

21708

EXTRACT FROM THE MINUTES OF THE ANNUAL GENERAL MEETING OF
THE MEDICAL DEFENCE UNION LIMITED

Held at 192 Altrincham Road, Manchester M22 4NZ
on the 16th day of July 1991

Present: A R Horler (in the Chair); A R Aitkenhead, I E Barnes, R M Basker, Hedley E Berry, A H Brook, E Mary Cooke, J Gibson Davies, C J Earl, Max Elstein, C C Evans, I Kelsey Fry, J S Garfield, H M Halle, R L Hargrove, R W Hiles, N C Keddie, D E Markham, P J Mulligan, G G Pollock, Sir Martin Roth, Seamus J Ryan, P J Holmes Sellors, J R Shaw, J C Smith, E M Symonds, J L Townend, R H Vickers, J A Wall (Secretary), Joan Wilkinson, Willoughby Wilson, W D Wylie

Kathleen M Allsopp (Deputy Secretary); M T Saunders (General Manager, Professional Services); Suzanne Collinge (General Manager, Operations); D T Smith (General Manager, Management Services); G J Roberts, P J Hoyte, Susan L O'Driscoll, J Gilberthorpe, R A C Hoppenbrowers, R Matthews, M H Casson (Medical & Dental Secretariat); Rosemary Andrews, Gladys McLeod (Assistant Secretaries); M J V Matthews (Financial Controller); N J Bowman, Angela Sloan (Committee Officers); J A A Watt (Solicitor); R J Pearson (Auditor); K G Addison, R Maxwell (Consultant Advisers)

MEMORANDUM AND ARTICLES OF ASSOCIATION

7. Considered: Special Resolutions relating to the Memorandum and Articles of Association. After being put to the vote, the following resolutions (Minutes 8-12) were carried unanimously, as Special Resolutions:
8. Resolved: As a Special Resolution, that the Memorandum be amended as follows:

(page 1)

Clause 3(i)

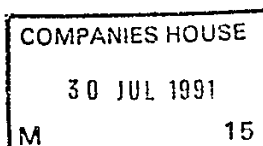
Line 6. Delete the word 'Council' and insert the words 'Board of Management'.
9. Resolved: As a Special Resolution, that the Memorandum be amended as follows:

(page 3)

Clause 3

Renumber sub-clauses 3(x) and 3(xi) of the Memorandum as 3(xiii) and 3(xiv) and insert a new sub-clause as follows:

'(x) To carry on business by the provision or the procurement of the provision to its members of advice, assistance or services on any matters



relating to their professional or business affairs.'.

10. Resolved: As a Special Resolution, that the Memorandum be amended as follows:

(page 3)

Clause 3

Insert a new sub-clause as follows:

'(xi) To carry on business by way of the commercial exploitation of the assets, know-how and expertise of the Union generally in data management, claims handling, risk management and related matters.'.

11. Resolved: As a Special Resolution, that the Memorandum be amended as follows:

(page 3)

Clause 3

Insert a new sub-clause as follows:

'(xii) To carry on any business whatsoever which can in the opinion of the Board of Management of the Union be conveniently and advantageously carried on by the Union in connection with or ancillary to any of the other objects of the Union herein set forth.'.

12. Resolved: As a Special Resolution, that the Articles be amended as follows:

(pages 6 to 32 inclusive)

(Articles 1 to 88 inclusive)

Delete 'Council' and insert 'Board of Management' in the following places:

Page	Article	Line
6	1	2
7	2	27
7	2	28
7	2	30
7	2	32
7	2	42
8	4	1
8	4	6
8	5	2
8	5	4
8	6	3
9	9	1
9	9	2
9	9	9
9	10	4

Page	Article	Line
9	12	4
10	12	8
10	12	13
10	12	14
10	14	5
10	14	10
11	16	1
11	16	3
11	17	1
11	18	1
11	18	6
11	18	8
11	19	3
11	21	1
12	22	6
12	25	5
14	35	8
15	38	4
16	39	5
17	40	3
17	40	15
17	41	4
18	44	Title
18	44	4
18	44	6
18	44	10
18	44	12
18	44	13
18	44	14
19	45	1
19	46	2
19	46	5
19	47	1
19	47	2
19	47	15
20	47	21
20	47	23
20	47	26
20	48	1
20	48	2
21	48	18
21	48	26
21	48	29
21	48	31
21	49	1
21	49	14
21	49	15
22	50	1
22	54	2
22	54	4
23	57	1
23	57	2
23	57	4
24	62	1
25	62	19
25	62	20
25	62	25
26	65	Title
26	65	2

Page	Article	Line
26	65	3
27	66	2
27	66	3
27	66	6
27	66	9
27	67	1
28	70	1
28	72	1
28	72	2
28	72	5
28	72	8
28	73	2
28	73	4
28	73	6
28	74	2
29	75	1
29	76	4
29	77	1
30	78	2
30	78	4
30	80	1
30	80	2
31	81	2
31	81	3
31	82	1
31	82	5
31	82	8
31	83	1
31	83	4
31	84	3
32	88	2
32	88	3.

