be done as a member of the Board of Management, manager or officer

The foregoing are the Memorandum and Articles of Association of The Medical Defence Union Limited as last amended by a Special Resolution duly adopted at an Annual General Meeting held on 18 September 2007, in accordance with the provisions of the Companies Acts