

THE COMPANIES ACT 1985

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

MEMORANDUM OF ASSOCIATION

Of

FINANCIAL OMBUDSMAN SERVICE LIMITED

- 1 The Company's name is "FINANCIAL OMBUDSMAN SERVICE LIMITED".
- 2 The Company's registered office will be situated in England.
- 3 The Company's objects are:-
 - (a) To do all such things as may be necessary or expedient in order that the Company may exercise the functions and powers of the Scheme Operator described in Part XVI of the Financial Services and Markets Act 2000 and any amendments made thereto.
 - (b) To establish, promote, manage or administer (whether alone or jointly with any other person or persons) a scheme or schemes to advise on, and for the investigation, mediation, conciliation, adjudication and resolution of, complaints (including by satisfaction, settlement or withdrawal) made by consumers relating to the provision of financial or other services.
 - (c) Without prejudice to the generality of paragraphs (a) and (b) above to appoint Ombudsmen and to appoint and instruct counsellors, mediators, conciliators, arbitrators and experts for any of the purposes referred to in paragraphs (a) and (b) above.
 - (d) To seek recognition as a complaints handling body under any domestic legislation dealing with the business of financial services.
 - (e) To collaborate with any governments or authorities (whether supreme, municipal, local or otherwise); the Financial Services Authority (FSA); any other regulator or any other companies, corporations or persons on matters relating to the business of financial or other services and the settlement of complaints in relation thereto.
 - (f) To promote public awareness and understanding of the services and facilities provided by the Company, including by way of publication of relevant material in such manner as may be thought expedient.
 - (g) To co-operate with the FSA in the promotion of public awareness in those areas which relate to the principal objects of the Company.

- (h) To engage, retain or employ skilled, professional or technical advisers or workers in connection with the objects of the Company and to pay such fees, remuneration or benefits as may be thought expedient.
- (i) To encourage research in and to carry out or commission such investigations or research as may seem necessary in connection with any of the objects of the Company.
- (j) To levy, charge, collect and receive subscriptions, levies, fees and other payments and expend the same in furthering all or any of the objects of the Company or providing for the expenses of the Company.
- (k) To establish, promote, co-operate with, become a member of, act as or appoint trustees, agents or delegates for, control, manage, superintend, or afford financial or other assistance to the work of, any associations and institutions and other bodies incorporated or not incorporated, whose objects may seem capable of furthering any of the objects of the Company.
- (l) To undertake and execute any trusts which may help to attain any of the objects of the Company.
- (m) To borrow or raise any money and obtain any form of credit or finance that may be required by the Company upon such terms and on such security as may be thought fit.
- (n) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange and other negotiable or transferable instruments.
- (o) To invest the moneys of the Company not immediately required in such manner as may be thought expedient.
- (p) To acquire all or any of the undertaking, property, assets, liabilities and activities of any organisation managing or administering a scheme having objects similar to any of the principal objects of the Company.
- (q) To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property, and in particular any land, buildings, offices and any rights or privileges necessary or convenient for the purposes of the Company, and to manage, develop, sell, demise, let, mortgage, dispose of, turn to account or otherwise deal with all or part of any such property, and to construct, erect, alter, improve and maintain any buildings which may be from time to time required for the purposes of the Company.
- (r) To pay all expenses preliminary or incidental to the formation of the Company and its registration.
- (s) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit persons who are or were Directors or Officers of the Company or employed or engaged by the Company, or the dependants or connections of such persons, and to grant, and make arrangements for the grant of, pensions and allowances to and to make payments towards insurance of such persons.

- (t) To promote, finance and assist in the incorporation of any company to carry on business of a type falling within the objects of the Company and in which the Company is to have an interest and to co-ordinate, finance and manage the business and operations of any such company.
 - (u) To procure the Company to be registered or recognised in any foreign country or place.
 - (v) To do all such other lawful things as may be necessary for, incidental or conducive to the attainment of any of the above objects.
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- (a) The Board shall be not less than six nor more than fifteen in number.
 - (b) One of the Directors shall be appointed as Chairman by the FSA, with the approval of H M Treasury.
 - (c) The Directors shall be persons appointed, and liable to removal from office, by the FSA (with the approval of H M Treasury in the case of the Chairman), but the terms of their appointment must be such as to secure their independence from the FSA in the operation of the Scheme. In particular, the power to remove a Director shall not be exercisable on any ground which relates directly or indirectly to the resolution of complaints.
 - (d) The FSA may appoint one of the Directors as Deputy Chairman of the Board.
 - (e) Appointments of Directors are to be for an initial period not exceeding three years, and for the Chairman, not exceeding five years (save where paragraph (f) applies), and shall be effected by the FSA serving a notice to that effect on the Company at its Registered Office.
 - (f)
 - (i) Unless the office of a Director is vacated in accordance with Clause 4(j), the period of office shall terminate at the end of the Director's term; but a Director may be reappointed by the FSA, provided that, in the case of the Chairman, the reappointment is approved by HM Treasury.
 - (ii) A Director reappointed in accordance with the provisions of subparagraph (f)(i) shall serve in total for a period not exceeding ten years.
 - (iii) A Chairman reappointed in accordance with the provisions of subparagraph (f)(i) shall serve in total for a period not exceeding ten years, which shall include any prior period served as a Director.
 - (g) A Director intending to resign his office before his period of office would otherwise be due to terminate shall give at least 3 months' notice in writing to the Company and to the FSA of that intention.
 - (h) The Directors shall be entitled to be paid such travelling, hotel and other expenses as are reasonably and properly incurred by them in connection with the business of the Company.
 - (i) The remuneration of the Directors shall from time to time be determined by the Board, subject to the approval of the FSA. Such remuneration shall be deemed to accrue from day to day, unless the Company in General Meeting determines otherwise.

- (j) The office of a Director shall be vacated if:
- (i) the Board of the FSA resolves, in accordance with paragraph (c), that he be removed from office and serves a notice to this effect on the Company at the Registered Office; or
 - (ii) he ceases to be a Director by virtue of any provisions of the Acts or of the Financial Services Act 1986, or becomes prohibited by law from being a Director; or
 - (iii) he becomes bankrupt, a receiving order is made against him or he makes any arrangement or composition with his creditors generally; or
 - (iv) in the opinion of the Board he becomes of unsound mind; or
 - (v) he resigns his office by notice in writing to the Company and to the FSA in accordance with paragraph 4(g) above; or
 - (vi) he does any act which, in the opinion of the Board, is likely to bring him or the Company into disrepute; or
 - (vii) he shall for more than four consecutive months have been absent without permission of the Board from meetings of Directors held during that period and the Board resolves that his office be vacated.

In the case of the Chairman, the office of Director shall be vacated under (i), (iii), (iv), (vi) or (vii) only with the approval of HM Treasury.

- (k) No amendment to any provision of the Memorandum or Articles which could affect the meaning or operation of Clause 4 shall have effect unless the amendment is made by way of a special resolution passed at a general meeting of the Company and proposed with the prior written consent of the FSA.

- 5 The income and property of the Company from whatever source it may derive shall, subject to this Memorandum and also to the Articles of Association of the Company, be applied solely towards the promotion of the objects of the Company as set out in this Memorandum of Association, and no part of it shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to the Members of the Company.

Nothing in this Clause shall, however, prevent the payment in good faith of reasonable and proper remuneration and out of pocket expenses to any officer or employee of the Company or to any Member of the Company, in return for any services actually rendered to the Company, or for any information or advice supplied, nor prevent the payment of interest on money lent or payment of a reasonable and proper rent for premises demised or let by any Member to the Company.

- 6 The liability of Members is limited.

- 7 On a winding up or dissolution of the Company all assets which would otherwise be available to its Members generally shall be transferred either to another body with objects similar to those of the Company or (if there is no such body) to another body the objects of which are the promotion of charity and anything incidental or conducive thereto.

- 8 Every Member of the Company undertakes to contribute to the assets of the Company if it should be wound up while he is a Member, or within one year after he ceases to be a Member, for payment of the Company's debts and liabilities contracted before he ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amounts as may be required not exceeding one pound.
- 9 Expressions defined in the Articles of Association of the Company shall have the same meaning in this Memorandum.

I, being the sole subscriber to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum of Association.

NAME AND ADDRESS OF SUBSCRIBER

Christine Farnish

whose address is

25, The North Colonnade
Canary Wharf
London E14 5HS

Dated the day of February 1999

Witness to the above Signature:

Jennifer Skeels

whose address is

25, The North Colonnade
Canary Wharf
London E14 5HS