

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF
SALCOMBE YACHT CLUB (2017) LIMITED

PART 1

INTERPRETATION AND LIMIT OF LIABILITY

MONDAY



- 1 In these articles, unless the context requires otherwise—
- “articles” means the company’s articles of association;
- “board” means the properly elected Board of Directors of the Club from time to time
- “bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
- “chairman” has the meaning given in article 11.4;
- “chairman of the meeting” has the meaning given in article 11.4;
- “Club” and “company” means the above named Company
- “Club Manager” means any person employed by the Club to manage the day-to-day affairs and activities of the Club
- “commodore” means such person as shall be elected in accordance with the Rules as Commodore of the Club from time to time
- “Companies Acts” and “Act” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;
- “director” means a director of the company, and includes any person occupying the position of director, by whatever name called;
- “distribution recipient” has the meaning given in article 26.2;
- “elected Director” means a Director elected in accordance with Article 6
- “electronic form” has the meaning given in section 1168 of the Companies Act 2006;
- “fully paid” in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;
- “General Committee” means the General Committee comprising SYCC Members voted at the Annual General Meeting of SYCC as set out in the Rules of the Club, and chaired by the Commodore from time to time
- “hard copy form” has the meaning given in section 1168 of the Companies Act 2006;
- “holder” in relation to shares means the person whose name is entered in the register of members as the holder of the shares;
- “instrument” means a document in hard copy form;
- “ordinary resolution” has the meaning given in section 282 of the Companies Act 2006,
- “paid” means paid or credited as paid;
- “proxy notice” has the meaning given in article 60.1.
- “Rules” means the SYC Club Rules 2013 and any other rules and regulations or bye-laws of the Club made by the SYCC in general meeting, and as amended from time to time
- “shareholder” means a person who or body corporate which is the holder of a share;
- “shares” means shares in the company;
- “special resolution” has the meaning given in section 283 of the Companies Act 2006;
- “subsidiary” has the meaning given in section 1159 of the Companies Act 2006;
- “SYCC” means Salcombe Yacht Club Company Limited company number 00163711
- “SYCC board” means the properly elected Board of Directors of SYCC, from time to time
- “SYCC director” means a person properly elected to the SYCC Board
- “SYCC Member” means a Member of SYCC
- “SYCC Nominee” means a person nominated by SYCC to the Board of the Club

“Transmittee”	means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law
“Treasurer”	means the person appointed to administer or manage the financial assets and liabilities of the Company as elected by the General Committee.
“Vice Commodore”	means such person as shall be elected in accordance with the Rules as Vice Commodore of the Club from time to time
“Voting Member”	means an SYCC Member holding full voting rights. and
“Writing”	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.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

LIABILITY OF SHAREHOLDERS

- 2 The liability of the shareholders is limited to the amount, if any, unpaid on the shares held by them

PART 2

OBJECTS

- 3 The Club is established for the following objects
- i. principally to provide facilities for sailing and generally to promote encourage and facilitate sailing in the area of Salcombe.
 - ii. to maintain the Club premises and club-owned equipment for the use of SYCC Members
 - iii. to sell or supply food and or drink and provide other activities as a social adjunct to the sailing purpose of the Club.
 - iv. to obtain funding for the activities of the Club by collecting entrance fees, SYCC Membership subscriptions, and by obtaining sponsorship and other available funding.
 - v. to promote sailing within the Club
 - vi. to acquire, establish, own, operate and turn to account in any way for SYCC Members' benefit the sailing facilities of the Club together with fixtures and fittings and accessories as shall be thought advisable.
 - vii. to make rules, regulations, bye-laws and standing orders concerning the operation of the Club
 - viii. to do all such other things as shall be thought fit to further the interests of the Club or to be incidental or conducive to the attainment of all or any of the objects stated in this Article 2

