

**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY GUARANTEE**

**ARTICLES OF ASSOCIATION
OF
PEMBROKE HAVEN YACHT CLUB LTD (THE “CLUB “)**

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;
Articles	means these articles of association, and Article refers to a particular provision in them;
Associate Member	means a member of the Club who is not a Club Member, and who therefore neither has voting rights at general meetings nor any other rights to which members of companies are entitled under the Articles or the Companies Acts, and Associate Membership shall be interpreted accordingly;
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 Members in accordance with Article 13.4.2;
CASC	means a community amateur sports club, as that term is defined by s658 Corporation Tax Act 2010;
Club	means the company regulated by these Articles;
Club Member	means every person who agreed 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;
electronic form	has the meaning given in section 1168 of the Act;

Finance Acts	means the Corporation Tax Act 2010, the Finance Act 2012 and any other legislation relating to CASCs;
Member	means all members of the Club, whether Club Members or Associate Members, and Membership shall be interpreted accordingly;
Officers	has the meaning given in Article 6.1;
ordinary resolution	means a resolution passed by a simple majority of the Club Members;
Secretary	means the company secretary of the Club, if appointed;
special resolution	means a resolution of the Club Members passed by a majority of not less than 75%; 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.

- 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

- 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 it 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 & POWERS

3. OBJECTS

- 3.1 The Club is established for the following purposes:
- 3.1.1 to acquire and take over all or any part of the assets and liabilities of the present unincorporated body known as Pembroke Haven Yacht Club;
 - 3.1.2 to promote and facilitate community participation in healthy recreation by the provision of facilities for the sport of Boating; and
 - 3.1.3 to provide social and other facilities for Members as may from time to time be determined by the directors.

4. POWERS

- 4.1. In pursuance of the object 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 powers of the Club.
- 5.2 Directors are elected by the Club Members or co-opted by the directors, in accordance with any procedures set out in the Bye Laws.
- 5.3 A director's term of office automatically terminates if he or she:
- 5.3.1 ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
 - 5.3.2 is absent without notice from 3 consecutive meetings of the directors;
 - 5.3.3 is incapable, whether mentally or physically, of managing his/her own affairs;
 - 5.3.4 resigns by written notice to the directors (but only if at least two other directors remain in office); or
 - 5.3.5 is removed by the Club Members.

6 OFFICERS & SECRETARY

- 6.1 The officers of the Club are the Commodore, Vice Commodore, Rear Commodore, Treasurer and Secretary (the **Officers**), all of whom must be Club 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 Club Members at the AGM each year. 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 for re-election.

7 DIRECTORS' PROCEEDINGS

- 7.1 The directors must hold at least 10 meetings each year.
- 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 two and, unless otherwise fixed, it is five.
- 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 Commodore or (if the Commodore is unable or unwilling to do so) some other director chosen by the directors present presides at each meeting.
- 7.5 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 The directors may exercise any powers of the Club which are not reserved to Club Members.
- 8.2 The directors may delegate their functions to committees consisting of two or more individuals appointed by them on such terms as they think fit. 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.

9 DIRECTORS' REMUNERATION AND EXPENSES

- 9.1 Directors may undertake any services for the Club that the directors decide. Directors are entitled to such remuneration as the directors determine for any service which they undertake for the Club.
- 9.2 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 Any authorisation under Article 10.1 shall be effective only if:
- 10.2.1 the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors;
 - 10.2.2 any requirement as to the quorum is met without counting the interested director; and
 - 10.2.3 the matter was agreed to without the interested director voting or would have been agreed to if the interested director's vote had not been counted.
- 10.3 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director) to account to the Club for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a conflict of interests which has been authorized by the directors in accordance with these Articles or by the Club Members in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 10.4 If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the Club in which a director is interested, that director shall not be counted as participating in the decision-making process for quorum or voting purposes, unless the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest.
- 10.5 Where the number of non-conflicted directors is less than the quorum for the purposes of approving a resolution authorising any situation or transaction constituting a conflict as anticipated by the Companies Acts, the quorum shall be all the disinterested directors.
- 10.6 When all the directors of the Club are conflicted, the Club shall pass the conflict to the Club 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 directors from time to time.
- 11.4 Every person who, at the date of incorporation of the Club, had paid a subscription fee to, and was a member of, the unincorporated club known as Pembroke Haven Yacht Club referred to in Article 3.1.1 shall be a Member of the Club from incorporation.
- 11.5 The directors may establish different classes of Membership and decide who will be eligible for admission to them and what their rights and obligations will be.

12 TERMINATION OF MEMBERSHIP

- 12.1 A Member of the Club may withdraw from Membership by giving 7 days' notice to the Club in writing.

- 12.2 A person's Membership terminates when that person dies or ceases to exist.
- 12.3 The directors may terminate the Membership of any Member without his consent by giving him written notice if, in the reasonable opinion of the directors:
- 12.3.1 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;
 - 12.3.2 he has acted or threatened to act in a manner which is contrary to the interests of the Club as a whole; or
 - 12.3.3 he has failed to observe the terms of these Articles and any Bye Laws from time to time.
- 12.4 If the directors wish to terminate a person's Membership in accordance with Article 12.3 they must give notice to that Member and provide the Member with the opportunity to be heard in writing or in person 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.
- 12.5 A Member whose Membership is terminated under Article 12.3 shall not be entitled to a refund of any subscription or membership fee and shall remain liable to pay the Club any subscription or other sum owed by him.

