Company number: 412787

THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE

AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

OF

MOTOR INSURERS' BUREAU

Incorporated 14 June 1946

(adopted by special resolution passed on 2 September 2026)

Company Confidential

GENERAL

1. **Interpretation**

(1) In these Articles (except where the context otherwise requires) the following words shall have the following meanings:

Words	Meanings
Accredited Agent	a person appointed by a Member pursuant to Article12;
the Act	the Companies Act 2006;
Articles	these articles of association of the Bureau;
Board	the board of directors of the Bureau;
Bureau	Motor Insurers' Bureau;
ceased to carry on motor business	the meaning set out in Article 17(1)(b) of these Articles;
Chief Executive	the member of the Board appointed pursuant to Article 56(3);
clear days	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;
COB	the managing organisation of the Green Card System and the EU Motor Insurance Directives, formerly known as the Council of Bureaux;
communications	the meaning given in the Electronic Communications Act 2000;
CUE Database	the database being an Insurance Database comprising home, motor and personal injury claims data, or such other claims data as may be determined by the Board from time to time, and as administered, amended and updated by or on behalf of MIB;
Deemed Receipt	(a) if delivered by hand, 48 hours after the time the notice is left at the address; (b) if sent by pre-paid first class post or other next working day delivery service providing proof of delivery, 48 hours after it was posted; (c) if sent by pre-paid airmail providing proof of delivery, on the fifth Business Day after posting; or (d) if sent by email, 48 hours after the time of transmission; or

	(e) if sent by document exchange (DX), 48 hours after being put into the DX. If deemed receipt would occur outside business hours in the place of receipt (which, in the case of service of a notice by email shall be deemed to be the same place as is specified for service of notices on the relevant party by hand or post), it shall be deferred until business hours resume. Business hours means 9.00 am to 5.00 pm Monday to Friday on a day that is not a public holiday in the place of receipt.
electronic communications	the meaning given in the Electronic Communications Act 2000;
Electronic Meeting	a General Meeting at which attendance takes place (in whole or in part) by Members simultaneously participating by electronic means on or by means of such electronic platform or other form of electronic communications as the Board shall from time to time at its sole discretion determine;
Executive Director	a member of the Board appointed pursuant to Article 56(2);
FSMA	Financial Services and Markets Act 2000;
General Meeting	a general meeting of the Bureau;
Green Card	an international certificate of insurance issued on behalf of a national bureau in accordance with Recommendation No 5 adopted on 25 January 1949 by the Road Transport Sub-committee of the Inland Transport Committee of the United Nations Economic Commission for Europe;
Green Card System	the system, overseen by the COB, that facilitates the movement of vehicles across international borders by the use of an internationally acceptable document proving the existence of insurance and ensures that parties injured by foreign registered vehicles are not disadvantaged;
GWP	A Member's total gross written premiums receivable (less rebates and refunds) on the basis of gross premiums for the Year on Class 10 business as defined at paragraph 10 of schedule 1 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (premium arising from insurance of motor third party liability risks) as declared in the audited returns made by the Member or, in the case of

	Members trading on a 'Services' basis, on an equivalent format and applying a formula as agreed by the Members in General Meeting or in a resolution in writing of the Members;
holding company	the meaning given in section 1159 of the Act;
Insurance Database	the CUE Database and the one or more other databases of MIB from time to time, each of which being established, developed, exploited, maintained and managed (notwithstanding any agreements with the Manager) by MIB and containing details such as information relating to or in connection with insurance policies or insurance claims and other information associated with insurance business, and which the Board may determine necessary from time to time, and any reference to "Insurance Databases" shall be a reference to all of them accordingly;
Levy	the amount of the Member's Levy payable by all of the Members in aggregate for a Year and determined by the Bureau pursuant to Article 22(2)
LP	the leviable premium calculated by reference to the GWP;
Member	a member of the Bureau;
Member's Levy or Member's Levies	the levy or levies charged to a Member pursuant to Article 22(1) which, for the avoidance of doubt, excludes Portal Levies;
MID	the Motor Insurance Database maintained by the Bureau;
Month	a calendar month;
Motor business	Class 10 insurance business, as defined at paragraph 10 of schedule 1 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001;
National Insurers' Bureau	a professional organisation which is constituted in accordance with Recommendation No 5 adopted on 25 January 1949 by the Road Transport Sub-committee of the Inland Transport Committee of the United Nations Economic Commission for Europe and which groups together insurance undertakings which, in a State, are authorised to conduct the business of motor vehicle insurance against civil liability
Nominating Member	has the meaning set out in Article 11(4) of these Articles;

Nominee	has the meaning set out in Article 11(4) of these Articles;
PCD	the premium calculation day, which is 1 July in any Year;
Physical Meeting	a General Meeting at which attendance takes place (in whole or in part) by physical attendance in person at the General Meeting by Members (or their representatives);
Portal Companies or Portal Co	means: (i) Claims Portal Limited, a company incorporated in England & Wales with company no. **07237927** that develops, maintains and manages the portal system set out at (i) of the definition for Portal Systems given below; (ii) Official Injury Claim Limited, a company incorporated in England & Wales with company no. **11752037** that develops, maintains and manages the portal systems set out at (ii) of the definition for Portal Systems given below; and (iii) any successor entity to Claims Portal Limited or Official Injury Claim Limited or any other company set up for the purposes of amalgamating the two entities.
Portal Levies	levies charged to Members for use of the Portal Systems payable pursuant to Article 22(12);
Portal Systems	the Road Traffic Act claim web-based routing portal or such other portal as may be nominated by the Bureau from time to time to enable: (i) the Ministry of Justice's personal injury claim process reforms to be implemented appropriately and in accordance with any court rules and protocols; and (ii) the Ministry of Justice's whiplash reforms (set out in part 2 of the Civil Liability Act 2018 and associated regulations) and small claims reforms to be implemented appropriately and in accordance with any court rules and protocols; and (iii) such other reforms as may be adopted by the governments of the Relevant Territories from time to time.
Register	the register of members of the Bureau;
Relevant Territories	England and Wales, Scotland, Northern Ireland, Gibraltar, the Channel Islands and the Isle of Man;

Secretary	the company secretary of the Bureau;
subsidiary	the meaning given in section 1159 of the Act;
Syndicate of Lloyd's	the duly appointed lead member representative or active underwriter acting on his 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;
Technical Committee	a committee whose members are appointed pursuant to Article 74;
Trade Union	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 employers;
Year	12 Months ended 31 December.

(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 of Lloyd's.

(3) Headings are inserted for convenience only and shall not affect the construction of these Articles.

(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.

(5) A reference to a particular directive, regulation, rule, 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 directive, regulation, rule, statute, statutory provision or subordinate legislation which it amends or re-enacts and subordinate legislation for the time being in force made under it.

(6) Unless the context otherwise requires, words or expressions defined in the Act shall bear the same meaning in these Articles.

(7) The regulations contained in Table C in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) Regulations 2007 (SI 2007/2541) and the Companies (Tables A to F) (Amendment) (No. 2) Regulations 2007 (SI 2007/2826) and/or the model articles contained in Schedule 2 to the Companies (Model Articles) Regulations 2008 and/or in any statutory modifications or re-enactment of any thereof shall not apply to the Bureau.

(8) A reference to a Member being "Connected" with another Member and/or two or more Members being "Connected" is a reference to their being members of the same group (as defined in section 474(1) of the Act).

(9) A reference to an "electronic platform" includes, without limitation, website addresses and pages, conference and video call systems and/or other systems enabling electronic communications and a reference to a person attending a meeting by "electronic means" means attendance at an Electronic Meeting by means of the electronic platform stated in the notice of such meeting.

OBJECTS

2. The objects for which the Bureau is established are:

(1) Subject to Article 2(2) below and the agreements or arrangements referred to therein:

(a) To provide a safety net for innocent victims of identified and uninsured drivers to satisfy, or provide for the satisfaction of, claims, judgements, awards or settlements in respect of any liability required to be covered by contracts of insurance or security under Part VI of the Road Traffic Act 1988 or by any other statute, statutory instrument, rule, regulation, order, directive or similar measure introduced by any competent authority or at common law or by custom.

(b) To take all such measures as may be deemed expedient with a view to securing that persons having claims caused by or arising out of the use of motor vehicles (as defined in section 185 of the Road Traffic Act 1988) by persons making a temporary stay in Great Britain or by persons for whom they may be responsible shall be in no worse position either in law or in relation to the objects of the Bureau than persons having such claims against persons permanently resident in Great Britain.

(c) To make payments or allowances to persons injured and to the dependants of persons killed through the use of motor vehicles.

(d) To take such action as the Bureau shall determine to assist the victims of motor accidents and/or reduce the number of uninsured drivers.

(e) To pay, satisfy or compromise any claims made against the Bureau (whether or not enforceable) which it may seem expedient to pay, satisfy or compromise.

(2) To enter into any agreements or arrangements with (and to obtain any rights, privileges and concessions from) any governments or authorities, municipal, local or otherwise, or any corporations or persons (including the Members of the Bureau) which the Bureau may think it desirable to enter into, and to carry out, exercise, comply with and/or terminate any such agreements, arrangements, rights, privileges and concessions.

(3) To act as arbitrators or mediators or to nominate arbitrators or mediators for the settlement of disputes.

(4) To acquire by assignment any judgements or choses in action or any rights or privileges which the Bureau may think necessary or convenient for the promotion of its objects, and to enforce the same.

(5) To operate the Green Card System and to provide (on such terms as it deems appropriate) to its Members and/or their Accredited Agents (as defined in the Articles of Association of the Bureau) or otherwise approve print, digital and other forms of Forms of International Motor Insurance Card (commonly known as 'Green Cards').

(6) To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property.

(7) To undertake and execute any trusts and to act as the agents of any other person.

(8) To sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Bureau as may be thought expedient with a view to the promotion of its objects.

(9) To enter into agreements with or make calls or levies on the Members and/or their Accredited Agents and/or such persons as the Bureau has granted rights of access to Insurance Databases or any of them to keep the Bureau and any subsidiary of the Bureau supplied with all funds necessary to enable the Bureau and any subsidiary of the Bureau 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.

(10) To subscribe for, take, buy or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority in any part of the world.

(11) To acquire, in whole or in part, the share capital, business, assets, goodwill or trade undertaking of other businesses or companies in any part of the world.

(12) To borrow and raise money and secure any debt or obligation of or binding on the Bureau 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 the Bureau, and whether with or without the Bureau 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 the Bureau) 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 or holding company of the Bureau or another subsidiary of the Bureau or the Bureau's holding company or otherwise associated with the Bureau 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 the Bureau.

(13) To invest the moneys of the Bureau not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.

(14) To do any of its objects by itself or through subsidiary, associated or related companies or through any agent or nominee.

(15) 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 the Bureau or calculated to further its objects.

(16) To develop added value services, including but not limited to charging for the facilitating of authorised access to data contained on the Motor Insurance Database and/ or the Insurance databases maintained by the Bureau and the provision of training services to any person, company or government body or authority to defray any costs, losses or expenses of the Bureau in connection with the operation of the Bureau.

(17) Pursuant to the requirements of the Motor Vehicles (Compulsory Insurance) (Information Centre and Compensation Body) Regulations 2003, to establish a national information centre to allow for insurance details of vehicles to be accessible by the keeping of a register holding certain details, including but not limited to, registration numbers and insurance policy numbers, for the purposes of allowing an injured party to seek compensation.

(18) To acquire all of the assets and liabilities of Insurance Database Services Limited.

(19) To establish, develop, operate, update, exploit, manage, maintain, and hold title to the 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, including details of any actual or potential claims arising, assessing the risk of, pricing, funding, adjusting, settling and paying any compensation arising under such insurance policies.

(20) 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 granted 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 or such persons as the Members or the Board has granted rights access to the Insurance Databases (or particular parts thereof), and to assist any such Member and such persons to search the Insurance Databases for the purposes of their business or enterprise.

(21) To carry on the business of the provision or procurement of consumer and/or business information services in relation to the Insurance Databases either directly or indirectly and/or by or through agents, contractors, trustees or otherwise and either alone or in conjunction with others. 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.

(22) 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 the Bureau capable of being used for any of the purposes of the Bureau, or the acquisition of which may be directly or indirectly to benefit the Bureau, 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 the Bureau may think calculated directly or indirectly to achieve these objects.

(23) 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 the Bureau.

(24) 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 IDSL or its members.

(25) 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 IDSL may think directly or indirectly conducive to any of its objects or otherwise expedient.

(26) To extend any of its objects to any country or territory.

(27) To carry on any other business or activity of any nature in any manner and do anything which may seem to the Bureau expedient to carry out.

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

3. The Bureau shall not support with its funds any object or endeavour to impose on or procure to be observed by its Members and/or their Accredited Agents or others, any restrictions or conditions which if an object of the Bureau would make it a Trade Union.

4. The objects of the Bureau 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 the Bureau and shall not in any way be limited by reference to any other paragraph or the name of the Bureau.

INCOME AND PROPERTY

5. The income and property of the Bureau 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 Accredited Agents of the Bureau.

6. Nothing in Article 5 shall prevent the refund to any Member of any amount of overpaid levy or the payment, in good faith, of reasonable and proper remuneration to any officer or servant of the Bureau, or to any Member and/or Accredited Agent, in return for any services actually rendered to the Bureau, 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 Accredited Agent to the Bureau, but no member of the Board (save the Executive Directors or other individuals appointed by the Board pursuant to Article 46 to include suitable non-executive directors of Members' boards) shall be appointed to any salaried office of the Bureau or to any office of the Bureau paid by fees, and no remuneration or other benefit or money's worth shall be given by the Bureau 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 the Bureau or repayment of out-of-pocket expenses.

LIMITATION OF LIABILITY

7. The liability of the Members is limited.

8. Every Member undertakes to contribute to the assets of the Bureau, in the event of the Bureau being wound up while he is a Member, or within one year after he ceases to be a Member, for payment of:

   (1) The debts and liabilities of the Bureau contracted before he ceases to be a Member;

   (2) The costs, charges and expenses of winding up; and

   (3) The adjustment of the rights of the contributories among themselves such amount as may be required not exceeding £5.00.

DISSOLUTION

9. If upon the winding up or dissolution of the Bureau 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 Bureau and/or their Accredited Agents, but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Bureau, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Bureau under or by virtue of Article 5 and Article 6, such institution or institutions to be determined by the Members of the Bureau at or before the time of dissolution.

MEMBERS

10. The number of Members of the Bureau shall be unlimited.

11. Subject to these Articles, the following persons shall be Members and shall have their names entered in the Register:

   (1) Any person whose name appears on the Register at the date of adoption of these Articles;

   (2) Any person who is authorised under section 31 of FSMA (or such person's home state equivalent) to carry on motor business provided that the person, if based outside the Relevant Territories, 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 by the Bureau prior to its entry on the Register;

   (3) Subject to Article 11(4), a Syndicate of Lloyd's carrying on motor business; and

   (4) Any person (the '**Nominee'**) who is an authorised managing agent and who either prior to the adoption of these Articles or after has been nominated by a Syndicate of 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:

(a) 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;

(b) Where the Nominating Member is a Syndicate of Lloyd's who is or is intending to carry on motor 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;

(c) Any notice or revocation sent pursuant to this Article 11(4) shall be in writing and sent to the Secretary at the registered office of the Bureau;

(d) Where a Nominee is in breach of any of the events listed in Article 17(1) then the Nominee's nomination shall, subject to Article 17(4), be revoked and the Nominating Member shall be required to make a nomination in respect of a new Nominee or otherwise shall be entered itself upon the Register. If a new nomination is not made within 14 clear days from the date of the breach then the Nominating Member shall be automatically entered as a Member on the Register until any new nomination is made;

(e) Where a Nominating Member would have been in breach of any of the events listed in Article 17(1) were it a Member and not a Nominating Member then the Nominating Member's Nominee shall, subject to Article 17(4), 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 breach is sufficiently rectified as determined by and at the sole discretion of the Bureau;

(f) A Nominating Member will remain ultimately liable for any Levy due under Article 22 notwithstanding any payments made on its behalf by a Nominee; and

(g) References in these Articles to the GWP or LP of any Member nominated pursuant to Article 11(4) shall be construed as references to the GWP or LP of such Member's Nominating Member.

12. A Member not established in the United Kingdom shall appoint a person established within the United Kingdom to be its Accredited Agent. An Accredited Agent shall represent its appointing Member's interests and the Bureau shall be entitled to act (but shall not be obliged to do so) on the Accredited Agent's instructions. An Accredited Agent may, but need not, itself be a Member and nothing in this Article 12 shall make an Accredited Agent a Member or the proxy of a Member.

13. There shall be only one class of Member, providing always however that Members who fall within Article 17(4) shall not have the voting rights provided for in these Articles.

14.

(1) When a Change of Control (as defined in Article 14(3)(a)) of any Member occurs at any time, notice in writing of that fact shall forthwith be given by the Member concerned to the Bureau.

(2) In order to be valid, any notice to be given under Article 14(1) shall be sent to the Secretary at the registered office of the Bureau and shall contain sufficient particulars to indicate the nature of the Change of Control.

(3) For the purposes of this Article:

(a) **Control** of any Member means the power of a person to secure that the affairs of a Member are conducted in accordance with the wishes of that person (i) by means of the holding of shares, or the possession of voting power, in or in relation to that Member (or any other body corporate) or (ii) as a result of any powers conferred by the articles of association of any other document regulating that Member (or any other body corporate) and a **Change of Control** occurs if a person who controls any Member ceases to do so or if another person acquires control of it;

(b) There shall be deemed to be a Change of 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 the Bureau; and

(c) Where one Member controls another, any Change of Control of the controlling Member shall be deemed to be a Change of Control of the Member which is so controlled.

15. The rights and obligations of a Member shall not be transferable.

16. Every Member shall:

(1) Further to the best of its ability the objects and interests of the Bureau;

(2) Observe all the regulations of the Bureau, the terms of any policy document issued or adopted by the Bureau and the terms of any agreement which may be entered into between it and the Bureau;

(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 the Bureau;

(4) Procure that subject to its 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 the Bureau for the proper development and conduct of the business of the Bureau;

(5) Act at all times with honestly, integrity, transparency and good faith with the Bureau; and

(6) Do all other acts and things, and procure the doing of all other acts and things, to give effect to the provisions of these Articles.

17. (1) Where a Member:

(a) Goes into liquidation or provisional liquidation, whether compulsory or voluntary (except for the purposes of a bona fide reconstruction or amalgamation in which

the new company assumes (and is capable of assuming) all the obligations of that Member); or

(b) Ceases to carry on motor business, the date of which shall be the earlier of:

(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 agreed previously by the Bureau with that Member) to the Bureau that it has ceased or intends to cease to carry on motor business; or

(2) The date such Member ceases to have authorisation to carry on motor business:

(A) As provided for in section 31 of FSMA; or

(B) For those Members who are based outside the Relevant Territories, the date the relevant Member ceased to be authorised under that Member's home state equivalent; or

(c) Has been requested in writing by the Bureau to confirm it has ceased to carry on motor business, and that Member either confirms it has ceased to carry on motor business (such confirmation to be signed by a director, or the company secretary, or a designated contact agreed previously by the Bureau of that Member), or fails to satisfactorily respond to such request within 28 clear days, that Member will be deemed to have ceased to carry on motor business for the purposes of Article 17(1)(b) on: (i) the date of such confirmation of the Member to the Bureau, or (ii) the expiry of such 30 days respectively;

(d) Has an order made by the court of competent jurisdiction against it, or a resolution is passed for the administration of that Member, or documents are filed with the court for the appointment of an administrator, or notice of intention to appoint an administrator is given by that Member, or its directors or by a qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986); or

(e) Has any step taken against it by any person to appoint a receiver, administrative receiver or manager in respect of the whole or a substantial part of its assets or undertaking; or

(f) Is unable to pay its debts as they fall due for the purposes of section 123 of the Insolvency Act 1986; or

(g) Enters into a composition or arrangement with its creditors; or

(h) Has a process instituted that could lead to that Member being dissolved and its assets being distributed among the Member's creditors, shareholders or other contributors,

or any analogous procedure or step is taken in any jurisdiction, it shall, subject to Article17(4), cease to be a Member on the date such event as set out above takes place and an entry shall be made in the Register showing the date such Member ceases to be a Member.

(2) Where a Member suffers or undergoes any event set out in Article 17(1), that Member shall immediately notify in writing, or procure the notification of, the Bureau

of that event. The notification shall contain full and accurate details of the event and the Member shall cooperate with the Bureau in respect of any follow up enquiries the Bureau may wish to make.

(3) Upon the occurrence by a Member of any event listed in Article 17(1) any payments which MIB may as a result be called upon to make on its behalf to judgement creditors shall be contributed by the other Members. In each case contributions actually payable by each of the other Members shall be made in proportion to their respective Member's Levy within their respective group's actual percentage of the total Levy (relative to the year in which MIB meets the said contribution).

(4) If a Member has ceased to carry on motor business but wishes to remain a Member, it may make a request in writing to the Bureau for it to remain as a Member (such request to be signed by a director, or the company secretary, or a designated contact agreed previously by the Bureau of that Member) and the Bureau may, at its discretion, allow the Member to remain a non-voting Member of the Bureau for such period as the Bureau thinks fit, providing always that the Bureau shall have the right to require any such Member at any time to provide satisfactory evidence of its intention to recommence to write motor business within a reasonable time period as determined by the Bureau. If the Bureau does not accept such evidence as satisfactory, or that Member fails to provide any such evidence, the Bureau reserves the right to immediately terminate the membership of that Member and to remove them from the Register.

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

(1) In its opinion the continuance of the membership of such Member will be prejudicial to the interests of the Bureau; or

(2) Such Member has failed to pay any sums which may be due under these Articles or otherwise (including accrued interest) including, but not limited to, additional Member's Levies that are payable by that Member pursuant to the Sanction Rules (as defined in Article 76(1) of these Articles) within the time limits set out in the Sanction Rules, providing always that Article 76(4) shall apply; or

(3) Such Member has failed to meet the requirements contained in the Data Quality Requirements (as defined in Article 76(1)) by the end of the first six months of its membership of the Bureau (the Bureau not being obliged to first have reference to the procedures contained Sanction Rules in connection with such failure by the Member),

provided that such resolution shall not be effective unless the Member concerned shall have been given not less than 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. The Board shall not be required to give the Member notice as contemplated by this Article 18 where, in the reasonable opinion of the Board, to do so would prejudice, undermine or in any way damage the Bureau or its interests, or in the case of an emergency (as determined by the Board, acting reasonably).

19. Where any Member ceases to be a Member it shall remain fully liable in respect of all obligations incurred by it by virtue of its membership of the Bureau 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 cessation of its membership. Any sums due and payable to the Bureau shall be determined by the Bureau and agreed by the Board, such sums being final and binding on the Member.

20. Subject to the remaining provisions of these Articles, no Member shall be disqualified by its membership from contracting with the Bureau. Where a Member is disqualified from membership, such disqualification shall be without prejudice to any accrued rights or obligations of the Bureau.

FINANCES

21. **Joining Fee**

(1) As a condition of becoming a Member, an applicant will be obliged to pay a joining fee which shall be payable on demand (the '**Joining Fee**'). The Joining Fee shall be such sum as may be determined from time to time by the Board.

(2) If a Member ceases to be a member of the Bureau (howsoever occurring) and subsequently wishes to re-admitted, the Joining Fee shall again be payable, and no credit shall be given for previously paid Joining Fees.

(3) The Joining Fee, or any part of it, paid by a Member shall be non-refundable in the event that the Member ceases to be a member of the Bureau, howsoever occurring.

22. **Levy and Portal Levies**

(1) The Bureau shall be funded by, inter alia, a Member's Levy charged on each of the Members based on the LP of each Member, such Member's Levy to be made from time to time as and when necessary and any changes to the basis upon which the Member's Levy is calculated (but not its amount from time to time) to be agreed by the Members in General Meeting or in a resolution in writing of the Members.

(2) The Bureau shall notify the Members of the amount of the respective Member's Levy for each of the Members as soon as is reasonably practicable in the preceding Year.

(3) The Levy and any variations to the Levy shall be apportioned between the Members pro rata to the LP received by each Member transacted in the Relevant Territories during the preceding Year.

(4) Subject to Article 22(5), the proportion to be applied pursuant to Article 22(3) will be that prevailing in the preceding Year to when the Board approves the Levy and not when the Member's Levy is called.

(5) The Levy for any Year shall be re-apportioned between the Members on the PCD of that Year or earlier if practicable, pro rata to the LP received by each Member transacted in the Relevant Territories during the preceding Year.

(6) Each Member shall pay its due proportion of the Levy in 12 monthly instalments during each Year, comprising an initial period of 6 equal monthly instalments based on that Member's relevant LP for the year prior to the preceding Year, and a subsequent period of 6 equal monthly instalments (these having first been adjusted to be take into account what the Member's relevant LP was for the preceding Year),

so that such 12 payments made by the Member for each Year in aggregate match that Member's relevant LP for the preceding Year.

(7) LP income shall be determined on the basis of GWP for the Year (converted into pounds sterling at the exchange rate applicable on 31 December of the Year to which the annual return relates).

(8) If after a Member's Levy has been called, a Member notifies the Bureau, or it appears to the Bureau, that a Member's annual return upon which the apportionment of that Member's Levy was based is incorrect or if, following a provisional apportionment of the Member's Levy made pursuant to Article 22(10)(b), the Bureau receives that Member's annual return then:

(a) The Bureau shall in the case of an overpayment by a Member, refund the overpayment;

(b) In the case of an underpayment by a Member, the Member shall pay to the Bureau the amount so 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 underpaid amount from the date that the Member's Levy which was so underpaid became due until the date on which the amount of the underpayment is paid in full to the Bureau by the Member. The rate of interest shall be 4 per cent per annum above the base rate from time to time of such UK clearing bank as the Bureau may from time to time nominate; and

(c) Such additional payment or refund due from or to any Member pursuant to this Article 22(8) shall be made in one payment in the next October, or as soon as reasonably practicable, following the receipt by the Bureau of the corrected or late annual return occasioning the additional payment or refund.

(9) Each Member shall:

(a) Supply the Bureau with a copy of each of its confirmation statements on or before 1 May in the Year following that to which the return relates;

(b) Supply such information, on request by the Bureau, which facilitates calculation of the Member's Levy; and

(c) Upon the Deemed Receipt of a written Member's Levy demand from the Bureau, promptly meet the same.

(10) To reflect the administrative inconvenience and budgeting difficulties that may be faced by the Bureau and its Members as a result of the late delivery to the Bureau of a Member's annual return:

(a) Each Member shall pay to the Bureau on demand compensation for each day for which that Member's annual return is overdue (and unless determined otherwise by the Members in General Meeting or in a resolution in writing of the Members the amount of such compensation shall be £1,000 per day); and

(b) Where the relevant LP referred to in Article 22(3) is not available for any Member as a result of the Member's annual return being overdue by 21 clear days or more, 120% (one hundred and twenty per cent) of that Member's relevant LP for the previous Year may be used at the discretion of the Bureau

for provisionally apportioning the Levy amongst the Members (but without prejudice to the Bureau's rights under the foregoing provisions of this Article 22 otherwise).

(11) Where the Bureau determines at any time in its discretion that the Levy is greater than that required by the Bureau for any current or subsequent Year then each Member shall receive a refund of its proportion of the Member's Levy that is greater than that required by the Bureau as soon as is reasonably practicable following such determination that Levy is greater than that required by the Bureau.

(12) If the Board so directs, each Member who uses the Portal Systems shall pay the Bureau Portal Levies for use of the Portal upon the following terms:

(a) The amount charged to the Bureau or any subsidiary of the Bureau by Portal Co for use and operation of the Portal by Members will be paid by Members to the Bureau as Portal Levies;

(b) The amount of individual Portal Levies of each Member will be based upon the charges recharged by Portal Co to the Bureau or any subsidiary of the Bureau for that Member's individual use of the Portal as calculated by the pricing mechanism for such usage agreed between Portal Co and the third party who provides the Portal as a service to Portal Co; and

(c) Each Member shall pay its own Portal Levies as and when such Portal Levies are demanded by the Board.

23. **Commencement and Cessation Levy Provisions**

(1) In the first Year of membership a Member will be required to pay a provisional levy based upon the Business Plan forecast of first Year premium incomes submitted on application for membership of the Bureau. After the first twelve months of membership this will be adjusted such that the first levy is based upon the relevant premium income in the Year of commencement of membership.

(2) A Member's Levy will continue to be assessable on and payable by a Member for 12 Months from the date of termination of membership pursuant to Article 17 or Article 18 and such Member's Levy shall be assessed on that Member's GWP for either the last full Year in which it carried on such motor business or the last 12 Months of carrying on such business, whichever is the greater.

24. **Late Payments**

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

(a) It shall forthwith on demand by the Bureau pay interest on the overdue amount from the due date up to the date of actual payment at the rate of 4 per cent per annum above the base rate from time to time of such UK clearing bank as the Bureau may from time to time nominate;

(b) It shall indemnify the Bureau against all costs, charges and expenses (including legal fees) incurred by the Bureau in collecting the overdue amount (including any interest thereon); and

(c) Without prejudice to the foregoing, the provisions of Article 18 shall apply.

25. **Deductions and Set Off, Satisfaction of Claims and Reimbursement**

(1) All sums payable by a Member to the Bureau shall be paid without deduction, set off or counterclaim and each Member shall bear all transmissions, tax, exchange or other costs in the currency which the Board shall determine from time to time.

(2) The Bureau retains the right to set off any monies due to it from any Member against any monies due and payable by the Bureau to that Member.

(3) Without prejudice to the provisions of Article 75(4), if it appears to the Bureau to be expedient, in order to further the objects of the Bureau, the Bureau may itself, at its discretion, settle or compromise any claim made against any Member or satisfy any judgment obtained in a court of competent jurisdiction against any Member, irrespective of the subject matter of the claim or judgment and in any such case the Bureau shall be entitled to recover the sum paid by it from the relevant Member.

GENERAL MEETINGS

26. **Calling General Meetings**

(1) The Board may whenever it thinks fit convene a General Meeting and, on the requisition of Members pursuant to the provisions of the Act, shall forthwith proceed to convene a General Meeting in accordance with the provisions of the Act. A General Meeting may be a Physical Meeting or an Electronic Meeting or a combination of both.

(2) General Meetings shall be called by at least 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 90% (ninety per cent) of the total voting rights at meetings of the Members.

(3) Subject to the provisions of the Act, the notice convening a General Meeting shall be given to all Members, the Board and the Auditors and shall specify:

(a) Whether the meeting shall be a Physical or Electronic Meeting, or a combination of both;

(b) For a Physical Meeting, the time, date and place of the meeting (including without limitation any satellite meeting place arranged for the purposes of Article 27, which shall be identified as such in the notice);

(c) For an Electronic Meeting, the time, date and electronic platform for the meeting and all such instructions and/or guidance as may be required to enable Members to attend the meeting; and

(d) The general nature of the business to be transacted.

(4) In the case of an annual General Meeting, the notice shall specify the General Meeting as such. In the case of a General Meeting to pass a special resolution, the notice shall specify the intention to propose the resolution as a special resolution.

(5) The notice shall include details of any arrangements made for the purpose of Article 28(4) (making clear that participation in those arrangements will not amount to attendance at the meeting to which the notice relates).

(6) 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.

27. **Satellite meetings**

(1) The Board may resolve to enable persons entitled to attend a General Meeting to do so by simultaneous attendance and participation at a satellite meeting place anywhere in the world. The Members present in person or by proxy at the place of any satellite meeting shall be counted in the quorum for, and entitled to vote at, the General Meeting in question, and that meeting shall be duly constituted and its proceedings valid if the chairman of the General Meeting is satisfied that adequate facilities are available throughout the General Meeting to ensure that Members attending at all the meeting places are able:

(a) To participate in the business for which the General Meeting has been convened;

(b) To see and hear the chairman of the General Meeting and to hear all persons who speak (whether by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise) in the principal meeting place and any satellite meeting place; and

(c) To be heard by all other persons so present in the same way.

(2) The chairman of the General Meeting shall be present at, and the General Meeting shall be deemed to take place at, the principal meeting place.

28. **Electronic and viewing meetings**

(1) The Board may resolve to enable persons entitled to attend a General Meeting to attend an Electronic Meeting with no Member necessarily attending at a Physical Meeting, provided that the Electronic Meeting enables all Members attending it:

(a) To participate in the business for which the General Meeting has been convened;

(b) To see and hear the chairman of the General Meeting and to hear all persons who speak; and

(c) To be heard by all other attendees, whether at the Electronic Meeting or, if there is one, the Physical Meeting, to speak and to vote on a show of hands and on a poll.

(2) The Members or their proxies attending at an Electronic Meeting shall be counted in the quorum for, and entitled to vote at, the General Meeting in question, and that meeting shall be duly constituted as a General Meeting, whether or not a Physical Meeting takes place. The proceedings of that meeting shall be valid if the chairman of the General Meeting is satisfied that the requirements of Article 28(1) are complied with.

(3) Nothing in these Articles prevents a General Meeting being held both as a Physical Meeting and as an Electronic Meeting, provided that those attending the Physical Meeting can hear those attending the Electronic Meeting and those attending the

Electronic Meeting can hear those attending the Physical Meeting and that the requirements of Article 28(1) are complied with.

(4) The Board may make arrangements for persons entitled to attend a General Meeting or an adjourned General Meeting to be able to view and hear the proceedings of the General Meeting or adjourned General Meeting and to speak at the meeting (whether by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise) by attending at a venue anywhere in the world not being a satellite meeting place. If the General Meeting is only held as a Physical Meeting and not also as an Electronic Meeting, those attending at any such venue shall not be regarded as present at the General Meeting or adjourned General Meeting and shall not be entitled to vote at the meeting at or from that venue. The inability for any reason of any Member present in person or by proxy at such a venue to view or hear all or any of the proceedings of the Physical Meeting or to speak at the meeting shall not in any way affect the validity of the proceedings of the meeting.

29. **Running of General Meetings**

(1) If, after the sending of notice of a General Meeting but before the meeting is held, or after the adjournment of a General Meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Board decides that it is impracticable or unreasonable, for a reason beyond its control, to hold:

(a) The Physical Meeting at the declared place (or any of the declared places, in the case of a meeting to which Article 27 applies) and/or at the specified time; or

(b) The Electronic Meeting on the electronic platform and/or at the time specified in the notice,

the Board may change the place (or any of the places, in the case of a meeting to which Article 27 applies) or electronic platform and/or postpone the time at which the meeting is to be held.

(2) If a decision is made pursuant to Article 29(1) above, the Board may then change the place (or any of the places, in the case of a meeting to which Article 27 applies) or the electronic platform and/or postpone the time again if it decides that it is reasonable to do so. In either case:

(a) No new notice of the meeting need be sent, but the Board shall, if practicable, advertise the date, time and place of, or electronic platform for, the meeting in at least two newspapers having a national circulation and shall make arrangements for notices of the change of place or electronic platform and/or postponement to appear at the original place or electronic platform and/or at the original time; and

(b) A proxy appointment in relation to the meeting may, if by means of a document in hard copy form, be delivered to the office or to such other place within the United Kingdom as may be specified by or on behalf of the Bureau in accordance with Article 45(4)) or, if in electronic form, be received at the address (if any) specified by or on behalf of the Bureau in accordance with Article 45(5), at any time not less than 48 hours before the postponed time appointed for holding the meeting provided that the Board may specify, in any

case, that in calculating the period of 48 hours, no account shall be taken of any part of a day that is not a working day.

(3) If prior to the time of the commencement of the General Meeting or at any time after such time or the commencement of the General Meeting it appears to the chairman of the General Meeting that:

(a) The facilities at the principal meeting place or any satellite meeting place; or

(b) The electronic platform, facilities or security at the Electronic Meeting,

have become inadequate for the purposes of the General Meeting and/or the purposes referred to in Articles 27 or 28, then the chairman may, without the consent of the meeting, interrupt or adjourn the General Meeting and the provisions of Articles 29(1) and 29(2) shall, mutatis mutandis, apply. All business conducted at that General Meeting up to the time of that adjournment shall be valid.

30. **Members' rights in relation to General Meetings**

(1) For the purposes of Articles 26, 27, 28 and 29, the right of a Member to participate in the business of any General Meeting shall include (without limitation) the right to speak, vote on a show of hands, vote on a poll, be represented by a proxy and have access (including electronic access) to all documents which are required by the Act or these Articles to be made available at the meeting.

(2) The Board and, at any Electronic Meeting, the chairman of the General Meeting may make any arrangement and impose any requirement or restriction as is:

(a) Necessary to ensure the identification of those taking part and the security of all electronic communications relating to the General Meeting; and

(b) Proportionate to those objectives.

(3) For the purposes of Article 30(2), the Bureau is able to authorise any voting application, system or facility for Electronic Meetings as it sees fit.

31. A resolution passed in accordance with Chapter 2 of Part 13 of the Act (relating to written resolutions) shall be as valid and effective as if the same had been passed at a General Meeting duly convened and held.

BUSINESS AT GENERAL MEETINGS

32. The Chairman of the Board or, in his absence, the Deputy Chairman (if any) of the Board or some other person as the Board may appoint shall preside as Chairman at every General Meeting.

33. 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, 10 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.

34. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened on the requisition of 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.

35. 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 14 clear 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. If a meeting which is adjourned was a Physical Meeting and/or an Electronic Meeting, the re-convened meeting shall also be held as a Physical Meeting and/or an Electronic Meeting (as the case may be).

36. 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 the Bureau shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against that resolution.

37. 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.

38. No poll shall be demanded on the election of a Chairman of a meeting or on any question of adjournment.

39. 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.

40. 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

41. **Votes of Members**

(1) Where a Member has not ceased to carry on motor business pursuant to Article17:

(a) *Show of hands:* Every Member 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 vote on a show of hands. A Member, although duly authorised to represent another Member, 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.

(b) *Poll:* On a poll every Member present in person or by his duly authorised representative at a General Meeting shall have votes calculated by reference to his LP with one vote for every £5,000,000 of LP, or part thereof, subject to the provisions of Articles 42, 43, 44 and 45.

(2) *Electronic Meetings:* The Board shall determine from time to time the means by which Members who participate in an Electronic Meeting shall vote on a show of hands and on a poll and the means by which such votes shall be recorded.

42. **Calculation of votes**

(1) From 1 January to 30 June in any Year the votes of any Member on a poll shall be calculated in accordance with that Member's LP on the PCD in the previous Year, subject to the provisions of Article 45.

(2) From PCD to 31 December, the votes of any Member on a poll shall be calculated in accordance with that Member's LP on the PCD.

(3) *Outstanding confirmation statement:* If the confirmation statement or equivalent of any Member are not received in writing by the Bureau before 31 May in any Year, that Member shall only have one vote on a poll until the next PCD

43. **Subsidiaries**

The votes of a Member on a poll shall be based upon the LP of that Member alone excluding that of any holding company or subsidiary of that Member.

44. **Commencement provisions**

Upon commencement of membership of the Bureau, a Member shall be immediately credited with one vote on a poll and subsequent changes in the number of that Member's votes shall be calculated in accordance with Article 42.

45. **Proxies**

(1) The Board may, if it thinks fit, but subject to the provisions of the Act, send hard copy forms of proxy for use at a General Meeting and/or issue invitations by means of electronic communications to appoint a proxy for a General Meeting.

(2) 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. The appointment of a proxy may be made by a hard copy form of proxy or in an electronic communication to the email address provided by the Bureau for this purpose.

(3) 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.

(4) A hard copy form of proxy and/or any other document necessary to show the validity of, or otherwise relating to, the appointment of a proxy for a General Meeting must be received by the Bureau at its registered office not less than 48 hours before a meeting or adjourned meeting in order that the appointment may be effective.

(5) In the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications:

(a) In the notice convening the meeting; or

(b) In any form of proxy sent out by the Bureau in relation to the meeting; or

(c) In any invitation contained in an electronic communication to appoint a proxy issued by the Bureau in relation to the meeting,

such appointment must be received at such address not less than 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.

(6) 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 the Bureau 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 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

46. The number of the members of the Board shall not be less than 7 nor more than 16. No person shall be eligible for appointment to the Board unless he is employed by a Member (whom he shall be deemed to represent) or is not employed by a Member and whose appointment is approved by a majority of the Board meaning 51% or more voting in favour of the appointment. The Chairman of the Board shall be employed by a Member. The Board shall so far as possible (but without imposing any obligation or conferring any rights upon the Members, the Bureau or the members of the Board) contain a majority of Members. If a Member becomes Connected with another Member (as defined in Article 1(8)) and each Member has a director representing it, the Members shall promptly notify the Board that they are Connected. Those directors shall remain in office only if the Board, in its absolute discretion, shall permit the Connected Members each to have a director representing them. If the Board:

(1) Does so permit, then the Connected directors shall exercise between them one vote at any meeting of the Board or on any written Board resolution, and the Connected Members shall from time to time in writing notify the Board who shall exercise that vote; or

(2) Does not so permit, the Connected Members shall procure that one such director shall resign their office as a director within 3 months of the Members becoming Connected.

Where a member of the Board is removed or otherwise ceases to hold office pursuant to this Article 46, the Member who employs the said member of the Board shall fully and effectively indemnify the Bureau in respect of any losses, claims, costs, demands and expenses it suffers (including reasonably incurred legal expenses) arising from the cessation or termination of that office.

47. Save for the Executive Directors, no person shall be eligible for appointment to the Board unless he or she holds a similar position elsewhere. In case of dispute in this connection the decision of the Chairman shall be final and binding.

48. **Period of Service**

(1) Subject to the following provisions of this Article 48 and to Articles 52 and 53, each director shall serve for a maximum period of 3 years from the date of the appointment to the Board (**First Term**). Upon expiry of the First Term that director shall immediately resign but shall be eligible for re-appointment for a second period of up to 3 years (**Second Term**). Upon expiry of the Second Term, that director shall immediately resign but shall be eligible for re-appointment for a third term of up to 3 years (**Third Term**), and no such director may be re-appointed to the Board more than twice.

(2) Where the Board considers it necessary in order to:

(a) ensure continuity;

(b) facilitate an orderly handover of responsibilities; or

(c) for any other analogous reason,

the Board may, in its absolute discretion, resolve to extend the Third Term of a director (**Extension**).

(3) Any Extension granted pursuant to Article 48(2) shall be subject to the following conditions:

(a) the period of the Extension shall not exceed 12 months;

(b) the Extension shall commence immediately upon expiry of the Third Term; and

(c) the Extension shall take effect as a continuation of the director's existing appointment and shall not constitute a re-appointment or require re-election.

(4) For the avoidance of doubt, no Extension may be granted in respect of a director's First Term or Second Term.

(5) A director serving pursuant to an Extension shall, unless otherwise determined by the Board, retain all rights, duties and obligations of a director under these Articles and applicable law.

(6) The provisions of Article 48(1) – (5) shall not apply to the Chairman from the date of his/her appointment as such. The Chairman shall serve on the Board for the period of his/her office determined pursuant to Article 56(1). At the end of that period he/she shall immediately resign but shall be eligible for re-appointment either as Chairman or simply to the Board. At the end of this second period he/she shall immediately resign but shall be eligible for re-appointment either as Chairman or simply to the Board (and so that he/she may be re-appointed under this Article 48(6) twice only) and provided that the maximum period of appointment as Chairman and/ or to the Board may be for a maximum continuous period of nine years from his/her date of first appointment as Chairman.

(7) If during any period of office any member of the Board (excluding any Executive Director) ceases to be employed by a Member, the Board may at its discretion allow such member of the Board to continue to remain a member of the Board for a maximum period of either 6 months after that member of the board ceased to be employed by a Member or, if earlier, the date the Board appoints a replacement member of the Board who is employed by that Member.

(8) The provisions of Article 48(1) – (5) shall not apply to the Executive Directors.

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

50. 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:

(1) He is recommended by the Board; or

(2) Not less than three nor more than 21 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 in Members has been given to the Bureau 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.

51. Subject to these Articles, the Bureau may by ordinary resolution 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.

52. 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 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 the Bureau 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.

53. 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

54. 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 the Bureau shall be managed by the Board, who may pay all such expenses of, and preliminary and incidental to, the promotion of the Bureau as they think fit, and may exercise all such powers of the Bureau and do on behalf of the Bureau all such acts as may be exercised and done by the Bureau. No 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.

55. 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 of summoning a General Meeting but not for any other purpose.

