



# Scottish Rowing

## Articles of Association

October 2019

**THE COMPANIES ACTS 1985 to 2006 (updated)**

**A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL**

**ARTICLES OF ASSOCIATION**

**of**

**SCOTTISH ROWING (the "Company")**

*(Amended by special resolution passed on 15<sup>th</sup> October, 2018.*

### **1. Definitions, Interpretation Object and Powers**

#### **1.1. Definitions**

In these Articles unless the context otherwise requires the following words and expressions shall bear the meanings ascribed to them.

- a) **Act:** The Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force.
- b) **Articles:** These Articles of Association of the Company as amended from time to time.
- c) **Board:** The Board of Directors of the Company appointed pursuant to Article 13 of the Articles.
- d) **Clear Days:** In relation to the 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.
- e) **Club:** A club, association or other formally constituted body of a regional or specialist nature located and operating in Scotland, which participates in the sport of Rowing as part of its activities and/or undertakes and promotes the activities of Rowing in Scotland.
- f) **Conflict:** means a 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 Company;
- g) **Members:** means the members of the Company and "Member" means any one of them.
- h) **Club Member:** A Club which at the relevant time is a Member.
- i) **Club Representative:** An individual appointed and authorised by a Club Member to represent the Club Member at AGMs and general meetings.



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- j) **Eligible Director:** A director who would be entitled to vote on the matter at a meeting of directors (but excluding in relation to the authorisation of a Conflict pursuant to Article 15, any director whose vote is not to be counted in respect of the particular matter);
- k) **Indoor Rowing:** The activity and sport of using a rowing simulator on dry land.
- l) **Office:** The registered office of the Company.
- m) **Operating Practices:** The procedural rules sanctioned by the Board and amended from time to time.
- n) **Outdoor Rowing:** The activity and sport of an individual or crews propelling a vessel on water by means of oars.
- o) **Rowing:** Indoor Rowing or Outdoor Rowing.
- p) **Secretary:** The secretary of the Company appointed pursuant to the Articles or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary.

### 1.2. Interpretation

Unless the context otherwise requires:

- a) words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the Company; and
- b) the singular shall include the plural, the masculine shall include the feminine and bodies shall include corporate and unincorporated.

### 1.3. Object

The object of the Company shall be:

- a) to carry out the functions of the governing body of Rowing in Scotland;
- b) to foster, encourage, promote and develop the sport of Rowing in Scotland;
- c) to promote and regulate the Scottish Championships and other competitions in Scotland;
- d) to sanction the holding of competitions and events connected with Rowing in Scotland and to approve and regulate the dates and arrangements for the same;
- e) to arrange for International Rowing Competitions to take place in Scotland;
- f) where appropriate to select teams to represent Scotland therein;
- g) to control, sanction and where necessary promote television and the media in all their aspects in regard to Rowing in Scotland and to permit associations,



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event committees, Clubs and other organisations to arrange for the televising or broadcasting of events taking place under their management or control on such terms as the Company may from time to time determine and to take such steps as may be open to the Company to retain and/or acquire any intellectual property in relation to Rowing in Scotland which the law may provide; and

- h) generally to advance and safeguard the interests of Rowing in Scotland and those of the Company and to do all things as may from time to time be deemed necessary or expedient for or in connection with Rowing in Scotland and the Company.

### 1.4. Powers

In pursuance of the object set out in Article 1.3, the Company has the power to:

- 1.4.1 buy, lease or otherwise acquire and deal with any property real or personal and any rights or privileges of any kind over or in respect of any property real or personal and to improve, manage, develop, construct, repair, sell, lease, mortgage, charge, surrender or dispose of or otherwise deal with all or any part of such property and any and all rights of the Company;
- 1.4.2 borrow and raise money in such manner as the directors shall think fit and secure the repayment of any money borrowed, raised or owing by mortgage, charge, lien or other security on the Company's property and assets;
- 1.4.3 invest and deal with the funds of the Company not immediately required for its operations in or upon such investments, securities or property as may be thought fit;
- 1.4.4 subscribe for, take, buy or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority in any part of the world;
- 1.4.5 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 suretyships of all kinds to receive money on deposit or loan upon such terms as the Company 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 holding company or subsidiary;
- 1.4.6 lobby, advertise, publish, educate, examine, research and survey in respect of all matters of law, regulation, economics, accounting, governance, politics and/or other issues and to hold meetings, events and other procedures and co-operate with or assist any other body or organisation in each case in such way or by such means as may, in the opinion of the directors, affect or advance the principal object in any way;



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- 1.4.7 pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company and to contract with any person, firm or company to pay the same;
  - 1.4.8 enter into contracts to provide services to or on behalf of other bodies;
  - 1.4.9 provide and assist in the provision of money, materials or other help;
  - 1.4.10 open and operate bank accounts and other facilities for banking and draw, accept, endorse, issue or execute promissory notes, bills of exchange, cheques and other instruments;
  - 1.4.11 incorporate subsidiary companies to carry on any trade; and
  - 1.4.12 do all such other lawful things as are incidental or conducive to the pursuit or to the attainment of any of the object set out in article 1.3.
- 1.5. The income and property of the Company shall be applied solely in promoting the object of the Company as set out in Article 1.3.
- 1.6. 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 Company of:
- a) reasonable and proper remuneration to any Member, officer or servant of the Company for any services rendered to the Company;
  - b) any interest on money lent by any Member or any director at a reasonable and proper rate;
  - c) reasonable and proper rent for premises demised or let by any Member or director; or
  - d) reasonable out-of-pocket expenses properly incurred by any director.
- 1.7. Liability of Members  
The liability of each Member is limited to £1, being the amount that each Member undertakes to contribute to the assets of the company in the event of its being wound up while he is a Member or within one year after he ceases to be a Member, for:
- a) payment of the company's debts and liabilities contracted before he ceases to be a Member;
  - b) payment of the costs, charges and expenses of winding up, and
  - c) adjustment of the rights of the contributories among themselves.



## **2. Members**

2.1. There shall be the following classes of membership:

a) Club Member

A club, association or other formally constituted body of a regional or specialist nature located and operating in Scotland, which participates in the sport of Rowing as part of its activities and/or undertakes and promotes the activities of Rowing in Scotland and has been admitted as a member of the Company pursuant to Article 3 or as an initial subscriber to the memorandum of association of the company;

b) Honorary Member

An individual who has been admitted as a member of the Company pursuant to Article 6.

2.2. There shall be no limit to the number of Members.

2.3. Each Member of the Company agrees as a condition of membership of the Company to be bound by and subject to these Articles and the Operating Practices of the Company (as in force from time to time) and to procure the same agreement from its members.

## **3. Application for Club Membership**

3.1. Club Membership shall be open to any Club meeting the criteria set out in the Operating Practices of the Company..

3.2. A body seeking to become a Club Member ("the Applicant") shall submit a completed application form to the Board, signed by a person authorised on behalf of the applicant.

3.3. On receipt of an application from an Applicant, the Board shall notify existing Club Members within 14 days in writing of the name, location and objectives of such Applicant. Club Members shall have 28 clear days from the date of issue of that notification to inform the Board of any objections to the Applicant becoming a Club Member. Objections shall be submitted in writing and shall specify clearly the grounds for the objection, noting the factors that the Board will take into account when deciding whether or not to approve an application.

3.4. The Board shall consider and approve or reject applications at the first Board meeting after the 28 day period for receipt of objections from Club Members has expired, taking due regard of any objections received. Club Members and the Applicant shall be informed of the Board's decision at the earliest practicable opportunity after the Board meeting.

3.5. In the event that an objection received from a Club Member is overruled by the Board in coming to its decision, then the Club Member who submitted that objection shall be informed in writing of the basis of the Board's decision within 14 days of the Board's decision. Should that Club Member wish subsequently to appeal the Board's decision then that appeal shall be submitted in accordance with the Appeals Procedure which can be obtained on the Scottish Rowing website. The Applicant shall be suspended from



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Membership until the Appeals Procedure is completed.

3.6. There shall be no limit to the number of times that an application to become a Club Member may be submitted and an Applicant may submit further applications following reversal of a decision to approve membership in the event that an objection is upheld on appeal. If, however, the Board considers that the basis for repeat applications is becoming vexatious or frivolous then it may act to disregard such applications.



#### **4. Subscriptions**

4.1. Each Club Member shall pay such annual subscription as Club Members shall determine by special resolution at the Annual General Meeting. Such determination may provide for differential rates of annual subscription and shall be effective for the subsequent financial year.

4.2. The annual subscription fee for each year to 31<sup>st</sup> March shall be payable directly to the Company between the 1<sup>st</sup> April and 30<sup>th</sup> September of the financial year to which it relates.

4.3. On becoming a Member of the Company, each Club Member shall pay within 30 days such proportion of the annual subscription for that financial year, which relates to the number of months remaining in that financial year.

#### **5. Cessation Provisions Relating to Club Members**

5.1. A Club Member shall cease to be a Member of the Company if:

- a) it gives at least 21 clear days' written notice of their resignation to the Office, so that such Club Member's membership shall cease with effect from the day after the end of the notice period or by mutual agreement between the Board and the Club Member;
- b) it fails to pay the agreed subscription fee, or any part of the agreed subscription fee (at the discretion of the directors), by 30 September in the financial year to which the subscription relates, although such Member may, on payment of the arrears of its subscription in full be reinstated, subject to the approval of the Board;
- c) it becomes insolvent or if a receiver, administrator or liquidator is appointed to all or part of the Member's assets, or if any notice of any resolution is presented to have the Member wound up;
- d) Club Members resolve to terminate the membership of a Club pursuant to Article 7; or
- e) an appeal is upheld against the Board's decision to overrule an objection and approve membership.

#### **6. Honorary Membership**

6.1 The Board may at its discretion recommend for election any person who has rendered outstanding service to Rowing as an Honorary Member of the Company. Before a person is elected as an Honorary Member, his appointment must be approved by an ordinary resolution of the Members at an AGM.

6.2 Honorary Members shall not be entitled to take part in the management of the Company or to vote at general meetings but shall receive such privileges as the Board may from time to time determine.



## **7. Expulsion from Membership**

7.1. Subject to the provisions of the Articles, the Company may, at a general meeting, expel any Member whom it is resolved by special resolution:

7.1.1 is guilty of conduct which has or is likely to have a serious adverse effect on the Company or bring the Company or all or any of the Members and the directors into disrepute;

7.1.2 has acted or has threatened to act in a manner which is contrary to the interests of the Company as a whole; or

7.1.3 has failed to observe the terms of these Articles and the Operating Practices,

Failure to comply with any of the provisions of this article 7 shall render invalid any resolution for the expulsion of a Member.

7.2. Any Club Member who wishes to propose at any general meeting a resolution for the expulsion of any other Member shall lodge with the Company written notice of their intention to do so (identifying the Member concerned (the "Expulsee") and specifying the grounds for the proposed expulsion) not less than six weeks before the date of the general meeting. The Company shall, on receipt of such notice, send a copy of the notice to the Expulsee within 3 clear days and the Expulsee shall be entitled to make written representations ("Representations") to the Company with regard to the notice.

7.3. If Representations are made by an Expulsee to the Company, the Company shall (unless the Representations are received by the Company too late for it to do so):

a) state in the notice convening the meeting at which the resolution is to be proposed that the Representations have been made; and,

b) send a copy of the Representations to every Member to whom notice of the meeting is to be given.

7.4. Regardless of whether a copy of the Representations have been given to each of the Members entitled to receive notice of the meeting, the Expulsee shall be entitled to be heard on the resolution at the meeting.

7.5. Expulsion of a Member shall be effective from the time at which the relevant special resolution is passed and following such expulsion the Member shall be removed from the Company's Register of Members.

7.6. No right or privilege of any Member shall be in any way transferable, but all such rights and privileges shall cease upon the Member ceasing to be such, whether by resignation or by expulsion.

## **8. General Meetings**

8.1. The Association shall by the third Sunday in October hold a General Meeting as its Annual General Meeting.





8.2. The final item of business at each of these meetings will be to set a date for the next Annual General Meeting.

8.3. A general meeting shall be convened by the directors, by request from Club Members representing at least 5% of the voting rights of the Company, or on requisition by a resigning auditor (under section 518 of the Act). Subject to the foregoing the directors may convene general meetings whenever they think fit, but at least once in each year, being the AGM.

## **9. Notice of General Meetings**

9.1. All general meetings shall be called by at least 21 clear days' notice.

9.2. A notice convening a meeting shall specify the time and place of the meeting and the terms of any resolution which is to be proposed and shall indicate the general nature of any other business to be transacted at the meeting.

9.3. A notice convening an AGM shall specify the meeting as an AGM.

9.4. Notice of every general meeting shall be given to all Directors, Members and to the Company's auditors if any are appointed.

9.5. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting, by any person entitled to receive notice shall not invalidate the proceedings at that meeting.

9.6. Notice of resolutions to be considered and voted on at an Annual General Meeting must be submitted in writing to the Company no later than 30 clear days prior to the date of the Annual General Meeting. To be valid, resolutions must be:

- a) Submitted by a Club Member and proposed and signed by two officials of that Club Member (and which may be delivered to the Company by letter, electronic mail, facsimile or otherwise as the Directors may from time to time permit); or
- b) Proposed by the Board.

## **10. Proceedings at General Meetings**

10.1. No business shall be transacted at any meeting unless a quorum is present. Club Representatives of eight Club Members entitled to vote upon the business to be transacted shall be a quorum.

10.2. If a quorum is not present within half an hour after the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to such time and place as may be fixed by the chairman of the meeting.

10.3. The President (or, in his or her absence, a Vice-President) shall (if present and willing to act as chairman) preside as chairman of the meeting; if neither the President nor the Vice-President is present and willing to act as chairman within half an hour of the time appointed for holding the meeting, the directors present shall elect one of their number to act



as chairman.

10.4. A director shall, notwithstanding that he is not a Member, be entitled to attend and speak at any general meeting.

10.5. The chairman of the meeting may permit persons who are not Members to attend and speak at general meeting.

10.6. The chairman may, with the consent of the meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place.

10.7. No business shall be transacted at an adjourned meeting other than business which could properly have been transacted at the meeting which was adjourned if the adjournment had not taken place.

10.8. Where a meeting is adjourned for thirty days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and indicating the general nature of the business to be transacted; in any other case, it shall not be necessary to give any notice of an adjourned meeting.

10.9. At any General Meeting, a resolution - except a special resolution - put to the vote shall be carried by a simple majority. A special resolution shall require a majority of 75% of the votes cast to be carried.

10.10. 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 demanded by the Chairman or by a Club Representative having the right to vote at the meeting

10.11. At a General Meeting, by special resolution, the Club Members may:

- a) alter Articles of Association;
- b) expel a Member from Membership of the Company;
- c) fix the amount of Annual Subscription for Club Members; and
- d) fix the amount of Regatta levies and Individual fees.

10.12. At all General Meetings, only the business notified in the agenda accompanying the notice shall be transacted.

10.13. 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 Company in writing by a Member Club 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 chair of the meeting may determine), and



- b) the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.

10.14. A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

- a) the Chairperson or chair of the meeting 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.

10.15. Unless a poll is 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.

10.16. The demand for a poll may before the poll is taken, be withdrawn but only with the consent of the chairman; a demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made nor the result of a show of hands declared after the demand is so withdrawn.

10.17. If a poll is demanded, it shall be taken at once by means of a secret ballot of all the persons present and entitled to vote conducted in such manner as the chairman may direct; the result of such poll shall be declared at the meeting at which the poll was demanded.

10.18. Subject to the provisions of the Act, a resolution in writing signed by Club Representatives on behalf of a Club Member shall be as effectual as if it had been passed at a general meeting duly convened and held; it may consist of several documents in the same form each signed by one or more persons.

## **11. Votes of Members**

11.1. Only Club Members shall be entitled to vote at general meetings. Each Club Member shall appoint, from time to time, Club Representatives to exercise the right of membership on behalf of the Member. Each Club Member shall be entitled to appoint up to two Representatives to attend any general meeting of the Company. Each Club Representative shall have one vote at general meetings and one vote at AGMs.

11.2. If the Club Member's subscription fee is outstanding at the date of the AGM, the Club Representatives shall not be entitled to vote until the Club Member's arrears have been settled in full.

11.3. Enclosed with the notice of any general meeting shall be two appointment forms so that each Club Member can appoint up to two Club Representatives to attend the General Meeting on its behalf. On each appointment form will be printed a form of words which will enable two officers of each Club Member to certify that a named individual who is a member of that Club is authorised to vote on behalf of that Club Member at the forthcoming General Meeting. In order for any vote to be exercised it will be necessary for the authorised person so named on the appointment form to be present at the General Meeting and for that



authorised person to be in possession of the appointment form authorising him to exercise that Club Member's vote on behalf of the Member.

11.4. Every Club Representative entitled to vote shall have one vote which may be given by them personally (whether on a show of hands or on a poll).

11.5. If a Club Member is entitled to more votes than the number of Club Representatives it has appointed, the Club Member may grant a proxy in writing in order to exercise each such vote.

11.6. Proxies shall validly be appointed by a Club Member giving notice in writing to the Company, which states the name and address of the Member and identifies the person to be appointed as that Member's proxy and the general meeting in relation to which that person is appointed. The notice of proxy shall be signed by an officer of the Club Member appointing the proxy. The notice of proxy shall be delivered to the Company not less than 48 hours before the time appointed for holding the General Meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate.

11.7. The Company may require a notice of proxy to be delivered in a particular form, and may specify different forms for different purposes. A notice of proxy may specify how the proxy appointed under it is to vote (or that the proxy is to abstain from voting) on one or more resolutions. Unless a notice of proxy indicates otherwise, it must be treated as allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the General Meeting, and appointing that person as a proxy in relation to any adjournment of the General Meeting to which it relates as well as the General Meeting itself.

11.8. A Club Member may revoke a proxy appointment by giving notice in writing to the Company, which states the name and address of the Member and identifies the proxy being revoked and the general meeting in relation to which that proxy was appointed. The notice of revocation shall be signed by an officer of the Club Member revoking the proxy. The notice of revocation shall be delivered to the Company at any time before the time appointed for holding the General Meeting or adjourned meeting at which the right to vote was to be exercised.

11.9. In the event that a club has issued a proxy but a Club Representative also turns up with a valid appointment document, the Club Representative shall take precedence over the proxy vote.

11.10. No objection may be raised as to the validity of any vote except at the meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid; any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

## **12. Maximum and Minimum Number of Directors**

12.1. The maximum number of directors shall be twelve and (unless otherwise determined by a special resolution) the minimum number of directors shall be four.



### **13. Appointment, Retiral, Re-appointment of Directors**

13.1. The directors of the Company shall comprise the President, the Finance Director and four other persons who shall have responsibility for coaching, sport development, performance and commercial development, (or such different or additional responsibilities as the directors may determine prior to the AGM each year) plus three other Ordinary directors.

13.2. A Vice-President will be elected from among their number by the directors. The Vice-President will deputise for the President in his or her absence.

13.3. No person who is an employee of the Company, or any company under its control, may be a member of the Board. Likewise, no person who is an office bearer of the Company, or a member of its Board, may enter into a contract of employment with the Company or any body under its control unless he resigns from such office or from the Board with effect from a time prior to the coming into force of such a contract of employment

13.4. The offices of directors provided for in articles 13.8, 13.10 to 13.12 and two of the offices of directors provided for under article 13.14 shall be filled by election at an Annual General Meeting, and shall require, in order to be elected, more than fifty per cent of the votes of the votes cast provided that where more than two individuals stand for election for the same position as director and none of such individuals receive the requisite number of votes to be elected the individual receiving the least votes shall withdraw and a further vote shall take place and the election process shall continue until one of the individuals is duly appointed.

13.5. Nominations for candidates for election should be submitted to the Company in accordance with Article 9.6, together with notice executed by the candidate of his willingness to be appointed.

13.6. The offices of director provided for in articles 13.9, 13.13 and one of the offices of director provided for under article 13.14 shall be filled following completion of the recruitment process by a Nominations Committee consisting of the President, another Director appointed by the Board, and a representative of **sportscotland**. Such Nominations Committee shall be responsible for such verification and confirmation as they deem appropriate to ensure that the applications received are of the requisite calibre. In the event of the decision of such Nominations Sub-Committee not being unanimous the successful candidate will be the candidate in whose favour the majority of such Nominations Committee cast their vote.

13.7. The President, and the Finance Director shall be elected for a three year term and the other 6 directors shall be elected for a two year term according to the scheme in the following table.

13.8. **President** Retiring after years 3 and 6 of a six-year cycle.

13.9. **Finance Director** Retiring after years 2 and 5 of the 6-year cycle

13.10. **Director (Sport Development)** Retiring after years 1, 3 and 5 of the 6-year cycle.

13.11. **Director (Coaching)** Retiring after years 2, 4 and 6 of the 6-year cycle.



13.12. **Director (Performance)** Retiring after years 2, 4 and 6 of the 6-year cycle.

13.13. **Director (Commercial)** Retiring after years 1, 3 and 5 of the 6-year cycle.

13.14. **Director (Without Portfolio)** One retiring after years 1, 3 and 5 of the 6-year cycle and two retiring after years 2,4 and 6 of the 6 year cycle.

13.15. In the event of a vacancy arising during the term of office of any director appointed in accordance with article 13.4 there will be an election to replace said person at the following AGM and such person elected shall hold office only for the remainder of the term of the person originally elected unless such originally elected person would have been required to stand for re-election at that AGM. In the interim the directors may appoint any person willing to act as a director in place of the person giving rise to the vacancy and such person so appointed shall only hold office until the AGM following such appointment

13.16. In the event of a vacancy arising during the term of office of any director appointed in accordance with article 13.6 a replacement will be appointed in accordance with that article and such person appointed shall hold office only for the remainder of the term of the person originally elected to that office.

13.17. No person may serve as a director for more than 12 years, whether consecutively or otherwise unless the Members resolve by passing a special resolution at a general meeting that the person identified (by name or position) in the resolution may serve as a director for such longer period as shall be specified in the relevant special resolution.

13.18. A President who ceases to be President will be known as a Past President and shall be entitled to attend meetings of the directors in a non-voting capacity for the year following such cessation, unless the directors determine otherwise.

#### **14. Disqualification and Removal of Directors**

14.1. A director shall vacate office if:

- a) he is removed from his office by an ordinary resolution passed by the Members of the Company in accordance with section 168 of the Act;
- b) he ceases to be a director by virtue of any provision of the Act or becomes prohibited by law from being a director;
- c) he becomes bankrupt or makes any arrangement of composition with his creditors generally;
- d) he becomes incapable for medical reasons of fulfilling the duties of his office and such incapacity is expected to continue for a period of more than six months;
- e) he becomes an employee of the Company;
- f) he resigns from office by giving written notice to the Company;



- g) he shall for more than six consecutive months have been absent without permission of the Board from meetings of Directors held during that period and the Board resolve that his office be vacated: or
- h) he is removed from office by a unanimous vote of the Board.

## **15. Directors' Interests**

- 15.1. The directors may, in accordance with the requirements set out in this article, authorise any Conflict proposed to them by any director which would, if not authorised, involve a director (an "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest.
- 15.2. Any authorisation under this Article 15 shall be effective only if:
  - 15.2.1 to the extent permitted by the Act, 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 under the provisions of these Articles or in such other manner as the directors may determine;
  - 15.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
  - 15.2.3 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.
- 15.3 Any authorisation of a Conflict under this Article 15 may (whether at the time of giving the authorisation or subsequently):
  - 15.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - 15.3.2 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;
  - 15.3.3 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;
  - 15.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
  - 15.3.5 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 Company) information that is confidential to a third party, he shall not be obliged to disclose that information to the Company, or to use it in





relation to the Company's affairs where to do so would amount to a breach of that confidence; and

- 15.3.6 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.
- 15.4 Where the directors authorise a Conflict, the Interested Director shall be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 15.5 The directors may revoke or vary such authorisation at any time, but this shall not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- 15.6 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 Company 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 in accordance with these Articles or by the Company 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.
- 15.7 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 15.7.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- 15.7.2 shall 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 existing or proposed transaction or arrangement;
- 15.7.3 shall absent himself from the discussion of matters relating to the existing or proposed transaction or arrangement 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;





- 15.7.4 shall not be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- 15.7.5 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- 15.7.6 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- 15.7.7 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

## **16. