

**THE COMPANIES ACT 2006**

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**A COMPANY LIMITED BY GUARANTEE**

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**ARTICLES OF ASSOCIATION OF  
THE ROYAL NORTHUMBERLAND YACHT CLUB**

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2006  
PRIVATE COMPANY LIMITED BY  
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CLUB  
(THE "CLUB")**

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**PART 1: INTERPRETATION AND LIMITATION OF LIABILITY**

**1. DEFINED TERMS**

1.1. The regulations contained in the Model Articles for Private Companies Limited by Guarantee set out in Schedule 2 of The Companies (Model Articles) Regulations 2008 (SI 3229/2008), shall not apply to the Club.

1.2. In these Articles, unless the context requires otherwise:

**Act** means the Companies Act 2006

**AGM** means an annual general meeting of the Club in accordance with Article 14.2

**Articles** means these articles of association, and **Article** refers to a particular provision in them

**Boating** means sporting, recreational and other activities carried out in water-borne craft of any description powered by the wind or by mechanical means

**Bye Laws** means bye laws of the Club from time to time proposed by the directors and approved by the General Committee subject to Articles 5.2 and 5.4

**CASC** means a community amateur sports club as that term is defined by s658 Corporation Tax Act 2010

**Club Member** means every person who agrees to become a company member of the Club and whose name is entered in the Club's register of members, in accordance with section 112 of the Act, and **Club Membership** shall be interpreted accordingly.

**Companies Acts** means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Club

**Director** means a Director of the Club, and includes any person occupying the position of Director, by whatever name called

<b>Electronic form</b>	has the meaning given in section 1168 of the Act
<b>Flag Officer</b>	means the Commodore, Vice Commodore and Rear Commodore(s)
<b>Finance Acts</b>	means the Corporation Tax Act 2010, the Finance Act 2012 and any other relevant legislation relating to CASCs
<b>General Committee</b>	means a committee of the Officers and up to 11 other Ordinary Members or Life Members as established in accordance with the Bye Laws.
<b>Life Member</b>	means any member elected at the discretion of the General Committee in recognition of meritorious services rendered to the Club. Life Members so elected shall be exempt from annual subscriptions or the requirement to renew membership, but shall enjoy all the rights and privileges of Ordinary membership, and <b>Life Membership</b> shall be interpreted accordingly.
<b>Member</b>	means all members of the Club according to Clause 11.5 and <b>Membership</b> shall be interpreted accordingly
<b>Ordinary Member</b>	means any person having attained the age of 18 years who is not an Associate Member, a Country member, a Cadet Member, a Student Member, a Temporary Member, a Visiting Member, an Affiliate Member, a Life Member or an Honorary Member. Ordinary Members have full voting rights. <b>Ordinary Membership</b> shall be interpreted accordingly.
<b>Officers</b>	has the meaning given in Article 6.1
<b>Ordinary Resolution</b>	means a resolution passed by a simple majority of the Ordinary and Life Members
<b>Secretary</b>	means the company secretary of the Club, if appointed
<b>Special Resolution</b>	means a resolution of the Club Members passed by a majority of not less than 75%
<b>Writing</b>	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

- 1.3. In these Articles, unless the context otherwise requires:
- 1.3.1 other words or expressions contained in these Articles bear the same meaning as in the Act as in force on the date when these Articles become binding on the Club;
  - 1.3.2 words in the singular shall include the plural and in the plural shall include the singular; and
  - 1.3.3 a reference to one gender shall include a reference to the other genders.
- 1.4 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of any subordinate legislation from time to time made under it, and any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality) and that person's personal representatives, successors and permitted assigns.
- 1.7 Any phrase introduced by the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

## **2 LIABILITY OF CLUB MEMBERS**

This has been renamed to 'Club Members' to clarify that all Members with their name on the register of members guarantee £1, which is the limit of their liability.

- 2.1 The liability of each Club Member is limited to £1, being the amount that each Club Member undertakes to contribute to the assets of the Club in the event of its being wound up while he is a Club Member or within one year after he ceases to be a Club Member, for:
- 2.1.1 payment of the Club's debts and liabilities contracted before he ceases to be a Club Member;

- 2.1.2 payment of the costs, charges and expenses of winding up; and
- 2.1.3 adjustment of the rights of the contributories among themselves.

## **PART 2: OBJECTS AND POWERS**

### **3 OBJECTS**

3.1 The Club is established for the following purposes:

- 3.1.1 to promote community participation in the sport of sailing by the provision of facilities and instruction and to encourage the building and improvement of yachts;
- 3.1.2 to encourage sailing in various forms, particularly through cruising and racing;
- 3.1.3 to organise racing events open to members and others;
- 3.1.4 to provide training in sailing and other water based activities to members;
- 3.1.5 to foster the social side of sailing in Northumberland and elsewhere;
- 3.1.6 to improve and maintain the Club's facilities, including the preservation and restoration of H.Y. Tyne; and
- 3.1.7 to do such things as may be considered desirable to promote the interests of sailing and the Club generally.

3.2 The income of the Club, from wherever derived, shall be applied solely in promoting the above Objects, and no distributions shall be made to its members in cash or otherwise.

### **4 POWERS**

4.1 In pursuance of the Objects set out in Article 3.1, the Club has the power to:

- 4.1.1 establish, maintain and conduct a Boating club;
- 4.1.2 promote and hold, either alone or jointly with any other association, club or persons, meetings, competitions and regattas for the purpose of competitive Boating and to offer, give, or contribute towards prizes, medals, and awards;
- 4.1.3 provide advice or information;

- 4.1.4 co-operate with other bodies;
- 4.1.5 accept gifts and raise funds;
- 4.1.6 borrow money;
- 4.1.7 give security for loans or other obligations;
- 4.1.8 acquire or hire property of any kind;
- 4.1.9 let or dispose of property of any kind;
- 4.1.10 set aside funds for special purposes or as reserves against future expenditure;
- 4.1.11 deposit or invest its funds in any manner;
- 4.1.12 delegate the management of investments to a financial expert;
- 4.1.13 insure the property of the Club against any foreseeable risk and take out other insurance policies to protect the Club when required;
- 4.1.14 employ paid or unpaid agents, staff or advisers;
- 4.1.15 enter into contracts to provide services to or on behalf of other bodies;
- 4.1.16 establish or acquire subsidiary companies; and
- 4.1.17 do anything else within the law which promotes or helps to promote the objects set out in Article 3.1.

**PART 3:  
DIRECTORS**

**5 DIRECTORS**

5.1 The Directors are responsible for the management of the Club's business, for which purpose they may exercise all the powers of the Club.

5.2 The Directors shall delegate their powers to the General Committee, which shall consist of the Officers and up to eleven (11) other Members entitled to vote and hold office, in accordance with the provisions of the Bye Laws. The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles and Bye Laws if they are not consistent with them.

The General Committee are able to amend the Bye Laws subject to approval from the Directors. See article 5.4 below.

5.3 Directors are elected by the Ordinary and Life Members or co-opted by the directors, in accordance with any procedures set out in the Bye Laws and subject to the provisions of article 5.5 below.

5.4 The Directors may adopt new Bye Laws as approved and/or amended by the General Committee from time to time.

5.5 The Directors of the Club elected by the Ordinary and Life Members must already hold one of the following positions:

5.5.1 Commodore;

5.5.2 Vice-Commodore;

5.5.3 Rear Commodore;

5.5.4 Honorary Secretary;

5.5.5 Honorary Treasurer; or

5.5.6 Ordinary or Life Members who are existing members of the General Committee and have been elected to sit on the General Committee.

5.6 A Director's term of office automatically terminates if he or she:

5.6.1 ceases to be a Director by virtue of any provision of the Act or is prohibited from being a director by law;

- 5.6.2 is absent without notice from three consecutive meetings of the Directors and is asked by a majority of the other directors to resign;
  - 5.6.3 is incapable, whether mentally or physically, of managing his/her own affairs;
  - 5.6.4 resigns by written notice to the Directors (but only if at least two directors will remain in office);
  - 5.6.5 is removed by the Ordinary and Life Members.
- 5.7 At each AGM, not less than one third of the Directors shall offer themselves for re-election to the position of Director.

## **6 OFFICERS AND SECRETARY**

- 6.1 The Officers of the Club are the Commodore, the Vice-Commodore, two Rear Commodores, the Honorary Secretary, the Honorary Treasurer, the Honorary Assistant Treasurer (Membership), the Honorary Assistant Treasurer (Yacht Dues), Honorary Membership Secretary and the Honorary Sailing Secretary (the "**Officers**"), all of whom must be Ordinary or Life Members and must also meet any other conditions and comply with any duties and responsibilities set out in any Bye Laws.
- 6.2 Officers shall be elected by the Ordinary and Life Members at the AGM each year. All Officers shall hold office from the conclusion of the AGM in which they are appointed until the conclusion of the AGM the following calendar year. All Officers shall be eligible to stand for re-election.

## **7 DIRECTORS' PROCEEDINGS**

- 7.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 7.2 The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors, but it must never be less than four, and, unless otherwise fixed, it is four.
- 7.3 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision to appoint further Directors, or to call a general meeting so as to enable the members to appoint further Directors.
- 7.3 A meeting of the Directors may be held either in person or by suitable electronic means agreed by the Directors in which all participants may communicate with all the other participants.

- 7.4 The Directors may appoint the President or an Officer to chair their meetings (the “**Chairman**”). The Directors may terminate the Chairman’s appointment at any time. If the Chairman is not participating in a Directors’ meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.
- 7.4 Any issue may be determined by a simple majority of the votes cast at a meeting, but a resolution in writing agreed by all the Directors (other than any conflicted Director who has not been authorised to vote) is as valid as a resolution passed at a meeting. For this purpose the resolution may be contained in more than one document.
- 7.6 Every Director has one vote on each issue and, in case of equality of votes, the Chairman of the meeting has a casting vote.
- 7.7 A procedural defect of which the Directors are unaware at the time does not invalidate decisions taken at a meeting.

## **8 DIRECTORS' POWERS**

- 8.1 Subject to their statutory duties, the Directors may exercise any powers of the Club which are not reserved to the Ordinary and Life Members or the General Committee subject to any restriction imposed by the General Committee or any Special Resolution.
- 8.2 The Directors may delegate any of their functions to committees consisting of two or more individuals appointed by them on such terms as they think fit unless resolved by the Directors to the contrary. At least one member of every committee must be a Director and all proceedings of committees must be reported promptly to the Directors.
- 8.3 Committees to which the Directors delegate any of their powers must follow procedures which are based, as far as they are applicable, on those provisions of the Articles which govern the taking of decisions by Directors.
- 8.4 If the Directors so specify, any such delegation may authorise further delegation of the Directors’ powers by any person to whom they are delegated.
- 8.5 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.
- 8.6 Subject to the provisions of the Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Members.

## **9 DIRECTORS' REMUNERATION AND EXPENSES**

9.1 Directors may undertake any services for the Club that the Directors decide. Directors are not entitled to remuneration unless it is in accordance with the provisions below.

9.2 Directors are entitled to be reimbursed from the property of the Club and may pay out of such property reasonable expenses properly incurred by him/her when acting on behalf of the Club.

3. No Director or any connected person may:

1. buy any goods or services from the Club on terms preferential to those applicable to other members of the public;
2. sell goods, services or any interest in land to the Club be employed by, or receive any other financial benefit from the Club unless the payment is permitted by Article 24.2;
3. a Director or connected person may receive a benefit from the Club in the capacity of a beneficiary of the Club provided that a majority of the Directors do not benefit in this way;
4. subject to Article 24.2.1 a Director or connected person may provide the Club with goods and or services provided to the Club by the Director or connected person;
5. the Directors may arrange for the purchase, out of the funds of the Club, of insurance designed to indemnify the Directors; and
6. a Director or connected person may take part in the normal trading and fundraising activities of the Club on the same terms as members of the public.

9.4 The Club may pay any reasonable expenses which the Directors properly incur in connection with the discharge of their responsibilities in relation to the Club.

## **10 CONFLICTS OF INTEREST**

10.1 The Directors may, in accordance with the requirements set out in Article 10.2, authorise any situation in which a Director has or can have, a direct or indirect interest that conflicts or possibly may conflict, with the interests of the Club which would, if not authorised, involve a Director breaching his duty under section 175 of the Act to avoid conflicts of interest.

10.2 Save where authorised pursuant to article 10.1, the conflicted Director shall not vote on the authorisation or be counted in the quorum for this purpose. Once the conflict is authorised, the Director may vote and count as part of the quorum.

10.3 If all the Directors of the Club are conflicted, the Directors shall pass the conflict to the Ordinary and Life Members for approval by Ordinary Resolution.