CHAIRMAN, DEPUTY CHAIRMAN, EXECUTIVE DIRECTORS AND CHIEF EXECUTIVE

56. (1) The Board shall from time to time appoint one of its number (not being a member of the Board who has previously been appointed as Chairman) to be a Chairman and may appoint a Deputy Chairman (who may, for the avoidance of doubt, have previously held the office of Chairman or Deputy Chairman) in each case for such period not exceeding four years and upon such terms as may be agreed. The Chairman or in his absence the Deputy 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.

(2) The Board shall from time to time appoint Executive Directors who shall also be appointed to the Board and to whom it may delegate such of its functions as it may think fit. The Executive Directors shall serve for such period and upon such terms as the Board may agree from time to time.

(3) The Board may from time to time appoint one of the Executive Directors to be the Chief Executive. The Board shall, subject to the provisions of these Articles, determine which of the functions of the Executive Directors shall be performed by the Chief Executive and which by the other Executive Directors. The Chief Executive shall serve as such for such period upon such terms as the Board may agree from time to time.

DISQUALIFICATION OF MEMBERS OF THE BOARD

57. The office of a member of the Board shall be vacated:

(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; or

(2) If by notice in writing to the Bureau he resigns his office; or

(3) If the Member he represents ceases to be a Member of the Bureau; or

(4) If he ceases to be in the employment of the Member he represents; or

(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; or

(6) If he is, or may be, suffering from a mental disorder and either:

(a) 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

(b) 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

(7) If he is convicted of a criminal offence (other than a minor motoring offence) and the Board resolves that his office should be vacated; or

(8) If he breaches the provisions of Article 52 and the Board resolves that his office should be vacated; or

(9) If he shall for more than 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

58 The Board may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Unless otherwise determined, five 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.

59. Two members of the Board may, and on the request of two members 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 the Bureau in writing.

60. If there is no Chairman or Deputy Chairman of the Board or if at any meeting such Chairman or Deputy Chairman is not present within fifteen 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.

61. A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers and discretions of the Bureau 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. In the absence of a majority, the Chairman's location shall be deemed to be the place of the meeting.

62. 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 the Bureau, 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.

63. The Board may delegate any of its powers to committees consisting of such member or members of the Board and/or of the Bureau’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.

64. 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.

65. 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 the Bureau 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.

66. 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.

SECRETARY

67. Subject to the provisions of the Act, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit. The Secretary may be removed by the Board.

ACCOUNTS

68. The Board shall cause proper books of account to be kept with respect to:

    (1) All sums of money received and expended by the Bureau and the matters in respect of which such receipts and expenditure take place;

    (2) All sales and purchases of goods by the Bureau; and

    (3) The assets and liabilities of the Bureau.

69. The books of account shall always be open to the inspection of the members of the Board at the registered office of the Bureau.

70. 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 the Bureau, or any of them, and subject to such conditions and regulations the accounts and books of the Bureau shall be open to the inspection of Members at all reasonable times during business hours.

71. 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 21 clear 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

72. Once at least in every Year the accounts of the Bureau shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by a properly qualified auditor.

73. An auditor shall be appointed and his duties regulated in accordance with the Act.

THE TECHNICAL COMMITTEE

74.

(1) The Technical Committee shall be composed of the Chief Executive and such other persons as may be appointed pursuant to Articles 74(2) and 74(3) who need not be members of the Board but who shall be claims managers or persons with similar experience, as employed by a Member, and as far as possible, the composition of the Technical Committee shall be representative of the membership of the Bureau. The number of members of the Technical Committee shall not be less than 5 nor more than 50. The Chief Executive or such employee of the Bureau or member of the Technical Committee as the Chief Executive may nominate shall chair meetings of the Technical Committee.

(2) A Member may at any time nominate a representative and a deputy to serve on the Technical Committee. The nomination must be delivered in writing to the Secretary. Such a nomination shall be accepted if it is approved by not less than 75% (seventy-five per cent) of those present and voting at a meeting of the Technical Committee.

(3) The Technical Committee may, from time to time, in writing appoint a representative of any Member of the Bureau to be a member of the Technical Committee, either to fill a vacancy or by way of addition to the Technical Committee:

(a) a representative may, from time to time delegate their membership of the Technical Committee to a nominated deputy for the purposes of the meeting. However a vote may only be cast by either the representative or the deputy (and not by both);

(b) nominated deputies act by temporary proxy, deputies serve for the same period as the representative in accordance with Article 74(6).

(4) Save as otherwise provided, the provisions of Articles 46 to 56(3) (inclusive), so far as possible, shall apply, once the necessary changes have been made, to the Technical Committee Subject to Article 74(2) and Article 74(5), decisions of the Technical Committee shall be taken by a two thirds majority of those present and voting.

(5) A Technical Committee member may not vote on any case where any Member that he represents has a financial interest in the outcome of that case.

(6) Appointees shall serve on the Technical Committee for a period of three years and shall be eligible for re-appointment by the Technical Committee.

(7) The Technical Committee shall meet on 14 clear days' notice, in writing, issued by the Chief Executive or such employee of the Bureau as he may nominate for this purpose, to consider and take decisions on claims, matters of principle and technical difficulty:

(a) For the avoidance of doubt and subject to the provisions of Article 74(7)(b) and Article 75(5), the Technical Committee will consider cases involving but not necessarily restricted to those involving disputes over issues of:

(1) Meaningful degree of liability;

(2) Identification;

(3) Whether the event which gives rise to the Road Traffic Act liability occurred on a road or public place; and

(4) The interpretation and application of Article 75.

(b) Whether an event which gives rise to the Road Traffic Act liability (as defined in Article 75(2) has been caused by or has arisen out of an act of terrorism (as determined in accordance with the provisions of Annex 1 to Article 75) shall not be determined by the Technical Committee but in accordance with the provisions of Annex 1 to Article 75 and Part B to Annex 2 to Article 75.

(c) Subject to appeal as set out in Article 75(6), all decisions which do fall to be decided by the Technical Committee shall be final and binding on the Bureau and the Members.

THE DOMESTIC REGULATIONS

75.

(1) **Background to Article 75**

(a) The objectives underlying Article 75 are:

(1) To assist parties suffering death, injury or damage to property arising out of the use of a motor vehicle in circumstances giving rise to a Road Traffic Act Liability as defined in Article 75(2)(i);

(2) To further the interests of motor vehicle insurance policyholders with a view to reducing the cost of premiums;

(3) To fulfil the objectives in Article 75(1)(a)(1) and Article 75(1)(a)(2) in an efficient, economical and expeditious manner, having regard to the interests of Members as a whole.

(b) Subject to Articles 75(2)(a)(2)(ix), 75(4)(b) and 75(4)(c), this Article shall apply in respect of all cases, irrespective of the date of the event (with the exception of those that have already been concluded under the terms of the previous versions of this Article), which may be or have been settled under any agreements entered into by the Bureau for the purpose of satisfying Road Traffic Act Judgments and/or Road Traffic Act Liability (as defined below).

(c) This Article shall be applied and interpreted impartially by the Technical Committee (or, where relevant, any arbitrator appointed pursuant to Article 75(6)).

(2) **Interpretation of Article 75**

For the purposes of this Article 75

(a) '**Article 75 Insurer'** shall, subject to Articles 75(2)(a)(1) to 75(2)(a)(4) (inclusive), mean the Member who for the time of the event which gave rise to a Road Traffic Act Liability was providing any insurance (other than by reason only of a driving other vehicle clause) in respect of the vehicle from the use of which the liability of the judgment debtor arose.

(1) Without prejudice to the generality of the foregoing, a Member is the Article 75 Insurer notwithstanding that:

(i) Subject to Article 75(2)(a)(2)(viii), the insurance has been obtained by fraud, misrepresentation, non-disclosure of material facts, or mistake;

(ii) The cover has been back dated; or

(iii) The use of the vehicle is other than that permitted under the policy.

(2) A Member only ceases to be the Article 75 Insurer:

(i) Subject to Article 75(2)(a)(2)(ii) and Article 75(2)(a)(2)(iii), from the expiry date specified in the policy;

(ii) If a renewal notice is issued, incorporating a temporary cover note extending cover, conditionally or otherwise, beyond the date of expiry of the policy, as of the expiry date of that extension of cover;

(iii) For the purposes of Article 75(2)(a)(2)(ii) a "temporary cover note" shall not mean an annual certificate issued in anticipation of a renewal for the following year;

(iv) For policies issued in England, Wales or Scotland, when the policy has been cancelled by mutual consent or by virtue of any provision contained within it before the happening of the event giving rise to the Road Traffic Act liability and, in addition, before that event, either

1 In respect of policies cancelled on or after 30 June 2015: any record on the MID for the policy in question has been updated to show that policy has been cancelled.

2 For this purpose, any update of the MID record must be in accordance with the guidance issued by MIB from time to time; or

3 In respect of policies cancelled before 30 June 2015: one of the following has occurred, namely:-

(a) The certificate of insurance has been surrendered to the insurer by the policyholder, or (in the case of a certificate which is not in electronic form) the policyholder has made a Statutory Declaration stating that the certificate has been lost or destroyed, or

(b) The insurer has commenced proceedings under the Road Traffic Act 1988 in respect of the failure to surrender the certificate.

For the purpose of (a) and (b), the references to 'surrender', 'surrendered' and 'Statutory Declaration' bear the same meaning as under the Road Traffic Act 1988 and for the purpose of Article 75(2)(a)(2)(iv)

'cancelled' means cancellation by specific request of the insured, or strictly in accordance with the power of cancellation contained in the Member's contract for the risk, notwithstanding that such contract may not have been issued (provided that where an intermediary cancels the policy and the certificate of insurance has been surrendered to the intermediary, either as agent for the Member or under the terms of any separate agreement between the intermediary and the insured, cancellation of the policy must be exercised strictly in accordance with the Member's standard form of contract for the risk and there must be clear evidence that the intermediary is empowered to do so by the policy wording);

(v) For policies issued in the Relevant Territories, other than England, Wales or Scotland, when the policy has been cancelled by mutual consent or by virtue of any provision contained within it before the happening of the event giving rise to **the Road Traffic Act Liability** and, in addition, before that event the certificate of insurance and/or insurance disc recovery, or statutory declaration, requirements under the Road Traffic Act equivalent legislation in that Territory have been satisfied, and;

1 Any record on the MID (or its equivalent) for the policy in question has been updated to show that policy has been cancelled.

2 For this purpose, any update of the MID (or its equivalent) record must be in accordance with the guidance issued by MIB from time to time

'cancelled' means cancellation by specific request of the insured, or strictly in accordance with the power of cancellation contained in the Member's contract for the risk, notwithstanding that such contract may not have been issued or issued directly by the Member. Where an intermediary cancels the policy and the certificate of insurance and/or insurance disc has been surrendered to the intermediary (either as agent for the Member or under the terms of any separate agreement between the intermediary and the insured) cancellation of the policy must be exercised strictly in accordance with the Member's standard form of contract for the risk and there must be clear evidence that the intermediary is empowered to do so in the policy wording.

(vi) When, before the happening of the event giving rise to the Road Traffic Act Liability, the Member has obtained a declaration from a court of competent jurisdiction that the insurance is void or unenforceable;

(vii) When, before the happening of the event giving rise to the Road Traffic Act Liability, the insurance has ceased to operate by reason of a transfer of interest in the vehicle involved in the event, which the insurance purports to cover, and which transfer is proved by evidence;

(viii) When the certificate of insurance has been forged;

(ix) If the event giving rise to the Road Traffic Act Liability occurred on or after 1 January 2019 and that liability has been caused by or arises out of an act of terrorism as determined in accordance with the provisions of Annex 1 to this Article 75.

(3) If there is more than one Article 75 Insurer in respect of a particular vehicle then the handling of any claims will be by agreement between the Article 75 Insurers (and, in default of agreement, as determined by the Technical Committee) and the costs of handling and settling the claims shall be shared between those Article 75 Insurers proportionate to the number of policies issued.

(4) Where a Member contends that it is not the Article 75 Insurer, for whatever reason, the burden of proving such contention, on the balance of probabilities, shall rest upon such Member.

(b) **'certificate of insurance'** shall mean any document being or purporting to be a certificate complying with the Motor Vehicles (Third Party Risks) Regulations 1972 (SI 1972/1217) or subsequent or equivalent legislation, including documents which are or purport to be temporary cover notes or Green Cards as defined in Article 1(1);

(c) **'execution date'** shall mean the date upon which the original judgment creditor became entitled to enforce a Road Traffic Act Judgment against the judgment debtor;

(d) **'insurance'** shall mean the issue of any document or promise by or on behalf of a Member, whether legally or otherwise, purporting to effect cover against Road Traffic Act Liability, whether or not a certificate of insurance has been prepared, issued or delivered (and notwithstanding that the certificate of insurance, if any, may be void or voidable) and includes the issue of a security under the Road Traffic Act 1988 or any subsequent statute or equivalent legislation in the Relevant Territories or a relevant foreign country. Where, after 1 January 2002, a record is held on the MID, the existence of such a record covering the date of an event shall, unless there is documentary evidence to the contrary, be sufficient to establish the existence of 'insurance' for the purpose of this Article;

(e) **'judgment debtor'** shall mean a person against whom a Road Traffic Act Judgment has been obtained;

(f) **'original judgment creditor'** shall mean the person in whose favour a Road Traffic Act Judgment was given and who is entitled to enforce it and has complied or is able and willing to comply with the conditions precedent to the

Bureau's liability as set out in any of the agreements entered into from time to time by the Bureau for the purposes of satisfying Road Traffic Act Judgments;

(g) **'relevant foreign country'** shall mean:

(1) a country having a guarantee fund with which the Bureau has concluded an agreement;

(2) any country having a National Insurer's Bureau with which the Bureau has concluded an agreement under the Green Card System;

(h) **'Road Traffic Act Judgment'** shall mean a judgment obtained in a court of competent jurisdiction in respect of a Road Traffic Act Liability;

(i) **'Road Traffic Act Liability'** shall mean such liability (whether arising out of negligence, breach of statutory duty or otherwise) arising out of the use of a motor vehicle on a road or other public place:

(1) as is required to be covered by a policy of insurance or security under the Road Traffic Act 1988 or under the equivalent legislation in the Relevant Territories or a relevant foreign country; or

(2) as would fall within (1) above were it not for s144 Road Traffic Act 1988 or the equivalent provisions of any enactment within the Relevant Territories or of a relevant foreign country and is in fact covered by a policy of **insurance;**

(j) '**satisfy the original judgment creditor'** shall mean to pay or cause to be paid to the original judgment creditor such sum as is due and outstanding under a Road Traffic Act Judgment (including assessed costs or such proportion of the assessed costs as is attributable to the Road Traffic Act Liability) on terms that the judgment is assigned by the original judgment creditor to the Bureau;

(k) Where something must be done arising from Article (2)(a)(2) within a specified period of days after a date or an event, the period shall begin on the day following that date or event and the days shall be taken to be calendar days.

(3) **Obligation to satisfy judgments**

(a) If a Road Traffic Act Judgment is obtained, the Article 75 Insurer will satisfy the original judgment creditor if and to the extent that the judgment has not within seven days of the execution date been satisfied by the judgment debtor.

(b) The making of any payment by an Article 75 Insurer under Article 75(3)(a) shall not entitle that Member to any reimbursement in respect thereof from the Bureau.

(c) Subject to complying in all respects with this Article 75, nothing contained in this Article shall affect or be deemed to affect any right of a Member to indemnity or contribution from another Member whether such right arises at common law, by statute, from a claims sharing or other agreement, by subrogation or by assignment of the original judgment creditor's judgment and all such rights shall be determined according to the facts and circumstances of each particular case without reference to this Article.

(4) **Satisfaction of claims by the Bureau**

(a) If it appears to the Bureau to be expedient, the Bureau may itself, at its discretion, investigate, handle, manage, settle or compromise any claim in respect of a Road Traffic Act Liability or satisfy any Road Traffic Act Judgment and in any such case the Bureau shall be entitled to recover any sum paid by it (including in respect of costs in accordance with Article 75(5)(k)) from the Article 75 Insurer or the Insurer.

(b) Where, in a claim received by the Bureau on or after 1st May 2017, the Bureau has paid a claim for a policy excess under the terms of the Untraced Drivers Agreement dated 7th February 2003 ('**the 2003 Agreement'**) (as amended) or the Untraced Drivers Agreement dated 28th February 2017 ('**the 2017 Agreement'**), any subsequent Agreements and to those Agreements as apply to the Relevant Territories as defined in Article 1(1), the Member who issued the policy under which the policy excess operated shall reimburse the Bureau the amount it has paid including any associated legal costs.

(c) Where, in a claim received by the Bureau on or after 1st August 2017, the Bureau has paid a claim for a policy excess under the terms of the Uninsured Drivers Agreement dated 13th August 1999 (as amended) or the Uninsured Drivers Agreement dated 3rd July 2015 (as amended), any subsequent Agreements and to those Agreements which apply to the Relevant Territories as defined in Article 1(1), the Member who issued the policy under which the policy excess operated shall reimburse the Bureau the amount it has paid including any associated legal costs.

(5) **Disputes**

All cases giving rise to a dispute involving the Bureau (reference to 'the Bureau' here to include cases involving an insurer acting as Article 75 insurer) and a Member or Members in relation to the interpretation, application or implementation of this Article 75, at all times being matters falling within the powers of the Technical Committee as defined in Article 74, shall be dealt with under the following rules of procedure. The time frame for service of notice is as defined in Article 1(1) above and where time frames are applied as 'days', they are defined as 'clear days'. The Bureau shall ensure that all interested members are involved in the process here below simultaneously:

(a) A Member involved in a dispute or potential dispute shall ensure that the matter is handled by a claims manager or person with similar experience. It is recognised that external legal representation might interfere with the objectives and principles set out in Article 75(1) and accordingly external legal representation shall, subject to Article 75(5)(f)(3) and any arbitration process followed thereby, not be permitted for the purposes of this Article 75(5).

(b) The Bureau shall contact any Member via its appointed Bureau claims representative and give written notice of its possible involvement. The Bureau must give such written notice within 3 years of the date of first notification of each claim to the Bureau, no later notification shall be made by the Bureau.

(c) Within 3 months of the date of giving notice of possible involvement (or such extended period as the Bureau and the Member may agree), the Member shall

complete any investigations required and advise the Bureau or the Bureau's handling office, in writing, whether it will be meeting the Party's claim wholly or in part and, if there is a valid defence, setting out the basis of its case.

(d) Should the Member or the Bureau accept its obligation to deal with the case, it will only be permitted to resile from that acceptance within 3 months or at any later date only in exceptional circumstances and in either case by giving written notice setting out reasons.

(e) Should the Member not accept its apparent obligation to deal with the case or not respond to the Bureau or the Bureau's handling office within the time period mentioned in Article 75(5)(c) above, the Bureau (or in the case of a Member accepting A75 status but wishing to involve other Members) shall prepare a 'Statement of Facts' and submit it to the Member together with its evidence and its submissions as to why the Member should deal with the case.

(f) Unless the Bureau and the Member agree an alternative method for dispute resolution to that set out in this Article 75(5)(f), then within 21 days of Deemed Receipt (as defined in Article 1(1)) of the 'Statement of Facts', evidence and submissions from the Bureau or Article 75 Insurer in accordance with Article 75(5)(e) (or such extended period as the Bureau and the Member agree before expiry of this 21 day period, or if not agreed, late submissions and/or evidence received to be subject to fees in accordance with Article 75(5)(j)(4)), the Member shall respond to the Bureau:

(1) Signifying its approval of the 'Statement of Facts' and providing its own submissions and evidence as to why it is not obliged to deal with the case, or

(2) Submitting comments on the "Statement of Facts" and providing its own submissions and evidence as to why it is not obliged to deal with the case, or

(3) Requiring the dispute to be dealt with by way of arbitration in accordance with the provisions of Part A to Annex 2 this Article 75. If any Member indicates this requirement, then the Bureau and any other Member involved in the dispute cannot object and the dispute must proceed by way of the Part A Annex 2 arbitration process such that the remaining provisions of Article 75(5) and the provisions of Article 75(6) shall have no application. The Member shall not be permitted to require the application of the Part A Annex 2 arbitration process if the Member has not indicated its requirement for this process in accordance with this Article 75(5)(f)(3) within the 21 day time period (or any other time period agreed between the Bureau and the Member).

Where more than one Member is involved in the dispute, the process described in this Article 75(5)(f)(3) will be followed if any Member involved requests it and all issues shall be consolidated and dealt with by the same arbitrator in a single reference.

(g) Where the case is handled by a handling Member (as described in Article 77), the handling Member shall either (i) send the Statement of Facts, together with any accompanying evidence and submissions from the Member and the

handling Member to the Bureau within a further 14 days, whether or not agreed by the Member or (ii) send the Statement of Facts and the handling Member's evidence and submissions together with confirmation that the case is to proceed by way of the Part A Annex 2 arbitration process (following the Member's indication to that effect) within a further 14 days.

(h) Subject to Article 75(4) (Satisfaction of claims by the Bureau), the Party's claim shall continue to be processed whilst the dispute is in the course of being resolved.

(i) Save where the Member has indicated a requirement for the dispute to be resolved by way of the Part A Annex 2 arbitration process (in which event the Technical Committee shall play no role) and subject to Article 75(6) (Right of Appeal), the Technical Committee shall determine the Member's involvement or otherwise in a pragmatic rather than a strictly legal manner (with a view to furthering the objectives set out in Article 75(1)(a)) on the basis of the Statement of Facts, whether or not agreed by the Member, and no further evidence or submissions may be admitted, save in exceptional circumstances as may be agreed by the Technical Committee at the time.

(j) If:

(1) The Technical Committee decides any issue against a Member; or

(2) The Member withdraws from the dispute after 21 days (or after the expiry of whatever period has been agreed) of the issuing of the Statement of Facts under Article 75(5)(e) above; or

(3) The Member shall fail within 21 days (or within whatever period has been agreed with the Bureau) of the Member's Deemed Receipt of the Statement of Facts under Article 75(5)(e) above to signify the Member's approval of such Statement of Facts or submit comments, evidence or submissions;

(4) The Member(s) serves late evidence and/or submission(s) after 21 days (or after the expiry of whatever period has been agreed), the Member(s) shall be subject to the following fees: up to 3 months, an additional £5000; after 3 months, £25,000;

that Member shall, in the case of Articles 75(5)(j)(1) or 75(5)(j)(2), within 14 days of the relevant event, reimburse the Bureau any expenditure in connection with the case or deal with the claim as may be appropriate and, in any case, pay to the Bureau a fee of £5,000 in respect of each of Article 75(5)(j)(1) to 75(5)(j)(3) that shall be relevant plus any further fee due under Article 75(5)(j)(4), all such fees to be paid to the Bureau within 14 days.

(5) In the event the Member does serve any further evidence and/or submissions in accordance with Article 75(5)(j)(4) above, the Bureau shall confirm within 14 days:

(i) that it intends to rely upon the Statement of Facts already sent in accordance with Article 75(5)(e) as its statement of case; or

(ii) that it wishes to rely upon any further submissions and/or evidence.

(6) In the event of Article 75(5)(j)(5)(ii) above, the Bureau shall send its further submissions and/or evidence to the Technical Committee within 28 days of the date that confirmation is required by pursuant to Article 75(5)(j)(5),

(7) The Member(s) must reimburse MIB within 21 days of its formal reimbursement request (or after the expiry of whatever period has been agreed) after an admission of responsibility or determination following the commencement of 75(5). The Member(s) shall be subject to the following fees for late reimbursement: after 21 days up to 3 months £5,000; after 3 months £10,000.

(8) The Member(s) must reimburse MIB within 21 days of its formal Policy Excess reimbursement request (or after the expiry of whatever period has been agreed) after an admission of responsibility or determination following the commencement of 75(5). The Member(s) shall be subject to the following fees: after 21 days up to 3 months £1,000; after 3 months £2,000.

Notwithstanding any of the foregoing, the Technical Committee on behalf of the Bureau may waive any fee.

(k) All costs and disbursements (including loss adjusters fees) reasonably incurred by the Bureau or the Member (as appropriate) shall follow either (i) the Technical Committee's decision (subject to appeal in accordance with Article 75(6) or (ii) an acceptance by the Bureau or the Member (as appropriate) of its liability for the third party claim prior to a determination by the Technical Committee, save in either case that solicitor's costs incurred in relation to advising on the dispute (as opposed to dealing with the third party claim) shall not be recoverable.

(l) Notwithstanding the foregoing and the obligation set out in Article 75(3)(a), nothing shall prevent a Member who may be involved under the terms of this Article from electing, with the agreement of the Bureau, to handle the case until such time as the matter is determined by the Technical Committee.

(6) **Right of Appeal (for any dispute decided by the Technical Committee rather than by way of Arbitration in accordance with the Part A Annex 2 arbitration procedure).**

A Member affected by a decision of the Technical Committee under this Article 75 shall have a right of appeal against such decision in accordance with the following procedure.

(a) The Member wishing to appeal shall give to the Bureau written notice within 28 days of the issuing of the final version of the minutes of the Technical Committee making the relevant decision.

(b) The notice of appeal shall be signed by or on behalf of the appellant's Bureau claims representative and shall set out the grounds for the appeal. Written arguments and evidence upon which the appeal is based shall accompany the notice of appeal or follow within 28 days.

(c) If the decision of the Technical Committee involved a Member other than the appellant, the Bureau shall, within 14 days of Deemed Receipt of the appellant's arguments and evidence, forward the same to that other Member. The Members involved in the dispute other than the appellant shall each have 28 days (beginning with the day on which each is notified of the arguments and evidence of the appellant) within which to prepare and submit to the Bureau and all other Members involved in the dispute decided by the Technical Committee, any opposing arguments or evidence.

(d) If the appellant or any other Member involved in the dispute shall put forward any new evidence not put before the Technical Committee, the appeal shall be referred back to the Technical Committee for it to consider whether the evidence is new and, if so, to reconsider its previous decision in the light of such new evidence (and the remaining provisions of this Article 75(6) shall not apply).

(e) For the purposes of Article 75(6)(d), 'new evidence' shall mean any evidence which was not available and could not reasonably have been made available at the time the Technical Committee heard the dispute and made its determination.

(f) Once the Technical Committee has made its further determination pursuant to Article 75(6)(d), the process set out in this Article 75(6) for any appeal from such determination will commence again save that, on this occasion, Article 75(6)(d) and Article 75(6)(e) shall not apply.

(g) Subject to Article 75(6)(d) and Article 75(6)(e), at the expiry of the last of the 28 day periods referred to at Article 75(6)(b) and Article 75(6)(c), the Bureau shall propose to the appellant and any other Members involved in the dispute a list of three possible arbitrators, who shall each be Queen's (or King's) Counsel (or, if such appointment shall cease to exist, a barrister of at least 15 years call). The Bureau, the appellant and any other Members involved in the dispute shall use their best endeavours to agree upon the identity of one arbitrator but, in default of agreement within 10 days of the Bureau nominating the list of three possible arbitrators, the matter shall be referred to the Chairman of the Bar Council for him to appoint an arbitrator of equivalent standing to that described above.

(h) Upon the appointment of the arbitrator, the Bureau shall send to the arbitrator the written submissions of the appellant and any other Members involved in the dispute, referred to in Article 75(6)(c) above together with such written submissions as the Bureau may choose to make (copies of which shall be sent to the appellant and any other Members involved in the appeal process).

(i) The arbitrator shall decide the appeal on the written submissions and evidence alone but he may at any time request further written submissions (but not further evidence) from the Bureau, the appellant or any other Members involved in the appeal process. In the event that the arbitrator does not understand or requires any clarification in relation to any aspect of application of Article 75 and/or any aspect of the dispute, the arbitrator must invite submissions from the Bureau, the appellant or any other Members involved in the appeal process to assist in his understanding before reaching any decision under Article 75(6)(j).

(j) The arbitrator may decide that the decision of the Technical Committee was, having regard to this Article 75 and in particular the principles and objectives set out in Article 75(1)(a), reasonable or that it was not reasonable. The arbitrator may make no other finding in relation to the decision of the Technical Committee. If the arbitrator shall decide that the decision was reasonable, the decision shall stand. If the arbitrator shall decide that the decision was not reasonable, he shall determine the matter and his determination shall replace the decision of the Technical Committee in relation to that matter.

(k) The arbitrator's fees shall be paid as he shall in his absolute discretion determine, save that if the appellant shall withdraw its appeal or any other Member shall withdraw its opposition to the appeal after the appointment of the arbitrator but before he notifies his decision to the parties, the arbitrator's fees shall be borne by the appellant or the other Member (as the case may be) alone. Without prejudice to the foregoing, in determining who shall be responsible for his fees and in what proportion, the arbitrator may take account of any failure by any Member participating in the appeal process to co-operate with the arbitrator or abide by the terms of any procedures or timings laid down by the arbitrator or this Article 75(6).

(l) If the arbitrator shall decide that any Member shall be required to pay the whole or part of his fees, such sum shall be paid to the arbitrator (or, if already paid by the Bureau, paid to the Bureau) within 14 days of the notification of the arbitrator's decision (and the provisions of Article 24 shall apply to such payment).

(m) The decision of the arbitrator shall be final and binding upon the Members involved in the dispute and the Bureau and there shall be no further right of appeal from a decision of the arbitrator save by way of appeal in accordance with the provisions of sections 67-69 inclusive of the Arbitration Act 1996 (the "1996 Act").

(n) For the avoidance of doubt, each Member involved in the appeal process shall be responsible for its own costs in preparing for the appeal and presenting its submissions.