(page 6)

Article 2.

Line 6. Insert after line 6 ''Board of Management' means the Board of Management of the Union constituted in accordance with the Articles the members of which shall for all purposes be the Directors of the Company.'.

Line 7. Delete 'means the Council of the Union constituted in accordance with the Articles and (save where the context otherwise requires) any delegate of the Council pursuant to Article 46.' and insert 'means the Council of the Union appointed by the Board of Management pursuant to Article 60.'.

Line 11. Delete ''Secretary' means the Secretary of the Union or any other person appointed to perform the duties of the Secretary of the Union including a joint, assistant, deputy or acting Secretary.' and insert ''Chief Executive' means the Chief Executive of the Union or any other person appointed to perform the duties of the Chief Executive of the Union

including the Deputy Chief Executive.'.

Line 16. Delete ''the Officers' means those persons referred to as such in Article 42.'.

(page 7)

Line 23. Delete ''Appointed member of the Council of the Union'' means a person appointed as such in accordance with Article 60.'.

Line 31. Delete '44' and insert '43'.

(page 8)

Article 5.

Line 1. Insert 'a' after 'member of'.

(page 9)

Article 11.

Delete Article 11 in its entirety and insert

'11. The Board of Management shall be entitled in its absolute discretion 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 Union.'.

(page 12)

Article 26.

Delete Article 26 in its entirety and insert

'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 elected under Article 42(a) below as the Board may from time to time determine shall preside as Chairman of the Meeting.'.

(page 18)

Article 42.

Delete Article 42 and its title in their entirety and insert

'The Board of Management

42. The Board of Management of the Union shall consist of the following:
- (a) Not fewer than 8 nor more than 11 elected members of the Union who hold no post under sub-paragraph (c) below.
 - (b) Not fewer than 2 nor more than 5 elected persons who are not required to be members of the Union.
 - (c) Subject to the provisions of Article 51 the holders of the following posts:-
 - (i) Chief Executive
 - (ii) Deputy Chief Executive
 - (iii) General Manager - Professional Services
 - (iv) General Manager - Operations
 - (v) General Manager - Management Servicesprovided that the approval of the majority of those elected under sub-paragraphs (a) and (b) above shall be required before any successor to those initially appointed under the terms of this sub-paragraph (c) shall become members of the Board of Management.'

Article 43.

Delete Article 43 and its title in their entirety and renumber Article 44 and its title as Article 43.

Article 44.

Insert new Article 44

'The powers of the Board of Management

- (1) The members of the Board of Management defined in Article 42(a) and (b) shall have power on such terms as to them may seem fit to appoint and determine the appointment of the Chief Executive provided that the exercise of such power shall not deprive the Chief Executive of any compensation or damages payable to him in respect of the termination of his appointment.
- (2) The members of the Board of Management defined in Article 42(a) and (b) acting together with the Chief Executive shall have power on such terms as to them may seem fit to appoint and determine the appointment of the holders of the other posts defined in Article 42(c) 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.'.

(page 19)

Article 46.

Line 2. Delete 'Officer or Member of the Council' and insert 'member of the Board of Management or employee or agent'.

Article 47.

Line 1. Delete 'committee or agent' and insert 'member of the Board of Management or employee or agent or committee'.

Line 15. Delete 'committee or agent' and insert 'member of the Board of Management or employee or agent or committee'.

(page 20)

Line 21. Delete 'committee or agent' and insert 'member of the Board of Management or employee or agent or committee'.

Line 24. Delete 'committee or agent' and insert 'member of the Board of Management or employee or agent or committee'.

Line 26. Delete 'committee or agent' and insert 'member of the Board of Management or employee or agent or committee'.

Article 48.

Line 1. Delete 'committee or agent' and insert 'member of the Board of Management or employee or agent or committee'.

(page 22)

Article 51.

Delete Article 51 and its title in their entirety and insert

'Appointment and Retirement of the members of the Board of Management

- 51(1) At each Annual General Meeting the following members of the Board of Management shall retire from office but shall (subject as hereinafter provided) be eligible for re-election:-
- (a) three of the members defined in Article 42(a)
 - (b) one of the members defined in Article 42(b)

- (2) The members of the Board of Management defined in Article 42(c) above shall retire from office but shall be eligible for re-election as follows:
- (i) At the annual general meeting to be held next following the annual general meeting in 1991 one such member.
 - (ii) At each subsequent annual general meeting two such members.'

Article 52.

Delete Article 52 in its entirety and insert

- '52. The members of the Board of Management who are to retire from office as provided in Article 51 shall be selected by the Board of Management in such manner as the Board of Management shall determine and the names of such retiring members shall be stated in the Notice convening each annual general meeting'.

Article 53.

Delete Article 53 in its entirety and insert

- '53. If the Union, at the meeting at which a member of the Board of Management retires does not fill the vacancy the retiring member shall, if willing to act, be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the re-appointment of the member is put to the meeting and lost.'

Article 54.

Line 1. Delete 'Elected Member of Council' and insert 'member of the Board of Management'.

(page 23)

Article 55.

Line 5. Delete 'the Council for election as an Elected Member of the Council' and insert 'the Board of Management for election as a member of the Board of Management'.

Line 8. Delete 'an Elected Member of the Council' and insert 'a member of the Board of Management'.

Article 56.

Line 2. Delete 'an Elected Member of the Council' and insert 'a member of the Board of Management'.

Article 58.

Line 1. Delete 'an Elected Member of the Council' and insert 'a member of the Board of Management'.

Article 59.

Delete Article 59 in its entirety and insert

'59. At the conclusion of each annual general meeting all the members of the Council of the Union for the time being shall retire but shall be eligible for re-appointment under Article 60.'

(page 24)

Article 60.

Delete Article 60 in its entirety and insert

'60. 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 those of them who have been elected under Article 42(a) above 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 Chairman and Vice-Chairman shall be so appointed and shall be the President and Vice-President respectively of the Council. 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.'

Article 61.

Delete Article 61 in its entirety and insert

'61. The Chairman and Vice-Chairman of the Board of Management shall until the appointment of their successors continue to exercise the duties of their respective Offices.'

Article 62.

Title. Delete 'Council' and insert 'Board of Management, of Council and of committees'.

Line 3. Delete '(applicable as if he were a director)'.

(page 25)

Delete Articles 62(f) and 62(g), renumber Article 62(h) as Article 62(i) and insert

- '(f) if being a member of the Board of Management pursuant to Article 42(a) he ceases to be a member of the Union; or
- (g) at and after any annual general meeting to be held after the Annual General Meeting held in 1991 at the conclusion of such annual general meeting next succeeding the attainment by him of the age of 70 years; or
- (h) if being a member of the Board of Management by virtue of his holding one of the posts defined in Article 42(c) he ceases to hold such post; or'.

Article 63.

Delete Article 63 in its entirety and insert

- '63. (a) At and after the Annual General Meeting to be held in 1992 no person who has attained the age of 70 years shall be eligible for election to the Board of Management unless elected under Article 42(b) and the provisions of Section 293(5) of the Companies Act 1985 (or any statutory modification or re-enactment for the time being in force) have been complied with.
- (b) After the Annual General Meeting to be held in 1992 no person who has attained the age of 70 years shall be eligible for appointment to the Council.
- (c) After the Annual General Meeting to be held in 1992 no person who has attained the age of 70 years shall be eligible for appointment to any committee or subcommittee exercising the powers of the Board of Management under Article 46 unless he has been elected to the Board of Management under (a) above.'.

(page 26)

Article 64.

Delete Article 64 in its entirety and insert

- '64. The members of the Board of Management and of committees of the Board of Management and the members of the Council of the Union appointed in accordance with Article 60 shall be paid by the Union such reasonable travelling, hotel and other expenses as they may incur in attending or returning from meetings of the Union 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 Union. The members of the Board of Management and the committees of the Board of Management and of the Council of the Union may also be paid out of the funds of the Union by way of remuneration at such rates as may from time to time be determined by the Board of Management.'

(page 27)

Article 68.

Delete Article 68 and its title in their entirety and insert

'Proceedings of the Board of Management

68. Subject to the provision of the Articles the Board of Management may regulate its proceedings as it thinks fit. Any three members of the Board of Management elected under Article 42(a) above may and the Chief Executive 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.'

Article 69.

Delete Article 69 in its entirety and insert

'69. The quorum for transaction of the business of the Board of Management may be fixed by the Board of Management and unless so fixed at any other number shall be eight of whom at least two shall be members elected in accordance with Article 42(a) above.'

(page 28)

Article 71.

Delete Article 71 in its entirety and insert

'71. The Chairman of the Board of Management shall preside at the meetings of the Board of Management. In his absence, the chairman shall be the Vice-Chairman of the Board of Management and in his absence shall be such member of the Board of Management elected under Article 42(a) above as the Board of Management may from

time to time determine.'.

(page 30)

Article 78.

Line 4. Delete 'The Council may from time to time appoint one or more assistant or deputy secretaries or an acting Secretary and any person so appointed may act in place of the Secretary if there be no Secretary or no Secretary capable of acting.'.

Article 79.

Delete Article 79 in its entirety and insert

- '79. 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 Union, of the Board of Management, of the Council and of committees including the names of those present at such meetings.

Article 80.

Line 4. Delete 'persons out of the President, Treasurer, the Chairmen of the Cases Committees and the Secretary (or in his absence a deputy Secretary) unless the Council otherwise determines.' and insert 'persons out of the Chairman, Vice-Chairman, Chief Executive, Deputy Chief Executive and the Secretary unless the Board of Management otherwise determines.'

Certified a true copy

.....*K M Allsopp*.....

Dr K M Allsopp
Director and Deputy Chief Executive

Dated the 26 day of July 1991