

THE COMPANIES ACT 2006 PRIVATE COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION
OF
Stokes Bay Sailing Club (The "Club")
(Adopted 26th November 2023)

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 Full 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 manually but not by motorised means
CASC	means a Community Amateur Sports Club, as that term is defined by s658 Corporation Tax Act 2010

clear days' notice	in relation to a period of notice means a period which excludes the day of the meeting and the date on which the notice is given and as provided in S360 Companies Act 2006
Club	means the Company regulated by these Articles
Clubhouse	means the Clubhouse situated at The Promenade, Stokes Bay Road, Gosport, Hants, PO12 2BL or such other premises as designated by the Club in the Club Rules
Club Rules	means rules of the Club from time to time approved by the Full Members in accordance with Article 13.4.2
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
electronic general meeting	means a general meeting hosted on an electronic platform
electronic platform	includes, but is not limited to, website addresses and conference call systems
Flag Officer	means an Officer who holds the position of Commodore, Vice Commodore or Rear Commodore.
Finance Acts	means the Corporation Tax Act 2010, the Finance Act 2012 and any other relevant legislation relating to CASCs
Full Member	means every person who agreed to become a member of the Club as a Full member and whose name is entered in the Club's register of Members,

	in accordance with section 112 of the Act, and Full Membership shall be interpreted accordingly
Member	means all Members of the Club, whether Full Members or Associate Members, and Membership shall be interpreted accordingly
Officers	The Flag Officers and the other officers set out in the Club Rules
Ordinary Resolution	means a resolution passed by a simple majority of the Full Members
present	means, for the purposes of physical general meetings, present in person, or, for the purposes of electronic general meetings, present by electronic means (and references to persons attending by electronic means is defined as attendance at electronic general meetings via the electronic platform(s) stated in the notice of such meeting)
Reviewer	An accountant or other professionally qualified person proposed by the directors and appointed at the AGM to review the Club's accounts
Special Resolution	means a resolution of the Full Members passed by a majority of not less than 75% and
Valid Request	a written request from at least twenty Full Members
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 MEMBERS**

- 2.1. The liability of each Full Member is limited to £1, being the amount that each Full Member undertakes to contribute to the assets of the Club in the event of its being wound up while a Full Member or within one year after ceasing to be a Full Member, for:
- 2.1.1. payment of the Club's debts and liabilities contracted before ceasing to be a Full 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 Stokes Bay Sailing 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 so far as available space and resources permit.

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

PART 3: DIRECTORS

5. DIRECTORS

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

- 5.2. Directors are elected by the Full Members or co-opted by the Directors, in accordance with the procedures set out in the Club Rules.
- 5.3. A Director's term of office automatically terminates if the Director:
- 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 two consecutive meetings of the Directors and is asked by a majority of the other Directors to resign;
 - 5.3.3. is incapable, whether mentally or physically, of managing their own affairs;
 - 5.3.4. resigns by written notice to the Directors (but only if at least two Directors will remain in office); or
 - 5.3.5. is removed by the Full Members.

6. **DIRECTORS' PROCEEDINGS**

- 6.1. The Directors must hold at least six meetings each year.
- 6.2. The quorum for Directors' meetings may be fixed from time to time by the Club Rules, but it must never be less than two, and, unless otherwise fixed, it is four.
- 6.3. A meeting of the Directors may be held either in person and/or by suitable electronic means agreed by the Directors in which all participants may communicate with all the other participants. The notice shall specify whether the meeting shall be an electronic meeting in addition to or instead of the physical meeting. Except with the consent of all the Directors or in an emergency, at least four days' notice of meetings shall be given
- 6.4. The chairman at each meeting is the senior Flag Officer present but otherwise the chairman is chosen by the Directors present.
- 6.5. 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.
- 6.6. Every Director has one vote on each issue and, in case of equality of votes, the chairman of the meeting has a casting vote.
- 6.7. A procedural defect of which the Directors are unaware at the time does not invalidate decisions taken at a meeting.