**PART 4:  
MEMBERSHIP**

**11 APPLICATIONS FOR MEMBERSHIP**

11.1 Membership is open to any individual interested in the sport of Boating. Membership is not transferable.

11.2 No person shall become a Member unless:

11.2.1 that person has completed an application for Membership in a form approved by the Directors from time to time; and

11.2.2 the Directors have approved the application.

11.3 Membership is also subject to any subscriptions or affiliation fees that may be set by the General Committee from time to time.

11.4 Not used.

11.5 As at the date of adoption of these articles, there are 10 categories of Club Members:

11.5.1 ordinary members, being any person having attained the age of 18 years who is not an Associate Member, a Country member, a Cadet Member, a Student Member, a Temporary Member, a Visiting Member, an Affiliate Member, a Life Member or an Honorary Member ("**Ordinary Members**");

11.5.2 associate members, being any person eligible for membership who, having attained the age of 18 years, satisfies the General Committee that he or she will and does make less than normal use of the Club's facilities. Such membership may be terminated at any time by the General Committee with valid reason ("**Associate Member**");

11.5.3 country members, being any member residing outside the counties of Northumberland, Tyne & Wear and Durham, and making less than normal use of the Club's facilities, after being an Ordinary member for not less than one year ("**Country Members**");

11.5.4 cadet members, being any member who has not yet attained 18 years of age. Subject to the byelaws of the Club such members shall be entitled to all the facilities of the Club ("**Cadet Members**");

- 11.5.5 student members, being any member in full time education and not being a Cadet and who has not yet attained 25 years of age ("**Student Members**");
- 11.5.6 temporary members, being a member who is granted a Temporary membership. Temporary membership is granted at the discretion of the Honorary Membership Secretary with the approval of General Committee. This category of membership is compulsory for persons attending RYA Shore Based/Practical courses who do not hold any other class of membership. Such membership is valid for a period of up to six months duration, subject to extension at the discretion of the General Committee ("**Temporary Members**");
- 11.5.7 visiting members, being any skipper or crew of a visiting yacht using the water-space of the Club, member of a recognized Yacht Club or serving officer of the Royal Navy visiting the Northumberland coast, upon entering his or her name in the Visitor's Book may be entitled to the facilities of the Club. Membership shall be of fourteen days duration, subject to extension at the discretion of the General Committee ("**Visiting Members**");
- 11.5.8 affiliate members, being any person being a bone fide member of an organisation recognised and accepted as affiliate by the committee, the said organisation having paid the appropriate annual affiliation fee and supplied a current list of members ("**Affiliate Members**");
- 11.5.9 life members, being any member elected at the discretion of the General Committee in recognition of meritorious services rendered to the Club. Life Members so elected shall be exempt from annual subscriptions or the requirement to renew membership, but shall enjoy all the rights and privileges of Ordinary membership ("**Life Members**"); and
- 11.5.10 honorary members, being any person upon whom the General Committee considers such an honour should be conferred. Such a member shall be entitled to the facilities of the Club but not to attend General Meetings. Such members shall be exempt from the requirement to renew membership ("**Honorary Members**").

**12 NOT USED**

### **13 TERMINATION OF CLUB MEMBERSHIP**

- 13.1 A Member may withdraw from Membership by giving 7 days' notice to the Club in writing.
- 13.2 A person's Membership terminates when that person dies.
- 13.3 Subject at all times to article 5.2, the Directors may, in the absence of action being taken by the General Committee, terminate the Membership of any Member without his consent by giving him written notice if, in the reasonable opinion of the Directors:
- 13.3.1 he is guilty of conduct which has or is likely to have a serious adverse effect on the Club or bring the Club or any or all of the Members and Directors into disrepute;
  - 13.3.2 he has acted or has threatened to act in a manner which is contrary to the interests of the Club as a whole; or
  - 13.3.3 he has failed to observe the terms of these Articles and any Bye Laws from time to time.
- 13.4 If the Directors wish to terminate a person's Membership in accordance with Article 13.3, they must give not less than 14 days' notice to that Member before the date of any meeting at which that Member's expulsion is to be considered and provide the Member with the opportunity to be heard in writing or in person or by way of representative as to why his Membership should not be terminated. The Directors must consider any representations made by the Member and inform the Member of their decision following such consideration.
- 13.5 A Member whose Membership is terminated under Article 13.3 shall not be entitled to a refund of any subscription or Membership fee and shall remain liable to pay to the Club any subscription or other sum owed by him.

**PART 5:  
GENERAL MEETINGS**

**14 GENERAL MEETINGS**

- 14.1 Ordinary and Life Members only are entitled to attend and vote at general meetings in person or by proxy (but only if the appointment of a proxy is in writing and delivered to the Club not less than 48 hours before the commencement of the meeting) and to vote on resolutions put forward at general meetings. No other class of Member is entitled to vote at general meetings.
- 14.2 The Club must hold a general meeting as an Annual General Meeting ("**AGM**") in each year in addition to any other general meetings in that year, and must specify the meeting as the AGM in the notices calling it. The first AGM must be held within 18 months after the Club's incorporation. Associate Members are entitled to attend and speak at the AGM and each general meeting of the Club in accordance with directions of the Chairman, but may not vote.
- 14.3 At the AGM, Members must, subject at all times to the provisions of clause 14.2 (as regards entitlement to vote):
- 14.3.1 receive the accounts of the Club for the previous financial year;
  - 14.3.2 receive a written report on the Club's activities;
  - 14.3.3 elect Directors to fill the vacancies arising; and
  - 14.3.4 appoint reporting accountants or auditors for the Club.
1. Subject at all times to the provisions of clause 14.1 (as regards entitlement to vote) Members may also, in general meetings from time to time discuss and determine any business put before them by the Directors or set out in a valid request by the Ordinary and Life Members to call a general meeting pursuant to Articles 14.5 and 14.6.
- 14.5 A general meeting may be called by the Directors at any time and must be called within 21 days of a written request from at least 10% of the Membership or (where no general meeting has been held within the last year) at least 5% of the Ordinary and Life Members.
- 14.6 General meetings are called on at least 14 and not more than 28 clear days' written notice indicating the business to be discussed and (if any resolutions are to be proposed) setting out the terms of the proposed resolutions.
- 14.7 There is a quorum at a general meeting if the number of Ordinary and Life Members present in person or by proxy is thirty.

- 14.8 The chairman at a general meeting is elected by the Directors. If the Directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start, the Directors present or, if no Directors are present, the Ordinary and Life Members, must appoint a Director or Ordinary or Life Member to chair the meeting.

## **15. VOTING IN GENERAL MEETINGS**

Subject to Article 16, every Ordinary and Life Member present in person or by proxy has one vote on each resolution presented to a general meeting.

## **16. POLL VOTES**

- 16.1. A poll on a resolution may be demanded:

16.1.1. in advance of the general meeting where it is to be put to the vote; or

16.1.2. at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

- 16.2. A poll may be demanded by:

16.2.1. the chairman of the meeting;

16.2.2. the Directors;

16.2.3. two or more persons having the right to vote on the resolution; or

16.2.4. a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution.

- 16.3. A demand for a poll may be withdrawn if:

16.3.1. the poll has not yet been taken; and

16.3.2. the chairman of the meeting consents to the withdrawal.

- 16.4. Polls must be taken immediately and in such manner as the chairman of the meeting directs.

## **17. CONTENT OF PROXY NOTICES**

- 17.1. Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:

17.1.1. states the name and address of the member appointing the proxy;

- 17.1.2. identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
  - 17.1.3. is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the Directors may determine; and
  - 17.1.4. is delivered to the Club in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate, not less than 48 hours before the time for holding the meeting at which the person named in the instrument proposes to vote.
- 17.2. The Club may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 17.3. Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 17.4. Unless a proxy notice indicates otherwise, it must be treated as:
- 17.4.1. allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
  - 17.4.2. appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## **18. DELIVERY OF PROXY NOTICES**

- 18.1. A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Club by or on behalf of that person.
- 18.2. An appointment under a proxy notice may be revoked by delivering to the Club a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 18.3. A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 18.4. If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointers behalf.