In furtherance of the above objects the Club shall have the following powers

- a) to purchase, take on, lease, or exchange, hire or otherwise acquire personal property
- b) to sell, manage, let or dispose of or turn to account all or any assets of the Club (for the avoidance of doubt, excluding any real estate assets), subject to such consents as may be required by law
- c) to execute and do all such other instruments, acts and things as may be requisite for the efficient management, development and administration of the Club's property.
- d) to borrow or raise money for the objects of the Club on such terms and on such security as may be thought fit subject to such consents as may be required by Law:
- e) to take and accept any gift of money or other assets (other than real estate) whether subject to any special trust or not for the objects of the Club.
- f) to raise funds and organise appeals and invite and receive contributions from any person or persons whatsoever by way of subscription, donation and otherwise
- g) to draw, make, accept endorse discount, execute and issue promissory notes, bills, cheques and other instruments and to operate bank accounts, to invest moneys of the Club not immediately required for its purposes in or upon such investments, securities or property as may be thought fit subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided
- h) to engage and pay any person or persons whether on a full or part time basis or whether as consultant or employee, to supervise, organise, carry on the work of and or advise the Club.
- i) to make provision (as required by law) for the payment of pensions and superannuation to or on behalf of employees or former employees and their spouses and dependants
- j) to amalgamate with any companies, institutions societies or associations which shall have objects altogether or mainly similar to those of the Club or which are for the benefit of the Club or any part thereof and prohibit payment of any dividend or profit to and the distribution of any of their assets amongst their Members at least to the same extent as such payments or distributions are prohibited by these Articles of Association.
- k) to do all such other lawful things as will further the attainment of the objects of the Club or any of them

- 4 The income and property of the company shall be applied solely towards the promotion of its objects as set out in Article 3 No portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit, to members of the company other than SYCC, for as long as it is and remains the shareholder of the Club, and in accordance with Article 23 No director of the company shall be paid by salary or fees, or receive any remuneration or other benefit in money or money's worth from the company for discharging his duties as such.

If upon winding up or dissolution of the company 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 company, unless such member has in its constitution a restriction on the distribution of income or surpluses on the same basis as set out in this Article, but shall be given or transferred to some other institution or institutions having objects similar to those of the Club.

PART 3

BOARD OF DIRECTORS AND DIRECTORS

5 BOARD

- 5.1 The number of Directors shall be 6 unless and until varied by ordinary resolution of the Club in general meeting
- 5.2 The Directors shall be
- i. The Commodore
 - ii. The SYCC Nominee
 - iii. 4 Elected Directors
- 5.3 For the purposes of this Article 5.2 the SYCC Nominee shall mean any person voted by the SYCC Board, who may or may not be an SYCC Director.
- 5.4 The first directors, who shall hold office until such time as they are due to retire in accordance with these Articles shall be
- i. The Commodore (John Neaverson)
 - ii. The SYCC Nominee (Bruce Fletcher)
 - iii. The Elected Directors (Martin Smout, Martyn Fray)
- 5.5 If not Elected Directors, The Club Manager and the Treasurer shall sit with the Board but will not have a vote.

6 ELECTED DIRECTORS

At the annual general meeting each year the Elected Directors due to retire shall retire and shall be eligible for re-election In accordance with these Articles The election for the office of Elected Director shall be conducted In accordance with Articles 7.1 and 7.2. Except as provided in Article 5.4, an Elected Director so elected shall hold office from the annual general meeting at which he is elected, until the annual general meeting in the year following his election at which meeting he shall retire but may be re-elected for a further year term provided that no Director shall be a director for more than five consecutive years

7 ELECTIONS

- 7.1 Any SYCC Member may nominate another SYCC Member to be an Elected Director Any person nominated as a Member of the Board must be a Voting Member. Any nomination must be made on the form prescribed from time to time by the Board. Any nomination must be seconded by another Voting Member and the form must be completed and returned to the Club Manager not later than such date as the Board shall prescribe each year
- 7.2 If there are the same number of candidates as there are vacancies for a post, those candidates shall be declared elected unopposed at the annual general meeting In the event of there being more nominations than vacancies, there shall be an election at the annual general meeting as directed as the Board. The results of any such election must be announced at the annual general meeting.