7. DIRECTORS' POWERS

- 7.1. The Directors may exercise any powers of the Club which are not reserved to the Members.
- 7.2. The Directors may delegate any of their functions to committees consisting of two or more individuals appointed by them on such terms as they think fit. At least one Member of every committee must be a Director and all proceedings of committees must be reported promptly to the Directors.
- 7.3. Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors.

8. DIRECTORS' REMUNERATION AND EXPENSES

- 8.1. Directors may undertake any services for the Club that the Directors decide. Directors are not entitled to remuneration for their services to the Club as Directors but may at the discretion of the Directors receive remuneration for other services which they undertake for the Club.
- 8.2. The Club may pay any reasonable expense which the Directors properly incur in connection with the discharge of their responsibilities in relation to the Club.

9. CONFLICTS OF INTEREST

- 9.1. The Directors may, in accordance with the requirements set out in Article 9.2, 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 the Director's duty under section 175 of the Act to avoid conflicts of interest.
- 9.2. Any authorisation under Article 9.1 shall be effective only if:
 - 9.2.1. 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;
 - 9.2.2. any requirement as to the quorum is met without counting the interested Director; and
 - 9.2.3. 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.

- 9.3. 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 the Director derives from or in connection with a relationship involving a conflict of interests which has been authorised by the Directors in accordance with these Articles or by the Full 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.
- 9.4. 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 is not to 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.
- 9.5. 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.
- 9.6. When all the Directors of the Club are conflicted, the Club shall pass the conflict to the Full Members for approval by ordinary resolution.

PART 4: MEMBERSHIP

10. APPLICATIONS FOR MEMBERSHIP

- 10.1. Membership is open to any individual interested in the sport of Boating. Membership is not transferable.
- 10.2. No person shall become a Member unless:
- 10.2.1. that person has completed an application for Membership in a form approved by the Directors from time to time; and
- 10.2.2. the Directors have approved the application.
- 10.3. Membership is subject to the payment of any subscriptions and fees that may be set by the Club from time to time.
- 10.4. Every person who, on 30th September 2023, had paid a subscription to, and was a member of the unincorporated Club known as Stokes Bay Sailing Club referred to in Article 3.1.1, shall be a Member of the Club from incorporation.

11. OBSERVANCE OF RULES ETC.

- 11.1. Every Member upon election is deemed to have notice of and undertakes to comply with these Articles, the Club Rules, bye-laws and regulations as updated on the Club's website or as posted in the Clubhouse from time to time. Any refusal or neglect to do shall render a Member liable to expulsion or suspension in accordance with Article 12.
- 11.2. The Club in its Rules 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 may withdraw from Membership by giving notice to the Club as set out in the Club Rules.
- 12.2. A person's Membership terminates when:
 - 12.2.1. that person dies or ceases to exist, or
 - 12.2.2. that person fails to pay any subscriptions and fees due in accordance with the Club Rules.
- 12.3. The Directors may terminate the Membership of any Member without the Member's consent in accordance with and subject to the provisions in the Club Rules
- 12.4. A Member whose Membership is terminated under Article 12.3 shall not be entitled to a refund of any subscription or other fee and shall remain liable to pay to the Club any subscription or other sum owed.

13. **GENERAL MEETINGS**

- 13.1. Directors shall determine whether a general meeting is to be held as an electronic general meeting as well as or instead of a physical general meeting. Directors may call general meetings in accordance with the Club Rules whenever and at such times and places (including electronic platforms) as it shall determine.
- 13.2. Members are entitled to attend general meetings in person or by electronic means where that is enabled.
- 13.3. The Club must hold a general meeting as an AGM no later than the 7th December in each year in addition to any other general meetings in that year and must specify the meeting as the AGM in the notices calling it. 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; and
- 13.3.4. appoint Reviewers to review the accounts for the Club.