## **19.AMENDMENTS TO RESOLUTIONS**

- 19.1. An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if:
- 19.1.1. notice of the proposed amendment is given to the Club in writing by a person entitled to vote at the general meeting at which it is to be proposed not less

than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and

19.1.2. the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

19.2. A Special Resolution to be proposed at a general meeting may be amended by Special Resolution, if:

19.2.1. the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and

19.2.2. the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

## **PART 6: ADMINISTRATIVE ARRANGEMENTS**

### **20 RECORDS AND ACCOUNTS**

20.1 The Directors must comply with the requirements of the Companies Acts as to keeping records, the audit or independent examination of accounts and the preparation and transmission to the Registrar of Companies of information required by law including:

20.1.1 annual returns;

20.1.2 annual reports; and

20.1.3 annual statements of account.

20.2 The Directors must also keep records of:

20.2.1 all proceedings at meetings of the Directors;

20.2.2 all resolutions in writing;

20.2.3 all reports of committees; and

20.2.4 all professional advice obtained.

20.3 Accounting records relating to the Club must be made available for inspection by any Director at any time during normal office hours and may be made available for inspection by Members who are not directors if the Directors so decide.

20.4 A copy of the Club's constitution and latest available statement of account must be supplied on request to any Director.

### **21 INDEMNITY**

21.1 Subject to Article 21.2, a Director or former Director of the Club may be indemnified out of the Club's assets against:

21.1.1 any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Club;

21.1.2 any liability incurred by that Director in connection with the activities of the Club in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act); or

21.1.3 any other liability incurred by that Director as an Officer of the Club.

21.2 This Article 21 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

## **22 COMMUNICATIONS**

22.1 Notices and other documents to be served on Members or Directors under these Articles or the Companies Acts may be served:

22.1.1 by hand;

22.1.2 by post;

22.1.3 by suitable electronic means;

22.1.4 through publication in the Club's newsletter or on the Club's website; or

22.1.5 if issued by the Honorary Secretary by publication on the Club notice board.

22.2 The only address at which a Member is entitled to receive notices sent by post is an address in the U.K. shown in the register of Members.

22.3 Any notice given in accordance with these Articles is to be treated for all purposes as having been received:

22.3.1 24 hours after being sent by electronic means, posted on the Club's website or delivered by hand to the relevant address;

22.3.2 two clear days after being sent by first class post to that address;

22.3.3 three clear days after being sent by second class or overseas post to that address;

22.3.4 immediately on being handed to the recipient personally; or, if earlier,

22.3.5 as soon as the recipient acknowledges actual receipt.

22.4 A technical defect in service of which the Directors are unaware at the time does not invalidate decisions taken at a meeting.

## **23 AMENDING THE ARTICLES**

- 23.1 No amendments may be made to this Article 23 or to Articles 3, 24, or 25 without a Special Resolution of the Ordinary and Life Members.
- 23.2 No amendments may be made to these Articles that may jeopardise the Club's status as a CASC without a Special Resolution of the Ordinary and Life Members.
- 23.3 Subject to Articles 17.1 and 17.2, these Articles may be amended by special resolution of the Ordinary and Life Members.

## **24 PROFITS NOT TO BE DISTRIBUTED**

- 24.1 The income and property of the Club shall be applied solely in promoting the objects of the Club as set out in Article 3.1.
- 24.2 No dividends or bonus may be paid or capital otherwise returned to the Members, provided that nothing in these Articles shall prevent any payment in good faith by the Club of:
  - 24.2.1 reasonable and proper remuneration to any Member, Officer or servant of the Club for any services rendered to the Club;
  - 24.2.2 interest on money lent by any Member of the Club or Director at a reasonable and proper rate per annum not above the published base lending rate of a clearing bank to be selected by the Directors;
  - 24.2.3 reasonable and proper rent for premises demised or let by any Member or Director; or
  - 24.2.4 reasonable out-of-pocket expenses properly incurred by any Director.

## **25 DISSOLUTION**

- 25.1 If the Club is wound up or dissolved and after all its debts and liabilities have been satisfied there remains any property it shall not be paid to or distributed among the Members of the Club, but shall be given or transferred, as the sole discretion of the Directors, to:
  - 25.1.1 some other club that is a charity with purposes similar to those of the Club; or
  - 2. some other club that is a registered CASC with purposes similar to those of the Club; or
  - 25.1.3 the national governing body for the sport of yachting for use by that organisation for related community sports.

## **26. PRECEDENCE**

If there is any conflict between the terms of these Articles of Association and provisions set out in the Bye Laws from time to time, the Articles of Association shall prevail.