8 CASUAL VACANCIES

- 8.1 A casual vacancy arising among the offices of Commodore or the Elected Directors shall be filled by the Board provided always that the person appointed to fill the vacancy shall hold office until such time as the person he replaced was due to retire but shall be eligible for re-election in accordance with these Articles.
- 8.2 A casual vacancy arising on the retirement from office of the SYCC Nominee shall be filled by the

SYCC Board.

9 REMOVAL OF DIRECTORS

- 9.1 In addition and without prejudice to the provisions of section 168 of the Act, the shareholders may by ordinary resolution remove any director, with the exception of the SYCC Nominee, before the expiration of his period of office, and may by an ordinary resolution appoint another suitably qualified person in his stead, but any person so appointed shall retain his office so long only as the director in whose place he is appointed would have held the same if he had not been removed.
- 9.2 The office of director shall be vacated
- i. If he becomes bankrupt or makes any arrangement or composition with his creditors generally.
 - ii. If he becomes of unsound mind.
 - iii. If by notice in hard copy form to the Board he resigns his office.
 - iv. If he becomes prohibited from holding office by reason of any court order made under the Act.
 - v. If he is removed from office by a resolution duly passed pursuant to section 168 of the Act.
 - vi. If he is Commodore or any other Committee Member when his term of office expires and he is not re-elected.
 - vii. If he is removed from office by an ordinary resolution passed at a general meeting at which the resolution is proposed
 - viii. unless the Board otherwise resolves if he shall without sufficient reason (being unavoidably prevented by illness or by absence from home) absent himself from one half of the meetings of the Board during any year for which he is elected
 - ix. he ceases to be an SYCC Member.
- 9.3 A Commodore, who is removed from office as a director for whatever reason, by virtue of Articles 9.1 or 9.2, shall be deemed to have resigned from office and the vacancy arising shall be filled in accordance with these Articles

10 POWERS OF THE BOARD

- 10.1 The business of the Club shall be managed by the Board who may pay all such expenses of, and preliminary and incidental to, the promotion, formation, establishment and registration of the Club as they think fit to achieve the objects of the Club and may exercise all such powers of the Club, and do on behalf of the Club all such acts as may be exercised and done by the Club including, without prejudice to the generality of the foregoing, the power to borrow, and as are not by the Act or by these Articles required to be exercised or done by the Club in general meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Act for the time being in force and affecting the Club, and to such Rules, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Club in general meeting, but no Rule made by the Club in general meeting shall invalidate any prior act of the Board which would have been valid if such Rule had not been made.
- 10.2 The Board may delegate any of their powers which are conferred on them under these Articles to such person or committee, by such means (including Power of Attorney), to such extent, in relation to such means and on such terms and conditions as they think fit which, without prejudice to the generality of the foregoing, shall include all committees set out in the Rules. If the directors so specify, any such delegation may authorise further delegation of the director's powers.
- 10.3 The Board may act notwithstanding any vacancy in their body.
- 10.4 If the Board shall at any time be or be reduced in number to less than the number prescribed by law or in accordance with these Articles, it shall be lawful for them to act as the Board for the purpose of summoning a general meeting, but not for any other purpose

11 PROCEEDINGS OF THE BOARD

- 11.1 The Board may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit, provided that at least four such meetings shall be held in each year.
- 11.2 Questions arising at a meeting shall be decided by a majority of votes. Voting on any issue shall be by show of hands. Each director shall be entitled to one vote. Should deadlock arise the chairman of any meeting of the Board shall have a casting vote..
- 11.3 A director, and the Club Manager at the request of a director, shall at any time summon a meeting of the Board by notice served upon the directors. A director who is absent from Great Britain shall not be entitled to notice of a meeting. Notice of all meetings and minutes of all meetings shall be served on all members of the Board.
- 11.4 The SYCC Nominee shall be Chairman of the Board. The SYCC Nominee shall preside as chairman at all meetings of the Board at which he shall be present, but if at any meeting the SYCC Director is not present within five minutes after the time appointed for holding the meeting or is not willing to preside the directors present shall choose one of their number to be "chairman of the meeting".
- 11.5 A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers and discretions by or under the regulations of the Club for the time being vested in the Board generally. The quorum for meetings of the Board shall be 4.
- 11.6 All acts bona fide done by any meeting of the Board or by any person acting as a director shall notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office.