13.4. Full 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 Full Members to call a general meeting pursuant to Article 13.5; and

13.4.2. in particular, consider and determine whether to approve any Club Rules put before them by the Directors or pursuant to a Valid Request from Full Members in accordance with Article 13.5, which are consistent with these Articles and the Act, to govern:

- a) the election of Directors
- b) the classes and conditions of Membership, election of Members and termination of Membership;
- c) the entrance fees and subscriptions;
- d) the procedures for dealing with disciplinary action against Members, and/or for the suspension and expulsion of Members;
- e) 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 the Articles; and
- f) matters relating to the use of the Club's premises and facilities.

13.5. A general meeting may be called by the Directors at any time and must be called within 7 days of a written request from at least 5% of the Full 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. The notice must specify the date, time and place of the meeting and include a statement setting out the right of the Full Members to appoint a proxy under section 324 of the Act.

13.7. The notice shall specify whether the meeting shall be an electronic general meeting in addition to or instead of the physical general meeting.

13.8. There is a quorum at a general meeting if the number of Full Members present or by proxy

is at least twenty.

- 13.9. The chairman at a general meeting shall be the senior Flag Officer present but otherwise a Full Member elected by the Full Members present or by proxy.
- 13.10. Subject to any contrary provisions in the Club Rules relating to rights conferred by different classes of Membership, every Full Member present or by proxy has one vote on each issue.
- 13.11. 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.
- 13.12. A technical defect in the appointment of a Member of which the Members are unaware at the time does not invalidate a decision taken at a general meeting or a written resolution of the Members.

PART 5: ADMINISTRATIVE ARRANGEMENTS

14. RECORDS AND ACCOUNTS

- 14.1. The Directors must comply with the requirements of the Companies Acts as to keeping records, the independent review 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 time during normal office hours 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 governing documents and latest available statement of account must be supplied on request to any Director.

15. **INDEMNITY**

15.1. Subject to Article 15.3, a Director or former Director of the Club shall 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. A former member of the former unincorporated body known as Stokes Bay Sailing Club shall be indemnified out of the Club's assets against all liabilities incurred by a former member in the terms set out in sub-clauses 15.1.1 - 15.1.3 in relation to that unincorporated body.

15.3. 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. **Notices AND COMMUNICATIONS**

16.1. Any notice to be given to or by Members or other persons under these rules shall be in writing.

16.2. Any notice or document to be given in writing shall be:

16.2.1. given by hand or

16.2.2. posted to the Club at the Clubhouse and to a Member at the address last notified by the Member to the Club, or

16.2.3. given using electronic communications to an address for the time being notified for that purpose to the Club or to the Member, or

16.2.4. through publication on the club's website and to the Clubhouse after notice by electronic means to Members.

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

- 16.3.1. 24 hours after being sent by electronic means, posted on the Club's website 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 or defect in publication on an electronic platform does not invalidate decisions taken at a meeting.

17. AMENDING THE ARTICLES

These Articles may be amended by Ordinary Resolution of the Full Members subject to any limitation referred to in Article 13.10.

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. This shall not prevent income and property of the Club being applied or for a charitable purpose to be nominated by a General Meeting. Article 18.1 shall not prevent the Directors from time to time allowing a person or an organisation to use the Club's Premises for a purpose which they determine as charitable or benevolent and or which furthers the objects of the Club whether for a fee or not.
- 18.3. No dividends or bonus may be paid or capital otherwise returned to the Members, provided that nothing in these Articles shall prevent any payment in good faith by the Club of:
- 18.3.1. Subject to Article 9.1 reasonable and proper remuneration to any Member, Officer, employee or contractor of the Club for any services rendered to the Club;
 - 18.3.2. interest on money lent by any Member of the Club or Director at a reasonable and proper rate per annum not above the published base lending rate of a clearing bank to be selected by the Directors;
 - 18.3.3. reasonable and proper rent for premises demised or let by any Member or Director; or
 - 18.3.4. 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 sailing for use by that organisation for related community sports.