

Company No. 02800634

THE COMPANIES ACT 1985 TO 2006

COMPANY LIMITED BY SHARES

# **ARTICLES OF ASSOCIATION**

- of -

# **IN AND OUT LIMITED**

Incorporated 17th March 1993

(Adopted by Special Resolution on 17<sup>th</sup> June 2019)

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## 1. INTERPRETATION

### 1.1 In these Articles:-

“Act” means the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force;

“Applicant” is defined in Article 24.1;

“Articles” means these Articles of association;

“Board” means the board of Directors of the Club;

“British Isles” means the United Kingdom, Eire, the Isle of Man and the Channel Islands;

“Candidate” is defined in Article 6.2(a);

“Chairman” means the person elected to the office of chairman of the Club pursuant to Article 11.1;

“clear days” in relation to a period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

“Club” means In and Out Limited, trading as, and otherwise known as, the Naval and Military Club;

“Clubhouse” means the premises occupied by the Club which are, presently, at 4 St. James's Square, London, and/or such other premises as the Club may occupy and designate for these purposes from time to time;

"Conflict" is defined in Article 10.4;

“Depository” means 4 St. James’s Square Limited (company number 01006501) or such other body corporate as the Board shall determine;

“Director” means a director of the Club howsoever appointed or elected in accordance with the Articles, and includes any person occupying the position of director, by whatever name called;

“Election Register” means a register of the current Directors and persons nominated to become Directors maintained by the Secretary and made available to the Members in accordance with Article 6;

“executed” includes any mode of execution;

"Interested Director" is defined in Article 10.4;

“Investigation Committee” is defined in Article 22.1;

“Office” means the registered office of the Club;

“Ordinary resolution” means a resolution that is passed by a simple majority;

“Member” means a person who has been admitted as a member of the Club in accordance with the Articles;

"Outgoing Member" is defined in Article 23.2;

"Payment Arrangements" means a direct debit facility or other arrangement approved by the Board, or by the Secretary within the scope of any authority delegated to him by the Board, for the payment of subscriptions and other monies due to the Club;

"Reciprocal Club" means another club of high repute located in any part of the world with which the Club enters into relations pursuant to Article 19.3;

"Register of Members" means the register maintained by the Secretary of the persons who are Members of the Club;

"Register of Shareholders" means the register maintained by the Secretary in the statutory books of the Club of those Members who are Shareholders;

"Seal" means the common seal of the Club;

"Secretary" means the person appointed by the Board pursuant to Article 7.1(e) to be the company secretary and chief executive officer of the Club, to have responsibility for the internal organisation of the Club or any other person appointed to perform the duties of the Secretary of the Club;

"Shareholder" means a Member whose name is entered in the Register of Shareholders as the holder of a share in the Club and, for the purposes of Article 38.3(a) only, the Depository;

"Single Shareholder" is defined in Article 18.2(e);

"Special resolution" means a resolution passed by a majority of not less than 75%;

"Trustees" is defined in Article 12.1;

"United Kingdom" means Great Britain and Northern Ireland;

"Vice Chairman" means person elected to the office of vice-chairman of the Club pursuant to Article 11.1;

"in writing" includes e-mail and other electronic forms of communication.

A word connoting gender shall include any gender.

1.2 Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force on the date on which these Articles were adopted.

1.3 The model Articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended shall not apply to the Club.

1.4 These Articles restate and replace the memorandum and articles of the Club adopted on 18th June 2001, as subsequently amended.

## **2. NATURE AND OBJECTS OF THE CLUB**

2.1 The Club is a society of men and women who identify with the traditions and ethos of the Armed Services and who share the facilities of the Clubhouse.

2.2 The objects of the Club are unrestricted and they shall include (without limitation) the objects for which the Club was established, as previously set out in clause 3 of its memorandum of association which are:-

- (a) to acquire all the assets and undertakings of the unincorporated association known as “the Naval and Military Club” and to carry on its activities including the provision of recreational and social facilities for the members;
- (b) to carry on any other trade or business whatever which, in the opinion of the Board can be advantageously carried on in connection with or ancillary to any of the business of the Club;
- (c) to purchase or by any other means acquire and take options over any property whatsoever, and any rights or privileges of any kind over or in respect of any property;
- (d) to acquire and undertake the whole or any part of the business, goodwill, and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which the Club is authorised to carry on and as part of the consideration for any such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, or for subsidizing or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received;
- (e) to improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Club;
- (f) to invest and deal with the moneys of the Club not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made;
- (g) to lend and advance money or give credit on such terms as may seem expedient and with or without security to customers and others, to enter into guarantees, contracts of indemnity and surety ships of all kinds, to receive money on deposit or loan upon such terms as the Club may approve and to secure or guarantee the payment of any sums of money or the performance of any obligation by any company, firm or person including any parent, subsidiary or fellow subsidiary company in such manner as the Club may think fit;
- (h) to borrow and raise money in such manner as the Club shall think fit and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Club's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, standard security, lien or other security to secure and guarantee the performance by the Club of any obligation or liability it may undertake or which may become binding on it;

- (i) to draw, make, accept, endorse, discount, negotiate, execute and issue promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments;
- (j) to apply for, promote, and obtain any Act of Parliament, order or licence of the Department of Trade and Industry or other authority for enabling the Club to carry any of its objects into effect, or for effecting any modification of the Club's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Club's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Club's interests;
- (k) to enter into any arrangements with any government or authority (supreme, municipal, local or otherwise) that may seem conducive to the attainment of the Club's objects or any of them, and to obtain from any such government or authority any charters, decrees or rights, which the Club may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions;
- (l) to subscribe for, take, purchase, or otherwise acquire and hold shares or other interests in or securities of any other company having objects altogether or in part similar to those of the Club or carrying on any business capable of being carried on, so as directly or indirectly to benefit the Club or enhance the value of any of its property and to co-ordinate, finance and manage the businesses and operations of any company in which the Club holds any such interest;
- (m) to act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts;
- (n) to remunerate any person, firm or company rendering services to the Club;
- (o) to pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Club, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Club;
- (p) to support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Club or its employees, or may be connected with any town or place where the Club carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been employed by, or who are serving or have served the Club, or of any company which is a subsidiary of the Club or the holding company of the Club or a fellow subsidiary of the Club or of the predecessors in business of the Club or of any such subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance; and to set up, establish, support and maintain superannuating and other funds or schemes (whether contributory or non-contributory) for the benefit of any such persons and of their wives, widows, children and other relatives and dependants; and to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Club or of any such

subsidiary, holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained;

- (q) to promote any other company for the purpose of acquiring the whole or any part of the business or property and undertaking any of the liabilities of the Club, or of undertaking any business or operation which may appear likely to assist or benefit the Club or to enhance the value of any property or business of the Club, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid;
- (r) to sell or otherwise dispose of the whole or any part of the business or property of the Club, either together or in portions, for such consideration as the Club may think fit, and in particular for shares, debentures, or securities of any company purchasing the same;
- (s) to do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others;
- (t) to do all such things as may be deemed incidental or conducive to the attainment of the Club's objects or any of them;
- (u) the objects set forth in each sub-clause of this Clause shall not be restrictively construed but the widest interpretation shall be given thereto, and they shall not, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause or from the terms of any other sub-clause or from the name of the Club;
- (v) none of such powers thereby conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other sub-clause, but the Club shall have as full a power to exercise all or any of the objects conferred by and provided in each of the said sub-clauses as if each sub-clause contained the objects of a separate company. The word "company" in this Clause shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.