12 DIRECTORS' APPOINTMENTS AND INTERESTS

- 12.1 The Club shall not employ any director of the Club nor pay any remuneration.
- 12.2 Subject to the provisions of the Act, and provided that he has disclosed to the Board the nature and extent of any material interest of his, a director notwithstanding his office
 - i. may be a party to, or otherwise interested in, any transaction or arrangement with the Club or in which the Club is otherwise interested
 - ii. may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Club or in which the Club is otherwise interested, and
 - iii. shall not, by reason of his office,
 - a. be accountable to the Club for any benefit which he derives from any such office or employment, or
 - b. from any such transaction or arrangement, or
 - c. from any interest in any such body corporate, and
 - d. no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit
- 12.3 For the purposes of these Articles
 - i. general notice given to the Board that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature so specified, and
 - ii. an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.
- 12.4 No director shall take any loan from the Club.

13 MINUTES

- 13.1 The directors shall cause minutes to be made in books kept for the purpose
- i. of all appointments made by the directors, and
 - ii. of all proceedings at meetings of the Club which shall include without limitation proceedings of the Board including the names of the directors present at each such meeting
- 13.2 Any such minutes of any meeting, if purporting 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

PART 4
SHARES AND DISTRIBUTIONS
SHARES

14 ALL SHARES TO BE FULLY PAID UP

- 14.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.
- 14.2 This Article 14.1 does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

15 POWERS TO ISSUE DIFFERENT CLASSES OF SHARE

- 15.1 Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.
- 15.2 The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

16 COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

17 SHARE CERTIFICATES

- 17.1 The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 17.2 Every certificate must specify—
- i. in respect of how many shares, of what class, it is issued;
 - ii. the nominal value of those shares;
 - iii. that the shares are fully paid; and
 - iv. any distinguishing numbers assigned to them.
- 17.3 No certificate may be issued in respect of shares of more than one class.
- 17.4 If more than one person holds a share, only one certificate may be issued in respect of it.
- 17.5 Certificates must
- i. be otherwise executed in accordance with the Companies Acts.

18 REPLACEMENT SHARE CERTIFICATES

- 18.1 If a certificate issued in respect of a shareholder's shares is
- i. damaged or defaced, or
 - ii. said to be lost, stolen or destroyed,
- that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- 18.2 A shareholder exercising the right to be issued with such a replacement certificate
- i. may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - ii. must return the certificate which is to be replaced to the company if it is damaged or defaced; and
 - iii. must comply with such conditions as to evidence, indemnity and the payment of a
 - iv. reasonable fee as the directors decide.

19 SHARE TRANSFERS

- 19.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- 19.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 19.3 The company may retain any instrument of transfer which is registered.
- 19.4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 19.5 The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

20 TRANSMISSION OF SHARES

- 20.1 If title to a share passes to a Transmitttee, the company may only recognise the Transmitttee as having any title to that share
- 20.2 A Transmitttee who produces such evidence of entitlement to shares as the directors may properly require may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had but Transmitttees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

21 EXERCISE OF TRANSMITTEES' RIGHTS

- 21.1 Transmitttees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.
- 21.2 If the Transmitttee wishes to have a share transferred to another person, the Transmitttee must execute an instrument of transfer in respect of it.
- 21.3 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the Transmitttee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

22 TRANSMITTEES BOUND BY PRIOR NOTICES

If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

DIVIDENDS AND OTHER DISTRIBUTIONS

23 PROCEDURE FOR DECLARING DIVIDENDS

- 23.1 In the event that, and for so long as, SYCC is and remains a shareholder of any class of share
- i. no dividend whatsoever shall be declared without the express written authority of the SYCC Board.
 - ii. dividends will be declared on the written request of the SYCC Board, provided always
 - a. the Club has sufficient Reserves to cover such dividend; and
 - b. there are sufficient cash and bank balances on hand to meet the anticipated day-to-day sailing activity and trading requirements of the Club and SYCC for the following 12 months
 - c. such dividend will not adversely impact the capital expenditure plans (if any) of the Club nor SYCC as decided by the SYCC Board
 - d. such dividend is in accord with any longer term development plans (if any)
 - e. payment of such dividend does not render the Club insolvent
 - f. The dividend does not in any way prevent or hinder the Club achieving the Objects.
- 23.2 The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends, subject to Article 26.1 and Article 4.
- 23.3 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- 23.4 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 23.5 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- 23.6 If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- 23.7 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 23.8 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