(7) **Claims involving interpretation of Uninsured Drivers' Agreement**

Where a Member handles a claim (whether as a result of election on the part of the Member or by decision of the Technical Committee) as Article 75 Insurer, on behalf of the Bureau, applying the Uninsured Drivers' Agreement, the Member will notify the Bureau within 7 days of becoming aware of a dispute concerning the interpretation of

the Uninsured Drivers' Agreement and provide copies and summaries of all procedural and other relevant documents.

Thereafter the handling of the claim will be carried out in consultation with the Bureau.

DATA QUALITY SELF-REGULATION

76. (1) **Interpretation of Article 76**

For the purposes of this Article 76

(a) **"Data Quality Requirements"** means the requirements for data on the MID (including but not limited to Mandatory Policy Data) to be complete and accurate and compliant with:-

(1) TTS Targets;

(2) The Regulations;

(3) the requirements from time to time stipulated by any governmental body who delegates its authority to the Bureau to operate the MID;

(4) any other guidelines, targets or criteria the Bureau may reasonably stipulate from time to time after prior consultation with any appropriate government body or regulator as the case may be; and

(5) any relevant terms contained in any Members' Participating Insurers Agreement.

(b) **"Insured Motor Vehicle"** means any motor vehicle insured by a Member.

(c) **"Mandatory Policy Data"** means in respect of each Insured Motor Vehicle the information required or to be provided by each Member pursuant to:-

(1) The Regulations; and

(2) the functional specification provided to all Members by the Bureau from time to time.

(d) **"MID 1"** means that part of the MID which relates to Insured Motor Vehicles or policies concerning Insured Motor Vehicles which are insured on an individual basis.

(e) **"MID 2"** means that part of the MID which relates to Insured Motor Vehicles or policies concerning Insured Motor Vehicles which are not related to MID 1, in particular those generally referred to as "Fleet and/or motor trade".

(f) **"Sanctions"** means additional Member's Levies by the Members, or cessation of membership of the Bureau imposed upon a Member or Members under the Sanction Rules.

(g) **"Sanction Rules"** means the rules determined by the Board from time to time for the procedures, criteria and form for assessing and determining Sanctions, a copy of such rules being provided to Members by the Bureau not less than 3 months prior to them being approved by the Board unless such rules have previously been approved by the Members by special resolution at a general meeting of the Members or in a resolution in writing of the Members.

(h) **"The Regulations"** means The Motor Vehicles (Compulsory Insurance) (Information Centre and Compensation Body) Regulations 2003.

(i) **"TTS Targets"** means timelines to supply Mandatory Policy Data set by the Bureau from time to time which, at the date of adoption of these Articles, are as follows:-

(1) for MID 1 up to 31 December 2007 all Mandatory Policy Data is to be on the MID within 14 days of any relevant change;

(2) for MID 1 from 1 January 2008 all Mandatory Policy Data is to be on the MID within 7 days of any relevant change;

(3) for MID 2 all Mandatory Policy Data concerning policies is to be on the MID within 14 days of any relevant change;

(4) for MID 2 all Mandatory Policy Data concerning an Insured Motor Vehicle is to be on the MID within 21 days of any relevant change.

(2) **Overriding Principle of Data Quality Compliance**

Each Member shall use its best endeavours to comply with Data Quality Requirements at all times and such best endeavours shall include but not be limited to:-

(a) liaising with the Bureau;

(b) appointing a person of appropriate executive seniority within that Member's organisation ("the MID Sponsor"), notifying the Bureau of such appointment and liaising with the Bureau in all matters relating to the Member's satisfaction of the Data Quality Requirements;

(c) permitting regular monitoring by the Bureau of the Member's compliance with Data Quality Requirements;

(d) giving the Bureau such assistance as the Bureau reasonably requires to ensure adequate monitoring of the Member's compliance with Data Quality Requirements;

(e) establishing all appropriate and necessary business processes and resources so that the Member can comply with the Data Quality Requirements;

(3) **Sanctions**

(a) Pursuant to the Sanction Rules failure by any Member or Members to comply with:-

(1) Article 76(2): or

(2) any specific compliance criteria for MID 1 or MID 2 set out in the Sanction Rules

may in the case of Article 76(3)(a)(1) result in the Bureau imposing Sanctions, including if the Bureau so determines cessation of membership of the Bureau, of a Member pursuant to Article 18 and in the case of Article 76(3)(a)(2) result in a Member or Members paying additional Member's Levies to the Bureau pursuant to the Sanction Rules in addition to those payable under Article 22.

(b) Each Member agrees to be bound by and adhere to:-

(1) any determination of the Bureau pursuant to the Sanction Rules as final and binding subject only to the rights of appeal set out in Article 76(4), provided always that in the event of any inconsistency between these Articles and the Sanction Rules the Sanction Rules shall prevail; and

(2) the provisions of paragraph 1 of the Sanction Rules.

(4) **Appeals**

Any appeal against any Sanction shall be dealt with pursuant to the Sanction Rules save in respect of any decision to have a Member's Membership of the Bureau cease in which case such Member shall be entitled to appeal any decision of the Bureau in the English Court under any remedy such Member may have at law.

HANDLING OF CLAIMS

77. (1) The Board shall from time to time determine the terms upon which Members may handle claims (including, without limitation, the fee, the claims handling procedure, services standards and method of control of claims) or cease to handle claims

(2) Any member may by agreement with the Bureau (acting by the Board or by any person or persons to whom the Board may have delegated such powers pursuant to Article 63) handle claims or cease to handle claims, in each case upon such terms as may be determined pursuant to Article 77(1).

(3) Upon the occurrence of any event listed in Article 17(1) or Article 18, a Member handling claims shall return to the Bureau all records, papers and files (whether physical or digital and, in the case of digital, in a format acceptable to the Bureau) (**Records**) relating to such claims and all fees received by the Member from the Bureau in respect of claims which have not been settled (irrespective of the amount of work the Member may have carried out on such claims).

NOTICES

78. 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, Article 45(4), Article 45(5), Article 79 and Article 81, '**address**', in relation to electronic communications, includes any number or address used for the purposes of such communications.

79. The Bureau 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:

(1) to his principal address within the United Kingdom; or

(2) in the case of a Member having an Accredited Agent, to the principal address of the Accredited Agent or to the Member's principal foreign address at the discretion of the Board from time to time; or

(3) in the case of a notice given by electronic communication, to an address for the time being notified to the Bureau by the Member.

80. A Member present either in person or by proxy at any meeting of the Bureau shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

81. 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 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 48 hours after the time it was sent.

82. 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.

Annex 1

to Article 75

Act of Terrorism:

In respect of an event which occurs in the Relevant Territories

Definition of 'act of terrorism'

For the purposes of this Annex and Annexes 2 and 3 to Article 75 the term 'act of terrorism' shall have the meaning defined by section 1(1) of the Terrorism Act 2000 or any legislation which modifies or replaces that provision ("the **2000 Act**").

Preliminary Determination

1. Where an incident occurs which may have been act of terrorism, the Bureau may urgently refer the issue as to whether the incident was an act of terrorism for a preliminary determination in accordance with the provisions of Annex 3 to Article 75.

2. Where a preliminary determination is made that the incident was an act of terrorism in accordance with paragraph 1, the Bureau may thereafter handle, settle or compromise any claim in respect of a Road Traffic Act Liability or satisfy any Road Traffic Act Judgment which may have been caused by or arisen out of the incident.

3. A preliminary determination made in accordance with paragraph 1 above shall be subject to and without prejudice to the process set out hereafter for obtaining a final determination of the issue as to whether or not the incident was an act of terrorism.

Final Determination

4. At any time following an incident, whether or not a preliminary determination has been made, either the Bureau or any Member may refer the issue as to whether or not there has been an act of terrorism to arbitration for a final determination by an arbitrator in accordance with the provisions of Part B of Annex 2 to Article 75.

5. The decision of the arbitrator will be final and binding on the Bureau and all Members.

Recovery of Sums paid by the Bureau

6. In any case where the Bureau has paid any sums pursuant to a determination made in

accordance with paragraph 1 above, it shall be entitled to recover any such sums from a Member or Members if it is later determined by the process for obtaining a final determination set out in this Annex that the incident was not an act of terrorism.

Statements or Declarations by the Police or any State Body

7. Paragraphs 8 to 10 below shall apply where a referral is made:

   (a) to a King's Counsel for a preliminary determination in accordance with paragraph 1 above and the provisions of Annex 3 to Article 75; or

   (b) to an arbitrator for a final determination in accordance with paragraph 4 above and the provisions of Part B of Annex 2 to Article 75.

8. The determination whether or not an act of terrorism has occurred will be made on the balance of probabilities.

9. In any case where, pursuant to the memorandum of understanding dated 26 February 2024 Memorandum of Understanding between the Commissioner of Police of the Metropolis (on behalf of the Counter Terrorism Police ("the **CTP**") and the Bureau or otherwise ("**Memorandum of Understanding**"), the CTP issue a statement or opinion as to whether the incident was an act of terrorism, there shall be a presumption that the statement or opinion is correct unless the King's Counsel or the arbitrator considers that the evidence as a whole proves otherwise.

10. The King's Counsel or the arbitrator shall have particular regard to, but are not bound to follow, any official declaration or statement made by:

    (a) HM Treasury, pursuant to a request from Pool Reinsurance Company Limited ("Pool Re" to certify the event; or

    (b) any other state body;

    as to whether the incident was an act of terrorism. The King's Counsel or the arbitrator will further note that any declaration made by HM Treasury pursuant to a request from Pool Re would be made with reference to the Reinsurance (Acts of Terrorism) Act 1993, which contains a different definition of "acts of terrorism" to that provided for by s. 1(1) of the 2000 Act.

In respect of an event which occurs in any other country where the Bureau has a liability

Preliminary Determination

11. The procedure for obtaining a preliminary determination that an incident was a possible act of terrorism set out in paragraphs 1 to 3 above applies equally in respect of an event which occurs in any other country where the Bureau has a liability.

Final Determination

12. The procedure for obtaining a final determination of the issue as to whether or not there has been an act of terrorism set out in paragraphs 4 to 6 above applies equally in respect of an event which occurs in any other country where the Bureau has a liability. Subject to paragraphs 13 to 17 below, the decision of the arbitrator will be determinative of the issue as to whether an act of terrorism has occurred.

Determination by Government etc.

13. This section applies both to the procedure for obtaining a preliminary determination and to the procedure for obtaining a final determination as above where there has been a declaration issued by the government of the country in question (or by any body which is recognised by that government as having the responsibility to make such a declaration):

    (a) determining that an act of terrorism has occurred; or

    (b) to the effect that an act of terrorism has not occurred.

14. Where either paragraph 13(a) or (b) applies, this will be determinative of the issue and there can be no appeal from such a determination.

15. Where there is no agreement between the Bureau and the Member or Members as to whether the government of the country in question has made a declaration in accordance with paragraph 13, this issue may be referred to arbitration either by the Bureau or by any Member in accordance with the provisions of Part B to Annex 2 of Article 75.

16. Where the arbitrator is asked to determine whether or not a determination has been issued in accordance with paragraph 13 or whether or not an act of terrorism has occurred in accordance with paragraphs 1 or 4, he shall make a determination by reference to the law of the country where the event occurred save that, where he decides that there is no authoritative definition of an act of terrorism in that country, he shall make his determination by reference to section

1 of the 2000 Act.

17. In any case where there is a determination by the government of the country in question (or by any body which is recognised by that government as having the responsibility to make such a determination) as described in paragraph 13 above ("a **Government Determination**"), the outcome of that determination (whether the determination is to the effect that an act of terrorism has been committed or not) will take precedence over the outcome of any arbitration process pursuant to Part B to Annex 2 to Article 75:

(i) If the outcome of a Government Determination is known before the Part B Annex 2 arbitration process has completed, then that process will cease immediately.

(ii) If the outcome of a government determination is known after the Part B Annex 2 arbitration process has completed, then the Government Determination shall be determinative of whether or not an act of terrorism has occurred.

(iii) Where the Government Determination is contrary to the outcome of the Part B Annex 2 arbitration process, the Bureau and the Member or Members will adjust any payments already made so as to reflect the change.

Annex 2

to Article 75

Part A

(Disputes other than in relation to an Act of Terrorism)

1. **Introduction to Part A**

Part A to this Annex provides a process for the resolution of any dispute (other than in relation to whether an act of terrorism has occurred which falls to be determined in accordance with Annex 1 and Part B to this Annex) between the Bureau or Article 75 Insurer and a Member (or Members) where the Member has indicated a requirement for the resolution of a dispute to be decided by way of the arbitration provisions in this Part A of Annex 2 pursuant to Article 75(5)(f)(3).

The Parties agree that the arbitration shall be conducted in accordance with the Rules set out in this Part.

These Rules shall take effect subject to any mandatory procedural legislation applicable to the arbitration.

2. **Definitions**

The Adjudicator - as defined by Rule 17.2.

The Closing Date - as defined by Rule 9.3.1.

The Costs of the Arbitration

the reasonable and proportionate fees and expenses of the arbitrator as are appropriate in the circumstances; and

the reasonable and proportionate fees and expenses of the Parties as are appropriate in the circumstances.

Notice of Arbitration - the notice referred to in Rule 4.1.

The Parties - the Bureau (or an Article 75 insurer) and any Member who does not accept its obligation to deal with a case pursuant to Article 75(5).

Party - either the Bureau (or an Article 75 insurer) or the Member.

The Response - the response to the Notice of Arbitration sent in accordance with Rule 5.1.

The Seat of Arbitration - the juridical seat of the arbitration as defined by Rule 10.

3. **Notices**

Notices required to be given are deemed to be received in accordance with the definition of Deemed Receipt in Article 1(1).

4. **The Commencement of Arbitration Proceedings**

4.1. The indication by a Member pursuant to Article 75(5)(f)(3) of its requirement for the dispute between the Parties to be referred to arbitration under this Part of Annex 2, or in any case where more than one Member indicates a requirement for reference to Arbitration, the indication first received by the Bureau shall constitute the Notice of Arbitration.

4.2. The Notice of Arbitration shall provide the full name and correspondence address of the Member and the name of the contact person and reference to whom all communications are to be addressed (together with, if available, a telephone and an e-mail address).

4.3. Unless the Parties agree an extension of time, then within 14 days of the Notice of Arbitration the Bureau shall confirm:

(a) that it intends to rely upon the Statement of Facts already sent in accordance with Article 75(5)(e) as its statement of case within the arbitration process; or

(b) that it wishes to rely upon a further document setting out its submissions as to why the Member should deal with the case.

4.4. In the event of Rule 4.3(a) above, unless the Parties agree an extension of time, then within 28 days of the confirmation given by the Bureau pursuant to Rule 4.3, any Member shall provide its observations on the Statement of Facts sent by the Bureau or Article 75 Insurer in accordance with Article 75(5)(e) together with its submissions as to the extent of its obligation (if any) to meet the claim, supported by whatever documentation and evidence it wishes to rely on.

4.5. In the event of Rule 4.3(b) above:

(a) the Bureau shall send its further document to the Member within 28 days of the Notice of Arbitration;

(b) unless the Parties agree an extension of time, then within 28 days of receipt of the document sent by the Bureau in accordance with Rule 4.5(a) above, any Member shall provide its observations on the document together with its submissions as to the extent of its obligation (if any) to meet the claim, supported by whatever documentation and evidence it wishes to rely on.