2.3 All profits made by the Club by whatever means are for the benefit of the Club to be applied solely for the purposes of the Club.

### **3. OWNERSHIP OF SHARES**

3.1 No person (other than the Depository) shall hold more than one share.

3.2 No share may be owned by a person who is not a Member other than the Depository.

3.3 No share may be owned by more than one person. Where persons have joint membership of the Club, only one of them shall be entitled to be entered in the Register of Shareholders.

3.4 Each share (other than shares held by the Depository) shall entitle its registered Shareholder to one vote.

#### **4. MANAGEMENT OF THE CLUB**

4.1 Subject to Articles 4.2 and 4.3, the Directors may exercise all the powers of the Club and are responsible for the management of the Club's business and for preserving the Club for future generations.

4.2 The Board shall not have the power, and the Shareholders shall not have the authority to require the Board, to approve or implement the sale, transfer, lease, mortgage, charge or other disposal of the Clubhouse or any other freehold or leasehold property of the Club or any part of it unless the same shall first have been approved by:-

- (a) a resolution of the majority of the Trustees given in accordance with Article 12.2(a); and
- (b) a written resolution passed by no fewer than 75% of all the Shareholders;

PROVIDED THAT a resolution of the Shareholders shall not be required under paragraph (b) for the creation of a mortgage or charge of any property or asset of the Club.

4.3 A resolution of the Shareholders in relation to any of the following matters shall have no effect unless and until it has been approved in writing by a majority of the Trustees given in accordance with Article 12.2(a):-

- (a) the revocation or amendment of these Articles;
- (b) any variation in the number of shares in the Club or the par value of a share as set out in Article 31.1; or
- (c) the voluntary winding up of the Club pursuant to Article 38.1;
- (d) the removal of the Depository and the appointment of another body corporate as Depository.

4.4 No alteration to the Club's previous memorandum or articles of association or of the Articles shall invalidate any prior act of the Board which would have been valid if that alteration had not been made.

#### **5. THE BOARD OF DIRECTORS**

5.1 The Board shall be made up as follows:-

- (a) up to seven Shareholders, elected to be Directors pursuant to Article 6;
- (b) up to three Shareholders who are co-opted by the Board pursuant to Article 5.6; and
- (c) the chairmen of The Canning Club and Den Norske Klub, who shall be ex-officio Directors.

5.2 Save as set out in this Article 5.2, a Director shall not be entitled to appoint a person to act as his alternate director. Each of the chairmen of The Canning Club and Den Norske Klub may by notice given in writing to the Secretary of the Club nominate another Shareholder as an alternate Director to act in his place to attend and vote at meetings of the Board. Any person so appointed must also be a full member of the respective club and serve on its committee of management or board of directors. Any person so appointed



as an alternate Director shall be counted when ascertaining whether a quorum is present. Any person so appointed as an alternate Director will cease to hold that office if:-

- (a) the person in whose name the alternate Director is acting gives notice to the Club terminating that appointment;
- (b) the person in whose name the alternate Director is acting ceases to be the chairman of The Canning Club or Den Norske Klub (as the case may be);
- (c) the alternate Director ceases to serve on the committee of management of The Canning Club or the board of directors of Den Norske Klub (as the case may be);
- (d) the alternate Director ceases to be a Shareholder.

5.3 A quorum for a meeting of the Board shall be four Directors. If at the appointed time for a meeting a quorum is not present, no proposal may be voted on except a proposal to call another meeting.

5.4 The Board may act notwithstanding any vacancies in its number provided that the number of Directors in office is not less than the number fixed as the quorum.

5.5 If the number of Directors is less than the number fixed as the quorum, the continuing Directors may act only for the purpose of appointing such number of additional Directors as shall enable a quorum to be formed, or of calling a general meeting. A Director so appointed shall retire automatically at the next Annual General Meeting but may offer himself for election in accordance with Article 6.

5.6 The Board may co-opt up to three Shareholders to be additional Directors.

5.7 No employee of the Club may be a Director and no Director may be an employee of the Club.

5.8 Questions arising at a meeting of the Directors shall be decided by a majority of votes of those present, each Director having one vote. In the case of an equality of votes, the Chairman shall have a second or casting vote, in addition to the vote which he has as a Director unless, in accordance with the Articles, he is not to be counted as participating in the decision-making process for quorum or voting purposes at the meeting.

5.9 The Directors may take decisions by a unanimous written resolution which may be executed by them in one or more counterparts.

5.10 Any Director or alternate Director may participate in a meeting of the Board or any committee of the Board by means of conference telephone or other electronic telecommunications equipment by means of which all persons participating in the meeting can hear each other and such participation in a meeting shall constitute presence in person at the meeting. If all persons present at the meeting are participating therein by means of such telephone or other equipment, a meeting shall be deemed to be held at the place where either such one of them as they shall agree or, in default of agreement, the Chairman of the meeting is physically present during the meeting

## **6. ELECTION OF THE BOARD**

6.1 A Director shall be elected by ordinary resolution of the Shareholders for a term of three years at the end of which he shall retire automatically. A retiring Director may offer himself for re-election unless at the time he shall have served for nine consecutive years, in which

case he shall not be eligible for election again until at least twelve months shall have elapsed since he retired as a Director PROVIDED THAT:-

- (a) nothing in this Article shall prevent a person from being nominated for election under Article 6.2 where his appointment would commence twelve months after he had retired as a Director; and
- (b) for the purposes of determining whether a person is eligible to stand for election as a Director, no account shall be taken of any period during which he has been appointed to form a quorum under Article 5.5, co-opted as a Director under Article 5.6 or been appointed to fill a temporary vacancy under Article 6.3.