24 PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 24.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means
- i. transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
 - ii. sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
 - iii. sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
 - iv. any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide
- 24.2 In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable
- i. the holder of the share; or
 - ii. if the share has two or more joint holders, whichever of them is named first in the register of members; or
 - iii. if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

25 NO INTEREST ON DISTRIBUTIONS

The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by

- i. the terms on which the share was issued, or
- ii. the provisions of another agreement between the holder of that share and the company.

26 UNCLAIMED DISTRIBUTIONS

- 26.1 All dividends or other sums which are
- i. payable in respect of shares, and
 - ii. unclaimed after having been declared or become payable,
- may be invested or otherwise made use of by the directors for the benefit of the company until claimed.
- 26.2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.
- 26.3 If twelve years have passed from the date on which a dividend or other sum became due for payment, and the distribution recipient has not claimed it, the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

27 NON-CASH DISTRIBUTIONS

- 27.1 Subject to Article 4 and to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets equivalent value
- i. excluding real estate, but
 - ii. including, without limitation, shares or other securities in any company.
- 27.2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution
- i. fixing the value of any assets;
 - ii. paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
 - iii. vesting any assets in trustees.

28 WAIVER OF DISTRIBUTIONS

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if

- i. the share has more than one holder, or
- ii. more than one person is entitled to the share, whether by reason of the death or
- iii. bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

CAPITALISATION OF PROFITS

29 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

- 29.1 Subject to the articles, the directors may, if they are so authorised by an ordinary resolution
- i. decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
 - ii. appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.
- 29.2 Capitalised sums must be applied on behalf of the persons entitled, and in the same proportions as a dividend would have been distributed to them.
- 29.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 29.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 29.5 Subject to the articles the directors may
- i. apply capitalised sums in accordance with Articles 31.3 and 31.4 partly in one way and partly in another;
 - ii. make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
 - iii. authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 5
DECISION-MAKING BY SHAREHOLDERS
ORGANISATION OF GENERAL MEETINGS

30 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 30.1 A person is able to exercise the right to speak at a general meeting when that person is in a position (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 30.2 A person is able to exercise the right to vote at a general meeting when
- i that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - ii. that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 30.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 30.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 30.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have,

31 QUORUM FOR GENERAL MEETINGS

- 31.1 Save as herein otherwise provided, holders representing no less than three quarters of the voting rights of all shareholders, either present at the meeting in person or by proxy, shall be a Quorum

32 CHAIRING GENERAL MEETINGS

- 32.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- 32.2 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 meeting must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- 32.3 The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting"

33 ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

- 33.1 Directors may attend and speak at general meetings, whether or not they are shareholders.
- 33.2 The chairman of the meeting may permit other persons who are not shareholders of the company, or otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

34 ADJOURNMENT

- 34.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the *chairman of the meeting must adjourn it.*
- 34.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if
- i. the meeting consents to an adjournment, or
 - ii. it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 34.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 34.4 When adjourning a general meeting, the chairman of the meeting must
- i. either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
 - ii. have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 34.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)
- i. to the same persons to whom notice of the company's general meetings is required to be given, and
 - ii. containing the same information which such notice is required to contain.
- 34.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

35 VOTING - GENERAL

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

36 ERRORS AND DISPUTES

- 36.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 36.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