4.6. A Notice of Arbitration may include the name and address (together with a telephone and an e-mail address if available) of the person or persons whom the Member considers would be an appropriate arbitrator, who shall be Queen's (or King's) Counsel with appropriate experience in the field of motor insurance law (or, if such appointment shall cease to exist, a barrister of at least 15 years call again with

appropriate experience).

4.7. Where an extension of time (or more than one) is agreed pursuant to Rule 4.3, 4.4 or 4.5, the requirements of those rules shall be met within the time agreed. In default of compliance, no further submissions, evidence or documentation may be relied upon by the Party in default unless ordered otherwise by the arbitrator.

5. **The Response by the Bureau or Article 75 Insurer to the Notice of Arbitration**

5.1. Within 28 days of Deemed Receipt of the Notice of Arbitration and the Member's observations and submissions in accordance with Rule 4.3, 4.4 or 4.5 (or such extended period as may be agreed between the Parties), the Bureau or Article 75 Insurer shall either confirm to the Member that it has no further submissions to make or make additional submissions (with supporting evidence and documentation if appropriate) as to why the Bureau or Article 75 Insurer considers the Member to have an obligation to deal with the claim over and above the submissions sent originally with the Statement of Facts.

5.2. The Bureau or Article 75 Insurer may only make further submissions (and provide further supporting evidence and documentation) pursuant to Rule 5.1 where new information not previously known to it has been provided with the Notice of Arbitration pursuant to Rule 4.

5.3. Failure by the Bureau or Article 75 Insurer to send any Response pursuant to Rule 5.1 shall not prevent the Bureau or Article 75 Insurer from continuing to assert that any Member has an obligation to meet the claim in accordance with submissions accompanying the Statement of Facts pursuant to Article 75(5)(e).

6. **Appointment of the Arbitrator Where the Parties are unable to Agree on the Appointment**

6.1. If the Parties are unable to agree the appointment of the arbitrator within 14 days of the expiry of the time for the Bureau’s response pursuant to Rule 5.1, any Party may refer the matter to the Chairman of the Bar Council for him to appoint an arbitrator of equivalent standing to the person described in Rule 4.6.

6.2. If, after appointment, the arbitrator resigns, dies or is unable to act, the Chairman of the Bar Council will, upon request by either Party, appoint a replacement arbitrator of equivalent standing. At any time prior to such replacement appointment by the Chairman of the Bar Council under this Rule, the Parties may make such an appointment by agreement.

6.3. Once the arbitration has commenced, all communications to the Chairman of the Bar Council must be copied to all Parties and to the arbitrator.

7. **Procedure on Appointment by the Chairman of the Bar Council**

7.1. When the Chairman of the Bar Council has appointed an arbitrator pursuant to Rule 6.1 and has notified the Parties of the identity and details of that arbitrator, the Bureau or Article 75 Insurer shall, within 14 days of such notification, send the following to the arbitrator:

7.1.1. the Statement of Facts pursuant to Article 75(5)(e) and submissions (with supporting documents and evidence) sent therewith;

7.1.2. the Notice of Arbitration pursuant to Rule 4.1 and any submissions (with supporting evidence and documentation) sent therewith;

7.1.3. the Bureau's or Article 75 Insurer Response pursuant to Rule 5.1 and any further submissions sent therewith; and

7.1.4. a copy of Articles 74 and 75 and of Part A to Annex 2 to Article 75.

7.2. If the Bureau or Article 75 Insurer fails to comply with Rule 7.1, any Member may send the material specified in Rule 7.1 to the arbitrator but, this aside, the failure by the Bureau or Article 75 Insurer will not have any other consequence.

8. **Communication between the Parties and the Arbitrator**

8.1. Any communication relating to substantive or procedural issues raised or likely to be raised in the arbitration sent by a Party to the arbitrator must be copied to each Party.

8.2. If the arbitrator communicates relating to substantive or procedural issues raised or likely to be raised in the arbitration with any Party, the arbitrator must copy such communication to each Party.

9. **Procedure (General)**

9.1. When calculating any time period under Part A to Annex 2, the period shall start to run from the date of Deemed Receipt of notice as defined under Article 1(1) . Time shall then run continuously (including non-business days). This Rule does not apply to notices given by the arbitrator under Rule 11.1.

9.2. Unless the Parties agree otherwise, the arbitrator shall convene a preliminary meeting with the Parties as soon as is practical. Unless the arbitrator considers there are good reasons to the contrary, the meeting shall take place within 14 days of the appointment of the arbitrator by telephone, in person or by other appropriate means at which time or following which the arbitrator shall make such orders and directions as the arbitrator considers are necessary for the speedy final and proportionate determination of the matters in the dispute. The arbitrator shall have the widest discretion permitted under the law governing the arbitral procedure when making such orders and directions, subject to Rule 9.3.

9.3. Subject to Rule 11, the following presumptions shall apply, it being understood that circumstances may require the arbitrator to depart from these presumptions:

9.3.1. the arbitration shall proceed on the documents, evidence and written submissions alone which have been supplied to the arbitrator pursuant to Rule 7 together with such further submissions, documents and evidence (if any) which the arbitrator in his absolute discretion shall request (if any) be supplied to him by a date he shall fix (the Closing Date), such Closing Date being set by the arbitrator at or before the preliminary meeting pursuant to Rule 9.2.

9.3.2. the procedure whether agreed or ordered shall ensure that the Closing Date shall be within 4 months of the commencement of the arbitration unless the arbitrator orders otherwise;

9.3.3. the costs of the arbitration shall be proportionate to the issues and sums involved;

9.3.4. the arbitrator's decision on the dispute (other than deciding and fixing the Costs of the Arbitration and their apportionment) shall be issued to the Parties by the arbitrator within 14 days of the Closing Date unless the arbitrator orders otherwise.

10. **Seat of Arbitration**

10.1. The Seat of Arbitration shall be as agreed between the Parties. In the absence of agreement between the Parties, the Seat of Arbitration shall be London.

10.2. Any award issued by the arbitrator, irrespective of where it is signed or delivered, is deemed issued at the Seat of Arbitration as defined in Rule 10.1.

11. **Meetings and the Hearing**

11.1. If at any time up to the conclusion of the preliminary meeting, a Party requests an oral hearing to enable the arbitrator to reach a decision, the arbitrator shall order an oral hearing and has no discretion not to do so. However, where no Party requests an oral hearing, the arbitrator may nevertheless order such a hearing in his absolute discretion.

11.2. In his absolute discretion, the arbitrator shall decide on the time limits to be placed on submissions, expert and witness evidence and overall duration of any oral hearing.

11.3. If an oral hearing takes place and unless the arbitrator orders to the contrary, the Closing Date will be the date upon which the hearing ends. The arbitrator shall give the Parties reasonable notice of the time, place, method and date of any such hearing. The Parties agree that at least one week's prior notice is reasonable.

11.4. The preliminary meeting (by default by telephone) and any oral hearing shall be in private and confidential to the Parties. Only the arbitrator, the Parties, the duly authorised legal representatives of the Parties and any other persons requested by the arbitrator in his absolute discretion may attend the preliminary meeting and any subsequent oral hearing (if applicable).

11.5. In all procedural matters (save where both Parties request an oral hearing), the arbitrator shall have the widest possible discretion permitted by law.

12. **Additional Powers**

12.1. For the avoidance of doubt, the arbitrator shall have the following powers:

12.1.1. To determine which Party shall be treated as claimant

12.1.2. to determine what further submissions, documents and evidence (if any) he requires over and above the material supplied to him in accordance with Rule

7 and, where there is to be an oral hearing, what form of written skeleton arguments are to be permitted (if any) and when these should be supplied;

12.1.3. to order the proportionate disclosure of such further documents or classes of documents including witness statements (if any) relevant to the dispute as the arbitrator considers necessary for the proper disposal of the dispute and to determine the stage when the documents are to be disclosed;

12.1.4. where appropriate, to require undertakings from the Parties that the proceedings shall remain confidential;

12.1.5. to make all such directions and rulings as the arbitrator considers appropriate for the effective and expeditious resolution of the dispute.

13. **The Jurisdiction of the Arbitrator**

13.1. The arbitrator shall have jurisdiction:

13.1.1. to issue a declaratory award stating the date upon which the arbitration was commenced and, in reaching such determination, the arbitrator shall take note of the provisions of Rule 4;

13.1.2. to rule on objections to the arbitrator's own jurisdiction including those relating to the existence, validity or scope of the arbitration process. Any objections relating to the jurisdiction of the arbitrator must be raised at the preliminary meeting. If no such objections are raised at that meeting, any such objections shall be waived and absolutely barred;

13.1.3. to interpret Article 75 so as to determine the dispute;

13.1.4. at the preliminary meeting or at any time thereafter, to limit the amount of recoverable costs to ensure these are proportionate both to the complexity of the issues and to the sums involved;

13.1.5. to proceed in the absence of a Party provided the arbitrator is satisfied that due notice has been given to the absent Party;

13.1.6. to proceed to an immediate determination on documents and written submissions or to an immediate hearing where there has been persistent failure or refusal to comply with orders of the arbitrator;

13.1.7. to make an award for the payment of interest

13.1.8. to make an award allocating the Costs of the Arbitration between the Parties.

13.1.9. The arbitrator shall have all additional powers granted by the law governing the arbitration procedure.

14. **The Arbitrator’s Decision**

14.1. The arbitrator shall decide the dispute in accordance with the law of England and Wales unless the Parties agree otherwise.

14.2. The decision shall, in the absence of order to the contrary, be issued to the Parties within 14 days of the Closing Date in accordance with Rule 9.3.4. The decision shall be in writing, in English and shall state the Seat of Arbitration and the date on which the decision is made.

14.3. The arbitrator shall set out his reasons for the decision summarising the material before him, his findings and the basis for his decision.

14.4. The decision shall be valid when signed by the arbitrator.

14.5. Where any Party prior to the issue of the decision of the arbitrator decides to accept liability for the claim, it may do so and the arbitrator may, at the written request of the Parties, record such an outcome when reaching his decision on costs.

14.6. Upon application of any Party or on notice given to the Parties by the arbitrator, either of which is to occur within 3 days of the issue of the decision or such extended period agreed by the Parties, the arbitrator may:

14.6.1. correct an award so as to remove any clerical mistake or error arising from an accidental slip or omission or clarify or remove any ambiguity in the decision; or

14.6.2. issue an additional decision in respect of any matter (including costs) which was presented to the arbitrator but omitted from the decision.

14.7. The powers set out in Rule 14.6 shall not be exercised without first giving the Parties at least 48 hours to make written representations to the arbitrator.

15. **Fees and Expenses of the Arbitrator**

15.1. The Parties shall be jointly and severally liable for such reasonable fees and expenses of the arbitrator as are appropriate and proportionate in the circumstances and which are payable upon conclusion of the arbitration.

15.2. The basis upon which the arbitrator charges shall be notified to the Parties at or before the preliminary meeting convened pursuant to Rule 9.2.

15.3. The arbitrator shall fix the amount and apportionment of the arbitrator's fees and expenses in his decision.

16. **Costs of the Arbitration**

16.1. Unless the Parties agree otherwise, the arbitrator shall determine the amount of the reasonable and proportionate Costs of the Arbitration payable by one Party to any other Party.

17. **Adjudication of the Fees and Expenses of the Arbitrator**

17.1. The Parties and the arbitrator agree to be bound by the procedure set out in this Rule.

17.2. If any Party challenges whether the fees and expenses of the arbitrator are appropriate and proportionate in the circumstances of the case, the Chairman of the Bar Council shall, on the application of any Party or of the arbitrator, appoint an Adjudicator to determine the matter.

17.3. The Adjudicator may adopt such procedure as he considers appropriate in his absolute discretion.

17.4. The determination of the Adjudicator shall be made in writing, signed and submitted to the Chairman of the Bar Council for confirmation. The determination shall also fix the fees and expenses of the Adjudication and by whom such fees and expenses are payable. Upon confirmation by the Chairman of the Bar Council, the determination shall be final and binding on the Parties and the arbitrator.

18. **Appeal from the arbitrator**

18.1. A Party may only appeal from the decision of the arbitrator in accordance with the provisions of sections 67 to 69 inclusive of the Arbitration Act 1996 (the "**1996 Act**").

Part B

(Disputes relating to an act of terrorism as provided for in Annex 1 to Article 75)

1. Introduction to Part B

1.1. Part B to this Annex provides a process solely for the resolution of the following issues, namely:

1.1.1. whether an act of terrorism has occurred pursuant to paragraph 4 of Annex 1 to Article 75, or

1.1.2. whether there has been declaration issued by the applicable government pursuant to paragraph 15 of Annex 1 to Article 75.

1.2. The Parties agree that the arbitration shall be conducted in accordance with the Rules set out in this Part.

1.3. The Parties further agree that the provisions of Annex 1 of Article 75 shall apply with full effect such that any declaration with reference to paragraph 13 of Annex 1 to Article 75 issued during the arbitration process under Part B or after such process is concluded shall take precedence over any decision of the arbitrator.

1.4. These Rules shall take effect subject to any mandatory procedural legislation applicable to the arbitration.

2. Definitions

The Adjudicator - as defined by Rule 17.2.

The Closing Date -as defined by Rule 9.3.1.

The Costs of the Arbitration -
the reasonable and proportionate fees and expenses of the arbitrator as are appropriate in the circumstances; and

the reasonable and proportionate fees and expenses of the Parties as are appropriate in the circumstances.

Notice of Arbitration - the notice referred to in Rule 4.1.

The Parties - the Bureau (or an Article 75 insurer) and the Member(s) who does not accept its obligation to deal with a case pursuant to Article 75(5).

Party - either the Bureau (or an Article 75 insurer) or the Member(s).

The Response - the response to the Notice of Arbitration sent in accordance with Rule 5.1.

The Seat of Arbitration - the juridical seat of the arbitration as defined by Rule 10.

3. Notices

Notices required to be given are deemed to be received in accordance with the definition of Deemed Receipt in Article 1(1).

4. The Commencement of Arbitration Proceedings

4.1. Where the Bureau or a Member indicates to the other an intention to refer the dispute to arbitration pursuant to paragraph 4 or paragraph 15 of Annex 1 to Article 75, the Deemed Receipt of such indication by the other Party shall constitute the Notice of Arbitration.

4.2. Unless the parties agree to an extension of time, then, within 28 days of the Notice of Arbitration pursuant to Rule 4.1, the indicating Party shall:

4.2.1. specify its full name and correspondence address for the purposes of the Arbitration and the name of the contact person and reference to whom all communications are to be addressed (together with, if available, a telephone and an e-mail address);

4.2.2. set out its submissions as to why there was or was not an act of terrorism or had or had not been a government declaration as the case may be and why therefore the receiving Party has an obligation to meet the claim, supported by whatever documentation and evidence the indicating Party wishes to rely on; and may

4.2.3. include the name and address (together with a telephone and an e-mail address if available) of the person or persons whom the indicating Party considers would be an appropriate arbitrator, who shall be King's Counsel with appropriate experience (or, if such appointment shall cease to exist, a barrister of at least 15 years' call again with appropriate experience)

4.3. If the indicating Party does not comply with the requirements of Rule 4.2 in the time allowed or agreed, then the indicating Party will neither be able to rely upon any submissions nor adduce further evidence or documentation and will be limited to what submissions, evidence and documentation has already been provided to the receiving Party unless the arbitrator orders otherwise.

4.4. If both Parties agree to the commencement of the arbitration process, the designation of the indicating Party will be by agreement between the Parties or, failing such agreement, will be the Party who first asked for the dispute to be referred to arbitration.

5. The Response to the Notice of Arbitration

5.1. Within 28 days of Deemed Receipt of the Notice of Arbitration and submissions pursuant to Rule 4.2 (or such extended period as may be agreed between the Parties), the receiving Party shall make submissions to the indicating Party as to

why there was or was not an act of terrorism or had or had not been a government declaration as the case may be and why therefore the indicating Party has an obligation to meet the claim, supported by whatever documentation and evidence the receiving Party wishes to rely upon.

5.2. The receiving Party shall, when responding pursuant to Rule 5.1, either agree to the appointment of an arbitrator suggested by the indicating Party pursuant to Rule 4.2.3 or provide the name and address (together with a telephone and an e-mail address if available) of the person or persons whom the receiving Party considers would be an appropriate arbitrator, the suggested person or persons having the same status and level of experience as set out in Rule 4.2.3.

5.3. Failure by the receiving Party to send any Response pursuant to Rule 5.1 shall not prevent it from continuing to assert that it has no obligation to meet the claim, but it will not be permitted to produce any supporting evidence or documentation not previously disclosed, unless the arbitrator orders otherwise.

6. Appointment of the arbitrator Where the Parties are unable to Agree on the Appointment

6.1. If the Parties are unable to agree the appointment of the arbitrator within 21 days of the expiry of the time for the receiving Party's response pursuant to Rule 5.1, either party may refer the matter to the Chairman of the Bar Council for him to appoint an arbitrator of equivalent standing to the person described in Rule 4.2.3.

6.2. If, after appointment, the arbitrator resigns, dies or is unable to act, the Chairman of the Bar Council will, upon request by either Party, appoint a replacement arbitrator of equivalent standing. At any time prior to such replacement appointment by the Chairman of the Bar Council under this Rule, the Parties may make such an appointment by agreement.

6.3. Once the arbitration has commenced, all communications to the Chairman of the Bar Council must be copied to the other Party and to the arbitrator.

7. Procedure On Appointment by the Chairman of the Bar Council

7.1. When the Chairman of the Bar Council has appointed an arbitrator pursuant to Rule 6.1 and has notified the parties of the identity and details of that arbitrator, the indicating Party shall, within 14 days of such notification, send the following to the arbitrator:

7.1.1. the Notice of Arbitration pursuant to Rule 4.1 and any submissions (with supporting evidence and documentation) sent therewith by the indicating Party;

7.1.2. the Response of the receiving Party pursuant to Rule 5.1 and any submissions (with supporting evidence and documentation sent therewith; and

7.1.3. a copy of Articles 74 and 75, Annex 1 to Article 75 and of Part B to Annex 2 to Article 75.

7.2. If the indicating Party fails to comply with Rule 7.1, the Receiving Party may send the material specified in Rule 7.1 to the arbitrator but, this aside, the failure by the Indicating Party will not have any other consequence.

8. Communication between the Parties and the arbitrator

8.1. Any communication relating to substantive or procedural issues raised or likely to be raised in the arbitration sent by either Party to the arbitrator must be copied to the other Party.

8.2. If the arbitrator communicates relating to substantive or procedural issues raised or likely to be raised in the arbitration with any Party the arbitrator must copy such communication to the other Party.

9. Procedure (General)

9.1. When calculating any time period under Part B to Annex 2, the period shall start to run from the day immediately after that upon which the document is received. Time shall then run continuously (including non-business days). This Rule does not apply to notices given by the arbitrator under Rule 11.1.

9.2. Unless the Parties agree otherwise, the arbitrator shall convene a preliminary meeting with the Parties as soon as is practical. Unless the arbitrator considers there are good reasons to the contrary, the meeting shall take place within 14 days of the appointment of the arbitrator by telephone, in person or by other appropriate means at which time or following which the arbitrator shall make such orders and directions as the arbitrator considers are necessary for the speedy final and proportionate determination of the matters in the dispute. The arbitrator shall have the widest discretion permitted under the law governing the arbitral procedure when making such orders and directions, subject to Rule 9.3.

9.3. Subject to Rule 11, the following presumptions shall apply, it being understood that circumstances may require the arbitrator to depart from these presumptions:

9.3.1. the arbitration shall proceed on the documents, evidence and written submissions alone which have been supplied to the arbitrator pursuant to Rule 7 together with such further submissions, documents and evidence (if any) which the arbitrator in his absolute discretion shall request (if any) be supplied to him by a date he shall fix (the Closing Date), such Closing Date being set by the arbitrator at or before the preliminary meeting pursuant to Rule 9.2.

9.3.2. The procedure whether agreed or ordered shall ensure that the Closing Date shall be within 4 months of the commencement of the arbitration unless the arbitrator orders otherwise;

9.3.3. the costs of the arbitration shall be proportionate to the issues and sums involved;

9.3.4. the arbitrator's decision on the dispute (other than deciding and fixing the Costs of the Arbitration and their apportionment) shall be issued to the Parties by the arbitrator within 14 days of the Closing Date unless the arbitrator orders otherwise.

10. Seat of Arbitration

10.1. The Seat of Arbitration shall be as agreed between the Parties. In the absence of agreement between the Parties, the Seat of Arbitration shall be London.

10.2. Any award issued by the arbitrator, irrespective of where it is signed or delivered, is deemed issued at the Seat of Arbitration as defined in Rule 10.1.

11. Meetings and the Hearing

11.1. If at any time up to the conclusion of the preliminary meeting the Parties agree that there should be an oral hearing or either party requests an oral hearing to enable the arbitrator to reach a decision, the arbitrator shall order an oral hearing at the preliminary meeting and has no discretion not to do so. However, where neither party requests an oral hearing, the arbitrator may nevertheless order such a hearing in his absolute discretion (always recognising the default position as being a decision without an oral hearing as per the presumption in Rule 9.3.1).

11.2. In his absolute discretion, the arbitrator shall decide on the time limits to be placed on submissions, expert and witness evidence and overall duration of any oral hearing.

11.3. If an oral hearing takes place and unless the arbitrator orders to the contrary, the Closing Date will be the date upon which the hearing ends. The arbitrator shall give the Parties reasonable notice of the time, place, method and date of any such hearing. The Parties agree that at least one week's prior notice is reasonable.

11.4. The preliminary meeting (by default by telephone) and any oral hearing shall be in private and confidential to the Parties. Only the arbitrator, the Parties, the duly authorised legal representatives of the Parties and any other persons requested by the arbitrator in his absolute discretion may attend the preliminary meeting and any subsequent oral hearing (if applicable).

11.5. In all procedural matters (save where both Parties request an oral hearing), the arbitrator shall have the widest possible discretion permitted by law.

12. Additional Powers

12.1. The arbitrator shall have the following powers:

12.1.1. to determine what further submissions, documents and evidence (if any) he requires over and above the material supplied to him in accordance with Rule 7 and, where there is to be an oral hearing, what form of written skeleton arguments are to be permitted (if any) and when these should be supplied;

12.1.2. to order the proportionate disclosure of such further documents or classes of documents including witness statements (if any) relevant to the dispute as the arbitrator considers necessary for the proper disposal of the dispute and to determine the stage when the documents are to be disclosed;

12.1.3. where appropriate, to require undertakings from the Parties that the proceedings shall remain confidential;

12.1.4. to make all such directions and rulings as the arbitrator considers appropriate for the effective and expeditious resolution of the dispute.

13. The Jurisdiction of the arbitrator

13.1. The arbitrator shall have jurisdiction:

13.1.1. to issue a declaratory decision stating the date upon which the arbitration was commenced and, in reaching such determination, the arbitrator shall take note of the provisions of Rule 4;

13.1.2. to rule on objections to the arbitrator's own jurisdiction including those relating to the existence, validity or scope of the arbitration clause or the separate Arbitration Agreement. Any objections relating to the jurisdiction of the arbitrator must be raised at the preliminary meeting. If no such objections are raised at that meeting, any such objections shall be waived and absolutely barred;

13.1.3. to interpret Articles 74 and 75 so as to determine the dispute;

13.1.4. at the preliminary meeting or at any time thereafter, to limit the amount of recoverable costs to ensure these are proportionate both to the complexity of the issues and to the sums involved;

13.1.5. to proceed in the absence of one Party provided the arbitrator is satisfied that due notice has been given to the absent Party;

13.1.6. to proceed to an immediate determination on documents and written submissions or to an immediate hearing where there has been persistent failure or refusal to comply with orders of the arbitrator;

13.1.7. to make an award for the payment of interest;

13.1.8. to make an award allocating the Costs of the Arbitration between the Parties; and

13.1.9. the arbitrator shall have all additional powers granted by the law governing the arbitration procedure.

13.2. At all times, the arbitrator shall be bound to follow and apply the provisions of paragraphs 4, 7-10, 12 and 13-17 of Annex 1 to Article 75.

14. The Arbitrator's Decision

14.1. The arbitrator shall decide the dispute in accordance with the law of England and Wales (save for the need to apply the provisions of paragraphs 4 and 16 of Annex 1 to Article 75) unless the Parties agree otherwise.

14.2. The decision shall, in the absence of order to the contrary, be issued to the Parties within 14 days of the Closing Date in accordance with Rule 9.3.4. The decision shall be in writing, in English and shall state the Seat of Arbitration and the date on which the decision is made.

14.3. The arbitrator shall set out his reasons for the decision summarising the material before him, his findings and the basis for his decision.

14.4. The decision shall be valid when signed by the arbitrator.

14.5. Where either party prior to the issue of the decision of the arbitrator decides to accept liability for the claim, it may do so and the arbitrator may, at the written request of the Parties, record such an outcome when reaching his decision on costs.

14.6. Upon application of either Party or on notice given to the Parties by the arbitrator, either of which is to occur within 72 hours of the issue of the decision, or such extended period agreed by the Parties, the arbitrator may:

14.6.1. correct an award so as to remove any clerical mistake or error arising from an accidental slip or omission or clarify or remove any ambiguity in the decision; or

14.6.2. issue an additional decision in respect of any matter (including costs) which was presented to the arbitrator, but omitted from the decision

14.7. The powers set out in Rule 14.6 shall not be exercised without first giving the Parties at least 48 hours to make written representations to the arbitrator.

15. Fees and Expenses of the Arbitrator

15.1. The parties shall be jointly and severally liable for such reasonable fees and expenses of the arbitrator as are appropriate and proportionate in the circumstances and which are payable upon conclusion of the arbitration.

15.2. The basis upon which the arbitrator charges shall be notified to the Parties at or before the preliminary meeting convened pursuant to Rule 9.2

15.3. The arbitrator shall fix the amount and apportionment of the arbitrator's fees and expenses in his decision.

16. Costs of the Arbitration

16.1. Unless the Parties agree otherwise, the arbitrator shall determine the amount of the reasonable and proportionate Costs of the Arbitration payable by one Party to the other.

17. Adjudication of the Fees and Expenses of the Arbitrator

17.1. The Parties and the arbitrator agree to be bound by the procedure set out in this Rule.

17.2. If either Party challenges whether the fees and expenses of the arbitrator are appropriate and proportionate in the circumstances of the case, the Chairman of the Bar Council shall, on the application of either Party or of the arbitrator, appoint an Adjudicator to determine the matter.

17.3. The Adjudicator may adopt such procedure as he considers appropriate in his absolute discretion.

17.4. The determination of the Adjudicator shall be made in writing, signed and submitted to the Chairman of the Bar Council for confirmation. The determination shall also fix the fees and expenses of the Adjudication and by whom such fees and expenses are payable. Upon confirmation by the Chairman of the Bar Council, the determination shall be final and binding on the Parties and the arbitrator.

18. Appeal from the arbitrator

A Party may only appeal from the decision of the arbitrator in accordance with the provisions of sections 67 to 69 inclusive of the 1996 Act (the **"1996 Act"**).

Annex 3

(Preliminary Determination under paragraph 1 of Annex 1 to Article 75)

1. Introduction

1.1. This Annex provides a process for obtaining a preliminary determination as to whether an incident was a possible act of terrorism under paragraph 1 of Annex 1 to Article 75.

2. Procedure

2.1. Where an incident occurs which may have been an act of terrorism as defined in section 1(1) of the Terrorism Act 2000 or any legislation which modifies or replaces that provision, the Bureau shall urgently refer the issue as to whether on the balance of probability the incident was an act of terrorism for a preliminary determination by an appropriate person, who shall be a King's Counsel with appropriate experience (or, if such appointment shall cease to exist, a barrister of at least 15 years' call with appropriate experience) ('**the King's Counsel'**).

2.2. The Bureau shall send the following to the King's Counsel:

2.2.1. all relevant evidence available at the time of the referral including a copy of any statement or declaration made by the police or any state body as to the nature of the incident;

2.2.2. a copy of section 1(1) of the Terrorism Act, 2000 (as amended by the Terrorism Act, 2006) or any legislation which modifies or replaces that provision, and Articles 74 and 75, Annex 1 to Article 75 and this Annex 3 to Article 75.

2.3. Any Member who is known to the Bureau to have a possible interest in a claim arising from the incident shall be sent a copy of the Bureau's referral to the King's Counsel at the same time as these are sent to the King's Counsel.

2.4. The Bureau and any interested Member may make written submissions on the evidence available, provided that any such submissions are received by the King's Counsel no later than 24 hours after the documents in paragraph 2.2 above are sent to the King's Counsel. The King's Counsel may have regard to any written submissions made after this time but before he has made a preliminary determination at his discretion.

2.5. The King's Counsel shall consider whether or not to make a preliminary

determination on the basis only of the evidence and written submissions which have been provided to him pursuant to paragraphs 2.2 and 2.4.

2.6. In deciding whether to determine that an incident was an act of terrorism the King's Counsel will have regard to paragraphs 8-10, 13, 14 and 16 of Annex 1 to Article 75.

2.7. The King's Counsel's determination shall be given in writing and shall be provided to the Bureau and to any interested Member within 3 days of the referral.

3. Fees and Expenses of the King's Counsel

3.1. The Bureau shall be solely liable for such reasonable fees and expenses of the King's Counsel as are appropriate and proportionate in the circumstances and which are payable on conclusion of this process.

4. Costs of the Process

4.1. Save as provided for by paragraph 3.1 above, the Bureau and any interested Member(s) shall bear their own costs of the process.