6.2 The election of Directors to the Board shall be conducted in accordance with the following provisions:-

- (a) no person shall be eligible to serve on the Board unless he is a Shareholder and, on 1st January in the applicable year, has been a Member for two years and is not precluded from serving by virtue of Article 6.1 (and such a person who is nominated to be a Director under this Article 6 is referred to as a “Candidate”);
- (b) in early January in each year, a list of the current Directors shall be placed in the first page of the Election Register with a pen mark drawn through the names of the retiring elected Directors and those who have resigned. Any person who was appointed to form a quorum under Article 5.5, co-opted under Article 5.6 or appointed under Article 6.3 will not be included on the list;
- (c) between 1st January and 15th March a Shareholder may nominate a Candidate for election by completing and submitting to the Secretary a nomination form. The Candidate must sign the nomination form to confirm his willingness to serve as a Director. Upon receipt of the nomination form, the Secretary will enter the name of the Candidate in the Election Register;
- (d) the Secretary will display the Election Register prominently in the Clubhouse from 1st February and promptly update it from time to time as necessary. Between 1st February and 1700 on 15th March, Shareholders may give their support for a Candidate by signing the appropriate page in the Election Register. A Candidate will not qualify for election unless he has been supported by at least twelve Shareholders (including the Shareholder nominating him). The election of Candidates will take place at the Annual General Meeting in accordance with Article 6.2(e) or 6.2(f);
- (e) where the number of vacancies on the Board is equal to or greater than the number of Candidates, a separate vote shall be taken for each Candidate;
- (f) where the number of vacancies is lower than the number of Candidates:-

- (i) at the Board meeting in May the Board will appoint two Directors or two Shareholders, or one Director and one Shareholder, to examine the ballot papers and count the votes;
- (ii) Shareholders will record their votes on a ballot paper which will be issued by the Secretary with the notice of the meeting. The ballot paper must be returned to the Secretary or placed in the ballot box in the Club by 14.00 on the day of the Annual General Meeting. On a ballot each Shareholder will have one vote for each vacancy;
- (iii) if two Candidates obtain an equal number of votes the Chairman will have a casting vote to vote in favour of one of them.

6.3 The Board may appoint a Shareholder to fill a vacancy that arises between Annual General Meetings. Such appointment shall be until the succeeding Annual General Meeting when the Shareholder shall retire automatically as a Director but he may offer himself for election.

## **7. POWERS AND PROCEDURE OF THE BOARD**

7.1 Without prejudice to the provisions of the Act, the Board's powers shall include the powers:-

- (a) to call meetings, including Extraordinary General Meetings, of the Shareholders;
- (b) to determine from time to time the joining fee, the annual subscriptions for each category and sub-category of membership, and any additional subscriptions which the Board determines are required for the purposes only of repaying borrowings of the Club or improving or extending the facilities provided by the Club for its Members;
- (c) to waive or vary the joining fee or annual subscriptions payable by an individual Member if justified by the circumstances;
- (d) to make, amend, revoke and publish bye-laws of the Club and other rules and regulations to be observed by Members;
- (e) to appoint a Secretary on such terms and with such remuneration as the Board shall think fit;
- (f) to appoint committees and external advisers and delegate tasks to them by any means (including by power of attorney), and on such terms and conditions with or without the power of sub-delegation, as they see fit in order that it benefits the Club;
- (g) to appoint a Shareholder who is not a Director to serve on any committee on the recommendation of the committee's chairman.

7.2 The Board and each committee of the Board shall hold meetings as often as they consider necessary. The Directors or members of a committee shall be given at least 7 days' notice, save that in the case of urgency the Board or a committee may be convened on such shorter notice as the Chairman of the Board or in his absence the Vice Chairman or the chairman of the committee (as the case may be) shall consider appropriate. Notice of a meeting shall be given to each Director or committee member but does not need to be in writing. The accidental omission or failure to give notice to a Director or committee member shall not invalidate the meeting provided that a quorum is present.

- 7.3 The Secretary or a representative of the Secretary shall normally attend the meetings of the Board and all committees.
- 7.4 The Board shall determine the terms of reference of each committee but, subject thereto, each committee shall be entitled to conduct its business as it thinks fit.

## **8. RETIREMENT OF DIRECTORS**

The following Directors must retire from the Board at the Annual General Meeting each year:-

- (a) any Director who has served his three-year term;
- (b) any Director who has failed to attend at least a third of the Board meetings since the last Annual General Meeting. The Board may resolve to make exceptions to this rule in the interests of the Club;
- (c) any Director who has been appointed to form a quorum under Article 5.5, co-opted under Article 5.6 or appointed under Article 6.3.

## **9. TERMINATION OF DIRECTOR'S APPOINTMENT**

- 9.1 A Director may be removed from office by a vote of 75% of the Board.
- 9.2 Without prejudice to the provisions of the Act, a person ceases to be a Director upon:-
- (a) that person ceasing to be a director by virtue of any provision of the Act or he is prohibited from being a director by law;
  - (b) a bankruptcy order being made against that person;
  - (c) a composition being made with that person's creditors generally in satisfaction of that person's debts;
  - (d) a registered medical practitioner who is treating that person giving a written opinion to the Club stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months; or
  - (e) the commencement of any voluntary suspension of membership under Article 20.

## **10. DIRECTORS' INTERESTS**

- 10.1 A Director shall not be entitled to receive any salary or emoluments from the Club, nor save as provided in this Article 10, shall he receive any benefit or corporate reward whether directly or indirectly from any transaction or dealings with or of the Club.
- 10.2 A Director shall disclose the amount of his benefit or corporate reward derived from a transaction or arrangement to which this Article relates.
- 10.3 Directors may be reimbursed for expenses properly and solely incurred in connection with Club's business, which shall be recorded by the Secretary and approved by the Chairman monthly.
- 10.4 The Directors may, in accordance with the requirements of this Article, authorise any matter or situation proposed to them by any Director which would, if not authorised,

involve that Director (an “Interested Director”) breaching his duty under section 175 of the Act to avoid conflicts of interest (“Conflict”).

- 10.5 Any authorisation under this Article 10 will be effective only if:-
- (a) the matter in question shall have been proposed by the Interested Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors for consideration at a meeting under the provisions of these Articles;
  - (b) any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Interested Director; and
  - (c) the matter is agreed to without the Interested Director voting or would have been agreed to if his vote had not been counted.
- 10.6 Any authorisation of a Conflict under this Article 10 may (whether at the time of giving the authorisation or subsequently):-
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
  - (c) provide that the Interested Director shall or shall not be an eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
  - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
  - (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Club) information that is confidential to a third party, he will not be obliged to disclose that information to the Club, or to use it in relation to the Club's affairs where to do so would amount to a breach of that confidence; and
  - (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 10.7 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 10.8 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 10.9 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 which has been authorised by the Directors or by the Shareholders 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.

- 10.10 If a question arises at a meeting of the Board or of a committee as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling shall be final and conclusive.

## **11. CHAIRMAN**

- 11.1 The Board shall not later than at the last Board meeting prior to the Annual General Meeting in each year elect from members of the Board who are willing to serve, the Chairman and a Vice Chairman, one of whom shall chair all meetings of the Board after the next Annual General Meeting and until the Annual General Meeting in the following year.
- 11.2 The Board may agree by a majority vote to defer consideration of the election of the Chairman and Vice Chairman to the meeting which takes place immediately after the Annual General Meeting.
- 11.3 The Board may by ordinary resolution terminate the Chairman's and the Vice-Chairman's appointment at any time.

## **12. TRUSTEES**

- 12.1 A minimum of four and a maximum of seven Shareholders shall be appointed as trustees (the "Trustees") to safeguard the position and constitution of the Club. The Vice President shall ex officio be a Trustee and the remaining Trustees shall be appointed by the Board. Save for the Vice President, who shall be appointed for so long as he holds that office, a Trustee's appointment will be for a period of five years unless extended or renewed by resolution of the Board.
- 12.2 The Trustees shall have the following duties:-
- (a) to consider any request from the Board for their consent to or approval of any matter listed in Article 4.2, and to decide in their absolute discretion whether such matter is in the interests of the Club and whether it should proceed subject to any conditions. The Trustees shall deliver to the Secretary for filing in the minute book of the Club a copy of the Trustees' resolution setting out their decision; and
  - (b) to advise the Chairman on any matter (and the Chairman shall be entitled, but not bound to follow such advice).
- 12.3 A person shall cease to be a Trustee in the following circumstances:-
- (a) if he is removed by a special resolution of the Shareholders;
  - (b) if he retires voluntarily by notice in writing to the Secretary;
  - (c) if he ceases to be a Shareholder; or
  - (d) upon the commencement of any voluntary suspension of membership under Article 20.

- 12.4 The Trustees shall appoint one of their number as their chairman.
- 12.5 The Trustees or any of them may attend a meeting of the Board when invited by the Chairman and may speak at the meeting but not vote on any matter to be decided at the meeting.
- 12.6 Decisions of the Trustees shall be taken by a majority vote of the Trustees. Each Trustee shall have one vote on any such decision. Decisions may be made by at a meeting of the Trustees or by a written resolution signed by the Trustees and in which he indicates clearly whether he votes for or against the matter for decision. A written resolution may be in more than one counterpart and each counterpart shall be sent to the Secretary. A resolution shall be deemed to have been passed when the Secretary has received counterparts from a majority of the Trustees voting in favour of the resolution. The accidental non-receipt by a Trustee of a request to consider a proposed written resolution, or his unavailability or failure to consider the same, shall not invalidate a resolution so deemed to have been passed by a majority of the Trustees.
- 12.7 In the case of an equality of votes by the Trustees, the chairman of the Trustees shall be entitled to a casting vote in addition to the vote which he has as a Trustee.

### **13. THE PRESIDENT AND THE VICE PRESIDENT**

- 13.1 The Chairman, with the agreement of the Board, may invite any suitable person (who need not be a Member) to be the President of the Club for such period and on such terms as the Board may decide. The position of President shall be honorary and the holder shall not have any responsibility for the business or affairs of the Club.
- 13.2 The Chairman, with the agreement of the Board, may invite a senior Member who is a Shareholder to assume the office of Vice President. The Vice President shall cease to be the Vice President in the following circumstances:-
- (a) if he is removed by a special resolution of the Shareholders;
  - (b) if he retires voluntarily by notice in writing to the Secretary; or
  - (c) if he ceases to be a Shareholder.
- 13.3 The Vice President shall be, ex-officio, a Trustee. The Vice President shall be available to assist and advise the Chairman and the Board when requested to do so but he shall not be a Director by virtue of his office.

### **14. MINUTES**

- 14.1 The Board shall cause records and minutes to be made in books which shall be kept for at least ten years from the date when the record or minute is made:-
- (a) of all appointments of officers made by the Board; and
  - (b) of all proceedings of the Club in general meetings, of the Board, and of committees, including the names of the Directors present.
- 14.2 The Secretary shall send a copy of the minutes of each Board meeting to the Trustees for information.

## **15. THE SEAL**

- 15.1 The seal shall only be used with the authority of the Board or of a committee authorised by the Board.
- 15.2 The Board may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by the Chairman or his deputy, and by the Secretary or a second Director.

## **16. NOTICES AND ELECTRONIC COMMUNICATION**

- 16.1 Any notice to be given to or by any person pursuant to the Articles shall be in writing.
- 16.2 The Club may give any notice to a Member either personally or by post, addressed to the Member at his last known address in the United Kingdom, or by leaving it at that address. A Member whose usual address is not within the United Kingdom but who gives the Club an address within the United Kingdom for the purposes of this Article shall be entitled to have notices given to him at that address.
- 16.3 A notice shall be deemed to be given on the second working day after the notice was posted or sent.
- 16.4 Any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- 16.5 A Director may agree with the Club that notices or documents sent to him in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

## **17. INDEMNITY AND INSURANCE**

- 17.1 Subject to Article 17.2, a Director may be indemnified out of the Club's assets against:-
- (a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Club;
  - (b) 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); and
  - (c) any other liability incurred by that Director as an officer of the Club.
- 17.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 17.3 The Board may decide to purchase and maintain insurance, at the expense of the Club, for the benefit of any Director or Trustee or former Director or Trustee of the Club in respect of any loss or liability which has been or may be incurred by such a Director or Trustee or former Director or Trustee in connection with his duties or powers in relation to the Club.

## **18. MEMBERS**

- 18.1 Save as provided in Articles 18.2(e) and 19.2, it shall be a condition of membership of the Club that a Member (or in the case of joint Members, one of them) holds a share in the Club.



18.2 Unless otherwise determined by an ordinary resolution of the Shareholders, the categories of membership for subscription and other purposes shall be as follows:-

(a) **Town Members**

Town Members are Members who live or have a regular place of business within a fifty mile radius of the Clubhouse.

(b) **Country Members**

Country Members are those Members living within the British Isles who have no residence, or regular place of business, within the fifty mile radius of the Clubhouse.

(c) **Overseas Members**

Overseas Members are those Members who are permanently resident outside the British Isles.

(d) **Serving Officers**

Serving Officers are those Officers who hold active commissions in the Regular and Reserve Armed Forces of the Crown.

(e) **Corporate Membership**

A company or other corporate entity or institution may apply for corporate membership. The corporate Member shall nominate an individual (the "Single Shareholder") to purchase a share in the Club on the terms applicable to individual Members. A corporate Member shall be entitled to nominate up to twenty persons within its organisation who shall be issued with a membership card to enable them to use the Club's facilities. Article 22 shall apply to such persons as if they were Members and such persons shall comply with the membership rules and regulations issued by the Club from time to time as if they were Members. The Single Shareholder shall be responsible at all times for the behaviour and debts of such persons.

(f) **Sub-Categories of Membership and Special Cases**

The Board may resolve to create such sub-categories of the categories of membership listed in Articles 18.2(a) – 18.2(e) as it shall in its absolute discretion consider necessary or desirable including (without limitation) for younger Members, retired Officers and for those Members with long service with the Club who have reached retirement and fix the subscription rates and joining fees for each such sub-category.

(g) **Joint Membership**

A married couple or a couple in a civil partnership or in a stable long-term relationship may apply for joint membership in any category.

18.3 The terms applicable to each category of membership set out in Article 18.2 shall be determined by the Board from time to time.

## **19. LIFE AND HONORARY MEMBERS AND RECIPROCAL CLUBS**

### **19.1 Life Members**

- (a) The Board may resolve to elect as a Life Member of the Club a Member who has rendered valuable or exceptional service to the Club, a Member who has completed sixty continuous years of Membership of the Club and/or a person who has purchased a Life Membership for such sum as may be determined by the Board. A Life Member must hold or purchase a share in the Club in accordance with Article 18.1.
- (b) No annual subscription shall be payable by Life Members, but otherwise they shall have the same rights and privileges and obligations as other Members.

## 19.2 **Honorary Members**

The Board may, by a resolution of 75% of all the Directors, award Honorary Membership to any person who they consider merits it including (without limitation) a holder of the Victoria Cross or the George Cross or a person who has rendered valuable or exceptional service to the Club. In addition, naval and army officers under initial training may be offered Honorary Membership during their period of training. The terms of Honorary Membership shall be determined by the Board in each case and may be awarded for a specific period or while holding a specific appointment and/or on such terms as the Board may otherwise determine. Honorary Members shall not be required to pay any subscription or entrance fee or purchase a share in the Club.

## 19.3 **Reciprocal Clubs**

The Club may enter into relations with a Reciprocal Club on such terms, including the grant to its members of such reciprocal rights to use the Club's facilities, as the Board may in its absolute discretion decide.

## 20. **VOLUNTARY SUSPENSION OF MEMBERSHIP**

- 20.1 A Member may request the Board to permit the suspension of his membership for a maximum of two consecutive calendar years. Any suspension agreed by the Board shall run for a calendar year or two calendar years from 1st January next following the Board's decision. Membership may not be suspended during the course of a calendar year.
- 20.2 A Member shall make the request referred to in Article 20.1 in writing to the Board on or before 30th November in the year preceding that in which the suspension is to take effect. The Board may consider requests for suspension which are made after 30th November in any year but will only do so (at its absolute discretion) in exceptional circumstances.
- 20.3 Voluntary suspension of membership shall only be granted on terms which include the payment by the Member in January of any year of suspension, a suspension fee of £50 (or such other amount as the Board may from time to time decide).
- 20.4 During any period of voluntary suspension of membership, the Member may remain a Shareholder but shall not enjoy any rights as a Member or the right to exercise the voting rights attached to his share. During the first year of voluntary suspension the Member shall not lose his seniority as a Member for the purposes of eligibility for senior or senior minimum subscription rate or other benefits of long membership, which shall, however, be frozen for the duration of the voluntary suspension of membership.
- 20.5 During a second year of voluntary suspension (whether consecutive to the first year of voluntary suspension or not) the Member shall lose that year's seniority so that the second year of suspension will not be counted when calculating the Member's length of

membership of the Club for the purposes of eligibility for senior or senior minimum subscription rate or other benefits of long membership.

- 20.6 A Member who holds the office or title of President, Vice President, Director, Trustee, committee member or other position in the Club shall be deemed to resign from such office or position on the day on which his voluntary suspension of membership commences.

## **21. RESIGNATIONS AND RELATED MATTERS**

- 21.1 Any Member intending to resign shall notify the Secretary in writing. No resignation will be effective unless acknowledged in writing on behalf of the Club. If such notification is not delivered to the Secretary on or before 30th November in the applicable year, the Member will be liable to pay the subscription for the following year.
- 21.2 Any Member who tenders his resignation and who pays his subscription by instalments shall be liable to pay all outstanding instalments for the year, notwithstanding that he has tendered his resignation during the course of the year.
- 21.3 Any person who ceases to be a Member by resignation or otherwise, shall have no further claim of any kind upon any of the effects or property belonging to the Club nor shall he be entitled to have refunded any part of his annual subscription.
- 21.4 Any Member resigning from the Club may re-apply for membership. Such application will be treated as a new application.

## **22. MISCONDUCT OF MEMBERS**

- 22.1 If in the reasonable opinion of the Board, the conduct or action of a Member either in or out of the Club is, or is likely to be, contrary to the interests or good name of the Club or unbecoming to a Member, the Chairman will ask the Vice Chairman to form a sub-committee of not less than three Directors for the purpose of investigating the situation (the "Investigation Committee").
- 22.2 The Investigation Committee will ask the Member to explain his conduct or action in writing and invite him to attend a meeting with them.
- 22.3 The Investigation Committee will take such evidence as it thinks fit and establish whether the conduct or action is or is likely to be contrary to the interests or good name of the Club or unbecoming to a Member.
- 22.4 The Investigation Committee will report its finding to the Board and may reprimand the Member, or recommend what other action should be taken (including the termination of the Member's membership of the Club).
- 22.5 Recommendations of the Investigation Committee must be ratified by a special resolution of the Board.
- 22.6 Within seven days of the decision of the Investigation Committee being notified to him, the Member may appeal in writing to the Chairman who will review the matter and report his recommendation to the Board. The Board will reconsider the resolution passed pursuant to Article 22.5 and any change thereto shall require a special resolution of the Board. The decision of the Board shall be final subject only to Article 22.7.

- 22.7 Should the Board receive written representations signed by fifty Members for a reconsideration of any particular case, the Board will call an Extraordinary General Meeting to consider a resolution for the reinstatement of the former Member. If the Members resolve by special resolution to reinstate the former Member, he shall be reinstated, without payment of a new joining fee, on payment in full of all arrears of subscriptions and dues which would be payable if he had not been expelled.
- 22.8 The Board is empowered immediately to suspend a Member:-
- (a) whose conduct or action is subject to review by the Investigation Committee; or
  - (b) who terminates his Payment Arrangements without the Secretary's prior written approval.
- 22.9 A Member shall cease automatically to be a Member:-
- (a) on being cashiered or dismissed from any of the Armed Services;
  - (b) on being convicted in any court of any criminal offence and sentenced to imprisonment PROVIDED THAT the conduct of a Member who is similarly convicted but does not receive a custodial sentence may be dealt with under Articles 22.1 - 22.8 if in the opinion of the Chairman it is appropriate; or
  - (c) on being declared a defaulter by the Board by reason of him having failed to pay his subscription or any other debt to the Club or a Reciprocal Club.
- 22.10 A Member who is suspended pursuant to Article 22.8 or who ceases to be a Member pursuant to Article 22.9 may appeal to the Board to be re-instated. A suspended Member may be restored to former rights and a former Member may be re-admitted to the Club and restored to former rights if the Board resolves by special resolution that it is satisfied that lifting the suspension or re-admission (as the case may be) would not be contrary to the interests of the Club. The Member's suspension will be lifted or (as the case may be) he will be reinstated subject to payment of all subscriptions and sums due to the Club (if any) as if the membership had not been suspended or ceased, and without payment of a new joining fee.

### **23. CEASING TO BE A MEMBER**

- 23.1 This Article 23 applies to the following persons:-
- (a) any person who fails to pay all amounts due on his becoming a Member or to establish a Payment Arrangement within four months of becoming a Member;
  - (b) a person who resigns his membership;
  - (c) a person who dies;
  - (d) a person who has ceased to be a Member pursuant to Article 22; and
  - (e) a person whose membership is terminated by the Board under Article 25.4.
- 23.2 A person referred to in Article 23.1 (an "Outgoing Member" which expression shall include his personal representatives) shall automatically cease to be a Member of the Club upon the occurrence of the applicable event.

23.3 Subject to Article 23.4, an Outgoing Member shall execute a stock transfer form transferring his share in the Club at par to the Depository, accompanied by the applicable share certificate. An Outgoing Member shall not be entitled to attend any general meeting of the Club or cast a vote on his share in the Club. Save as provided in Article 23.5, a Member shall not be entitled to any payment in respect of his share except on a winding up pursuant to Article 38.3(b).

23.4 If the Outgoing Member has died and at the date of his death is a Joint Member and:-

- (a) is a Shareholder, his personal representatives may transfer the deceased Outgoing Member's share to the other Joint Member who will thereupon become a Shareholder and a single Member; or
- (b) is not a Shareholder, the surviving Shareholder shall automatically become a single Member;

and the Secretary will consult with the surviving Member about the category of membership which should apply to him under Article 18.2 and make such adjustment to the current annual subscription as he may consider reasonable.

23.5 If an Outgoing Member fails to execute such transfer within 28 days of receiving a written request from the Secretary, the Secretary (or some other person nominated by resolution of the Board) shall forthwith be deemed to be the duly appointed attorney of that person with full power in his name and on his behalf to execute, complete and deliver a transfer of his share to the Depository. An Outgoing Member shall be deemed to have received such request on the second working day after its posting if sent by first class pre-paid post to the last address of the Outgoing Member entered in the Register of Shareholders and the Club shall be under no duty to seek out or make any enquiries to find any other address for such Outgoing Member.

23.6 Upon receipt of the stock transfer form and share certificate from the Outgoing Member:-

- (a) if the Outgoing Member is not indebted to the Club in any way, the Depository shall pay to the Outgoing Member the nominal value of his share;
- (b) if the Outgoing Member is indebted to the Club for any sum, upon transfer of his share to the Depository, the Depository shall pay to the Club out of the nominal value of the share the amount due to the Club and shall pay the surplus (if any) to the Outgoing Member. Payment by the Depository to the Club of a sum in full or partial satisfaction of the debt of the Outgoing Member shall be a good discharge of the claim of the Outgoing Member to the extent of the payment made to the Club; and
- (c) An Outgoing Member who has not received the value of his share within three years of ceasing to be a Member of the Club shall lose his right to be paid or receive such value.

## **24. APPLICATIONS FOR MEMBERSHIP**

24.1 An "Applicant" is a person who wishes to apply for membership of the Club. Elections for the admission of Applicants shall be conducted as follows:-

- (a) an Applicant shall complete an application form provided by the Secretary. The form shall incorporate an application to subscribe for one share in the Club. It shall

be counter-signed by a proposer and a seconder, at least one of whom shall have been a Member for two years. When completed, it shall be sent to the Secretary at the Office where the details of the Applicant will be entered in the Candidates' Book;

- (b) a former Member applying for re-election within five years of the date on which his last period of membership ceased should complete the application form. He does not need a proposer or seconder but shall not be entitled to automatic re-election;
- (c) the name of an Applicant shall be posted in the Club for a period of at least ten days before his application for membership is considered by the Board. Any Member wishing to oppose the election of an Applicant must state his reasons in writing to the Chairman;
- (d) an Applicant must be at least 18 years old;
- (e) the proposer and the seconder shall be satisfied that the Applicant is in all respects suitable to be a Member and may be requested by the Secretary to confirm this view in writing;
- (f) if an Applicant is unable to provide a proposer or seconder for any reason, he may submit his application form to the Secretary for special consideration by the Board;
- (g) upon satisfaction of the conditions in Articles 24.1(a) – 24.1(f), the Board will consider the application and, if thought fit, elect the Applicant as a Member and specify the category of his membership;
- (h) the Board may reject an Applicant's application if he has, at any time, conducted himself in a manner that would be contrary to Article 22.1, or which falls within Article 22.9;
- (i) should the Board determine at any time that an Applicant who has been elected as a Member is guilty of the type of conduct described in Article 24.1(h), the Board shall be entitled in its absolute discretion to declare the election to have been void, and notice of such a declaration shall be displayed in the Club and sent to the person concerned;
- (j) within ten working days of being elected a Member, he shall set up Payment Arrangements;
- (k) a person who has been twice rejected for membership is ineligible to become a Member;
- (l) the Board may in its absolute discretion make other arrangements for the admission to membership of the Club of the members of any Reciprocal Club;
- (m) the persons nominated by a corporate Member under Article 18.2(e) shall be subject to the application process set out in this Article.

24.2 The Secretary shall notify each Applicant of his election and at the same time provide a copy of these Articles and the bye-laws of the Club, information about the Club, the current newsletter, the Payment Arrangements applicable to the Applicant and such other information as he sees fit. All, or an authorised proportion of, the current year's subscription shall become due on receipt of such notification.

- 24.3 An Applicant who receives notice of his election, but who does not wish to take up the offer, should at once inform the Secretary in writing.
- 24.4 An elected Applicant shall not make use of the Club's facilities, nor participate in any of the advantages and privileges of the Club, until he has paid the sums due on becoming a Member.
- 24.5 The payment of the subscription or an agreed instalment of it entitles the elected Applicant to the privileges of the Club.

## **25. PAYMENTS**

- 25.1 An Applicant, on becoming a Member, shall pay the appropriate joining fee.
- 25.2 A Member shall pay the applicable annual subscription and additional subscriptions to the Club by 31st January in the year to which they relate or in accordance with the Payment Arrangements agreed with him.
- 25.3 A Member:-
- (a) who changes his category of membership, including (without limitation) when a change of place of residence or business or age occurs, shall immediately inform the Secretary in writing. Any change in the subscription rate for membership will have effect at the beginning of the year following the year in which the change of circumstances was notified; or
  - (b) who wishes to terminate his Payment Arrangements must discuss the matter with the Secretary. Termination of any Payment Arrangements without prior notice to and discussion with the Secretary may lead to suspension of membership under Article 22.8(b). Termination of a Member's Payment Arrangements shall not discharge the Member from paying subscriptions and any other monies due to the Club from the Member as and when they fall due.
- 25.4 The Board may terminate the membership of a Member who cancels or fails to maintain his Payment Arrangements.
- 25.5 In the event of any Member being unable to make use of the Club's facilities because of long or serious illness, the Board, in its absolute discretion, may reduce the Member's subscription rate.
- 25.6 Should any Member die having paid his full subscription for the year, the Board may, at the request of the executors, refund a proportion of the annual subscription.

## **26. FAILURE TO PAY SUBSCRIPTIONS AND OTHER DEBTS**

- 26.1 A Member who fails to pay on the due date any sum due to the Club will be subject to an administrative charge at such rate as may be decided by the Board from time to time.
- 26.2 The Secretary shall inform a Member of any unpaid sum due by notice in writing sent to his address recorded in the Register of Members. The Secretary may, in his discretion, apply interest to the unpaid sum at the rate of 2% above the lending rate of the Club's bankers, compounded quarterly, commencing twenty eight days after the date of such notice.

26.3 If a Member fails to pay any sum due to the Club or to a Reciprocal Club, he may be declared a defaulter under Article 22.9(c) whereupon his membership shall cease forthwith and he shall cease to be entitled to use the facilities of the Club and his name may be posted on the notice board in the Clubhouse. Reciprocal Clubs may be notified that he is no longer a Member of the Club. This action shall not relieve the Member of his liability to pay the debt or affect any legal means which may be used to recover the debt.

## **27. GENERAL MEETINGS**

27.1 All general meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

27.2 The Board may call general meetings of the Club.

27.3 Without prejudice to Section 303 of the Act, the Board shall, on the requisition of any fifty Shareholders who are not Directors, specifying the reason for the requisition and setting out the resolution which they wish to propose, promptly convene an Extraordinary General Meeting of the Club for a date not later than eight weeks after receipt of the requisition. A resolution may not be moved at a general meeting if:-

- (a) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Articles or otherwise);
- (b) it is defamatory of any person; or
- (c) it is frivolous or vexatious.

27.4 The Secretary shall circulate to Members the agenda for any general meeting.

27.5 The Annual General Meeting shall be held once in every year (so far as is practicable in the month of June) at a date and time to be fixed by the Board for the purpose of:-

- (a) receiving from the Board the annual financial statements for the previous financial year;
- (b) electing new Directors;
- (c) appointing the auditors and authorising the Board to fix the auditors' remuneration; and
- (d) considering any resolutions properly moved.

## **28. NOTICE OF GENERAL MEETINGS**

28.1 An Annual General Meeting and an Extraordinary General Meeting called for the passing of a special resolution shall be called by sending notices by post or (where applicable) by electronic communication at least twenty-one clear days before the meeting. Other Extraordinary General Meetings shall be called by sending notices by post at least fourteen clear days before the meeting to the address of the Members who are Shareholders recorded in the Register of Shareholders.

28.2 The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an Annual General Meeting, shall describe the meeting as the Annual General Meeting.



- 28.3 The notice shall be given to all Members and to the Directors and Auditors and a copy shall be posted prominently in the Clubhouse.
- 28.4 A Joint Member who is not a Shareholder shall be entitled to receive notice of and attend and speak at a general meeting but shall not be entitled to vote.
- 28.5 The omission to give notice of a meeting to or the non-receipt of the notice of a meeting by any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## **29. PROCEEDINGS AT GENERAL MEETINGS**

- 29.1 No business shall be transacted at any general meeting of the Shareholders without a quorum. Forty Shareholders entitled to vote and present in person shall be a quorum.
- 29.2 The Chairman or in his absence the Vice Chairman or another Director present at the meeting shall preside as the chairman of a general meeting, including any adjourned meeting, (and references to the Chairman in Articles 29 and 30 shall include the person presiding as chairman of the applicable general meeting), but if neither the Chairman nor another Director be present within fifteen minutes of the time appointed for holding the meeting and willing to act, the Shareholders present shall elect one of their number to be the Chairman.
- 29.3 If no quorum exists within half an hour of the time appointed for the meeting, or if during a meeting such a quorum ceases to exist, the Chairman must adjourn it.
- 29.4 The Chairman must adjourn a general meeting if directed to do so by the meeting, and he may adjourn a general meeting at which a quorum is present if:-
- (a) The meeting consents to an adjournment; or
  - (b) It appears to the Chairman that an adjournment is necessary to ensure that the business of the meeting is conducted in an orderly manner or for any other purpose he considers proper.
- 29.5 When adjourning a general meeting, the Chairman must:-
- (a) 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
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 29.6 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Club must give at least seven clear days' notice of it to the all persons to whom notice of general meetings is required to be given.
- 29.7 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.
- 29.8 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:-
- (a) by the Chairman; or

- (b) by not less than five Shareholders having the right to vote at the meeting, and a demand by a Shareholder's proxy shall be considered as a demand by a Shareholder.
- 29.9 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:-
- (a) 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 may be determine); and
- (b) the proposed amendment does not, in the reasonable opinion of the Chairman, materially alter the scope of the resolution.
- 29.10 A special resolution to be proposed at a general meeting may be amended by ordinary resolution if:-
- (a) the Chairman proposes the amendment at the general meeting at which the resolution is to be proposed; and
- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 29.11 If the Chairman, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairman's error does not invalidate the vote on that resolution.
- 29.12 Unless a poll is duly demanded, a declaration by the Chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 29.13 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the Chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 29.14 A poll shall be taken as the Chairman directs. The Chairman may appoint scrutineers who need not be Shareholders and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 29.15 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman shall be entitled to a casting vote in addition to any other vote he may have.
- 29.16 No poll may be demanded on the election of a Chairman or on a question of adjournment. These matters shall be decided on a show of hands. A poll demanded on any other question shall be taken either forthwith or at such time and place as the Chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 29.17 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at

least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

### **30. VOTES OF SHAREHOLDERS**

30.1 Subject to any rights or restrictions attached to any shares, on a show of hands, every Shareholder who is present in person and on a poll every Shareholder who is present in person or by proxy shall have one vote.

30.2 No Shareholder shall vote at any general meeting or any separate meeting of the holders of any class of shares in the Club, either in person or by proxy, in respect of any share held by him unless all moneys presently payable in respect of that share have been paid, he has paid his annual subscriptions or the appropriate part of it for the current year and he is not suspended pursuant to Article 22.8.

30.3 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the Chairman whose decision shall be final.

30.4 Votes may be cast either in person or by proxy. An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in the following form, or in a form as near thereto as circumstances allow or in any other form which is usual or which the Board may approve:-

“In and Out Limited

I \_\_\_\_\_, of

being a shareholder of the above named company, hereby appoint [the chairman of the meeting] / [name]

of

, or failing him

of

as my proxy to vote in my name and on my behalf at the Annual/Extraordinary General Meeting of the Club to be held on \_\_\_\_\_ and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_.”

30.5 Where a Shareholder wishes to instruct the proxy how he shall act the instrument appointing the proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Board may approve):-

“In and Out Limited

I \_\_\_\_\_, of

being a shareholder of the above-named company, hereby appoint [the chairman of the meeting] / [name] of [address], or failing him [name] of [address], as my proxy to vote in my name and on my behalf at the Annual/Extraordinary General Meeting of the Club to be held on \_\_\_\_\_ and at any adjournment thereof. This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No. 1        \*for \*against

Resolution No. 2        \*for \* against

\*Strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed this                day of                                .”

30.6 The instrument appointing a proxy and any authority under which it is executed, or a certified copy of such authority may:-

- (a) be deposited at the Office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in the instrument of proxy not less than 72 hours before the time for holding the meeting; or
- (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid not less than 24 hours before the time appointed for the taking of the poll; or
- (c) where the poll is not taken forthwith but is taken less than 48 hours after it was demanded, be delivered to the chairman or to the Secretary or any Director at the meeting appointed for the taking of the poll;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

30.7 A person who is entitled to attend, speak or vote 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.

30.8 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. Such notice shall take effect upon delivery to the Secretary or the Chairman before the start of the meeting or adjourned meeting to which it relates.

30.9 The Depository shall not be entitled to exercise the votes attaching to any shares acquired by it.

### **31. SHARE CAPITAL**

31.1 Unless otherwise determined in accordance with Article 4.3(b), the issued share capital of the Club shall not at any time exceed £1,200,000 divided into 6000 ordinary shares of £200 each.

31.2 Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Club may by ordinary resolution determine. No share shall be issued for less than the aggregate of its nominal value.

31.3 Except as required by law, no person shall be recognised by the Club as holding any share upon any trust and except as otherwise provided by the Articles or by law the Club shall not be bound to recognise any interest in any share except an absolute right to the entirety thereof in the holder.

- 31.4 Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Club or the holder on such terms and in such manner as the Board may determine.
- 31.5 Subject to the approval of the Trustees given under Article 4.3(b) and subject to the provisions of the Act, the Club may by special resolution reduce its share capital in any way.
- 31.6 Subject to the approval of the Trustees given under Article 4.3(b) and subject to the provisions of the Act, the Club may purchase its own shares (including any redeemable shares) and make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Club or the proceeds of a fresh issue of shares.

## **32. SHARE CERTIFICATES**

A Shareholder shall be entitled to a certificate for his share. Every certificate shall be sealed with the seal or otherwise duly executed on behalf of the Club in accordance with the Act and shall specify the number, class and distinguishing numbers, if any, of the share to which it relates and the amount or respective amounts paid up thereon. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms as to evidence and indemnity and payment of the expenses reasonably incurred by the Club in investigating evidence and in replacing the certificate as the Board may determine but otherwise free of charge and (in case of defacement or wearing out) on delivery up of the old certificate.

## **33. TRANSFER OF SHARES**

- 33.1 A Shareholder may not transfer his share to any person other than (i) to the Depository in accordance with Article 23.3 or (ii) where a Shareholder who is a Joint Member dies, his personal representatives may transfer his share to the surviving Joint Shareholder in accordance with Article 23.4. The instrument of transfer of a share shall be in a standard form and shall be executed by or on behalf of the transferor.
- 33.2 The Board shall not register the transfer of any share which is not made in accordance with Article 33.1.
- 33.3 If a Shareholder dies, his personal representatives shall be the only persons recognised by the Club as having any title to his share until it is transferred to the Depository in accordance with Article 23.3 or to the surviving Joint Shareholder in accordance with Article 23.4 but the personal representatives shall not be entitled to attend or vote at a general meeting or agree to a proposed written resolution by virtue of such title; but nothing herein contained shall release the estate of a deceased Member from any liability to the Club.
- 33.4 The Depository shall hold shares transferred to it until the Board instructs it to transfer any such shares to elected Applicants at par.

## **34. LIEN ON SHARES**

- 34.1 The Club shall have a first and paramount lien upon every share (whether a fully paid up share or not) registered in the name of any Member for his or his estate's debts, liabilities and engagements, whether solely or jointly with any other person, to or with the Club, whether the period for the payment, fulfilment or discharge thereof shall have actually

arrived or not. Such lien shall extend to all money payable in respect of every such share, but the Board may declare any share to be exempt, wholly or partially, from the provisions of this Article.

34.2 The Club may set off against any amount owed by a Member to the Club the amount payable to such Member under Article 23.3.

34.3 This Article is in addition to the provisions of Article 23.4 and Article 23.6(b).

### **35. DIVIDENDS**

All profits made by the Club by whatever means shall be retained for the benefit of the Club and applied solely for the purposes of the Club. Accordingly, the Shareholders shall not have the right to be paid a dividend. The Club has no power to declare a dividend on any share and the Directors shall have no power to pay an interim dividend.

### **36. UNSECURED LOAN STOCK**

The Board may from time to time issue to Members unsecured loan stock in the Club repayable on death of the Member and in such other circumstances and on such terms as shall be provided in the instrument creating the unsecured loan stock. The Board may include in the terms of the instrument such Member benefits as it considers appropriate in the circumstances of the creation and issue of any such unsecured loan stock. There shall be no limit on the amount of unsecured loan stock that may be in issue at any time, except to the extent that it may be so provided in any instrument creating such unsecured loan stock, and save that subscriptions shall be in units as decided by the Board from time to time. For the avoidance of doubt there shall be no voting rights attached to the stock.

### **37. INSPECTION OF ACCOUNTS**

No Member shall have any right of inspecting any accounting records or other book or document of the Club except as provided by law or authorised by the Board or by ordinary resolution of the Club PROVIDED THAT nothing in the Articles shall require the Club or any Director to disclose to a Member any record, book or document which contains confidential information or personal data (within the meaning of the English data protection legislation) about any person or which would cause a person to be in breach of a legal duty.

### **38. WINDING UP**

38.1 No resolution for the voluntary winding up of the Club can be proposed by the Shareholders without the written consent of the majority of the Trustees given pursuant to Article 12.2(a).

38.2 If, in the opinion of a majority of the Board, the Club is or is about to become insolvent and unable to pay its debts (within the meaning of Section 123 of the Insolvency Act 1986), the Board shall, without prejudice to any duty or obligation to which the Directors may be subject under the Act or the Insolvency Act 1986, be entitled (but not obliged) to convene a general meeting to consider a resolution for the winding up of the Club or to present a petition to the Court for an order winding up the Club or to cause the Club to present a petition to the Court for an order winding up the Club.

38.3 On a return of capital on liquidation or otherwise the surplus assets of the Club remaining after payment of its liabilities shall be applied:-

- (a) first in paying to each Shareholder the amount paid up or credited as paid up on his share; and
- (b) second in paying to each Shareholder (other than the Depository) who has been registered in the Register of Shareholders as the holder of the shares in question for not less than three years immediately preceding the date of the commencement of the liquidation or as the case may be the date of the resolution authorising the return of capital other than on liquidation equally between such Shareholders.