37 POLL VOTES

- 37.1 A poll on a resolution may be demanded
- i. in advance of the general meeting where it is to be put to the vote, or
 - ii. 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.
- 37.2 A poll may be demanded by
- i. the chairman of the meeting;
 - ii. the directors;
 - iii. two or more persons having the right to vote on the resolution; or
 - iv. a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.
- 37.3 A demand for a poll may be withdrawn if
- i. the poll has not yet been taken, and
 - ii. the chairman of the meeting consents to the withdrawal.
- 37.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

38 CONTENT OF PROXY NOTICES

- 38.1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which
- i. states the name and address of the shareholder appointing the proxy;
 - ii. identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
 - iii. is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
 - iv. is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- 38.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 38.3 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.
- 38.4 Unless a proxy notice indicates otherwise, it must be treated as
- i. 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
 - ii. 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.

39 DELIVERY OF PROXY NOTICES

- 39.1 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 company by or on behalf of that person.
- 39.2 An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given
- 39.3 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.
- 39.4 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 appointor's behalf.

PART 6

ADMINISTRATIVE ARRANGEMENTS

40 NOTICES AND COMMUNICATIONS

- 40.1 The Club may validly send or supply any document (including any notice) or information to a shareholder in hard copy form, electronic form or by making it available on the website in accordance with and subject to the "company communication provisions" of the Companies Act 2006, but this Article does not affect any other provision in any relevant legislation or these Articles requiring notices or documents to be supplied or delivered in a particular way.
- 40.2 The following provisions shall apply in relation to documents (including notices) and information sent or supplied by the club to a shareholder
- i. Where a document or information (whether in hard copy form or electronic form) is delivered by hand it is deemed to have been received by the intended recipient at the time it is handed to or left for the shareholder
 - ii. Where a document or information (whether in hard copy form or electronic form) is sent by post or courier to an address in the United Kingdom it is treated as being received by the intended recipient
 - a. 48 hours after it was posted, if first class post was used, or
 - b. 72 hours after it was posted or given to the courier, if first class post was not used.provided that it was properly addressed and either put in to the post system or given to the courier with postage or delivery paid.
 - iii. Where a document or information is sent by fax or electronic mail, it is deemed to have been received by the intended recipient at the time it was sent provided that it was sent to the correct fax number or email address
 - iv. Where a document or information is sent by means of the Website, it is deemed to have been received by the intended recipient when the material was first made available on the Website, or if later, when the recipient received (or is deemed to have received) information that it was available on the Website PROVIDED THAT the Member has previously advised the Club in writing that he agrees to accept communications in such a manner. In such a case proof that a notice contained in a communication in electronic form was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given

41 ACCOUNTS

- 41.1 The Board shall in accordance with section 221 of the Act and any regulations made pursuant thereto (or as the same may be hereafter amended or altered) cause accounting records of the Club to be kept and lay before the Club in general meeting copies of the Club's annual accounts.
- 41.2 lay before SYCC in general meeting copies of the Club's annual accounts.
- 41.2 No shareholder, other than SYCC if and for so long as it is a shareholder, nor SYCC Member shall (as such) have any other right of inspecting any accounting records or other book or document of the club as conferred by statute or authorised by the directors or by ordinary resolution of the Club.
- 41.3 If required by the provisions of the Act, the accounts of the club shall be examined and the correctness of the Profit and Loss Accounts and Balance Sheet ascertained by one or more appropriately qualified auditor or auditors.
- 41.4 Auditors, if required, shall be appointed and their duties regulated in accordance with the Act.

42 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

The directors may decide to make provision for the benefit of persons employed or formerly

employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

43 DIRECTORS' INDEMNITY AND INSURANCE

43.1 To the extent permitted by the Act and (subject thereto) as the Board may from time to time deem fit, the Club may Indemnify any Officer of the Club against any liability incurred by him in relation to the Club and may at the expense of the Club purchase and maintain insurance for the benefit of any Officer of the Club against such liabilities for his benefit.

43.2 For the purposes of this Article "Officer" means
(I) any Member of the Board
(II) the Club Manager, be he not a Member of the Board, and
(III) the Treasurer, be he not a Member of the Board.

44 PRIORITY

Where there is any conflict between any of the above articles or the Rules and any other rule or Rules the Articles will take priority.

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