13 GENERAL MEETINGS

- 13.1 Club Members are entitled to attend general meetings in person or by proxy (but only if the appointment of the proxy is in writing and notified to the Secretary before the commencement of the meeting).
- 13.2 The Club must hold a general meeting as an AGM in each year in addition to any other general meetings in that year, and must specify the meeting as the AGM in notices calling it. The first AGM must be held within 18 months after the Club's incorporation.
- 13.3 At the AGM Members must:
- 13.3.1 receive the accounts of the Club for the previous financial year;
 - 13.3.2 receive a written report on the Club's activities;
 - 13.3.3 elect directors to fill the vacancies arising; and
 - 13.3.4 appoint reporting accountants or auditors for the Club.
- 13.4 Members may also, from time to time:
- 13.4.1 discuss and determine any business put before them by the directors or set out in a valid request by the Club Members to call a general meeting pursuant to Article 13.5; and
 - 13.4.2 in particular, consider and determine whether to approve any Bye Laws put before them by the directors, which are consistent with these Articles and the Act, to govern:
 - (a) classes and conditions of Membership;
 - (b) the entrance fees, subscriptions and other fees or payments to be made by Members and guests;
 - (c) the procedures for dealing with disciplinary action against Members and/or the expulsion of Members, and/or for refusals to renew Membership;
 - (d) the procedures for general meetings and meetings of the directors and committees of the directors in so far as such procedure is not regulated by these Articles: and
 - (e) matters relating to the use of the Club's premises.
- 13.5 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 Club Membership or (where no general meeting has been held within the last year) at least 5% of the Club Membership.
- 13.6 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.

- 13.7 There is a quorum at a general meeting if the number of Club Members present in person or by proxy is at least 10.
- 13.8 The chairman at a general meeting is elected by the Club Members present in person or by proxy in his/her capacity as a Club Member and not as proxy for another Club Member.
- 13.9 Every Club Member present in person or by proxy has one vote on each issue.
- 13.10 Except where otherwise provided by these Articles or the Companies Acts, a written resolution (whether an ordinary or a special resolution) is as valid as an equivalent resolution passed at a general meeting. For this purpose the written resolution may be set out in more than one document.
- 13.11 A technical defect in the appointment of a Club Member of which the Club Members are unaware at the time does not invalidate a decision taken at a general meeting or a written resolution of the Club Members.

14 RECORDS AND ACCOUNTS

- 14.1 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 of accounts and the preparation and transmission to the Registrar of Companies of information required by law including:
- 14.1.1 annual returns;
 - 14.1.2 annual reports; and
 - 14.1.3 annual statements of account.
- 14.2 The directors must also keep records of:
- 14.2.1 all proceedings at meetings of the directors;
 - 14.2.2 all resolutions in writing;
 - 14.2.3 all reports of committees; and
 - 14.2.4 all professional advice obtained.
- 14.3 Accounting records relating to the Club must be made available for inspection by any director at any meeting of the directors and may be made available for inspection by Members who are not directors if the directors so decide.
- 14.4 A copy of the Club's constitution and latest available statement of account must be supplied on request to any director.

15 INDEMNITY

- 15.1 Subject to Article 15.2, a director or former director of the Club may be indemnified out of the Club's assets against:
- 15.1.1 any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Club;
 - 15.1.2 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
 - 15.1.3 any other liability incurred by that director as an officer of the Club.
- 15.2 This Article 15 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.

16 COMMUNICATIONS

- 16.1 Notices and other documents to be served on Members or directors under these Articles or the

Companies Acts may be served:

16.1.1 by hand;

16.1.2 by post;

16.1.3 by suitable electronic means; or

16.1.4 through publication in a Club newsletter or on the Club's website.

16.2 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.

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

16.3.1 24 hours after being sent by electronic means or delivered by hand to the relevant address;

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

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

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

16.3.5 as soon as the recipient acknowledges actual receipt.

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

17 AMENDING THE ARTICLES

17.1 No amendments may be made to this Article 17 or to Articles 3, 18 or 19 without a unanimous resolution of the Club Members.

17.2 No amendments may be made to these Articles that may jeopardise the Club's status as a CASC without a unanimous resolution of the Club Members.

17.3 Subject to Articles 17.1 and 17.2 these Articles may be amended by a special resolution of the Club Members.

18 PROFITS NOT TO BE DISTRIBUTED

18.1 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.

18.2 No dividends or bonus may be paid or capital otherwise returned to the Members, provided that nothing in these Articles shall prevent and payment in good faith by the Club of:

18.2.1 reasonable and proper remuneration to any Member, officer or servant of the Club for any services rendered to the Club;

18.2.2 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 rate of a clearing bank to be selected by the directors;

18.2.3 reasonable and proper rent for premises demised or let by any Member or director; or

18.2.4 reasonable out-of-pocket expenses properly incurred by any director.

19 DISSOLUTION

19.1 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, at the sole discretion of the directors, to:

19.1.1 a charity; and/or

19.1.2 some other club that is a registered CASC with purposes similar to those of the Club and/or

19.1.3 the national governing body for the sport of yachting for use by that organisation for related community sports.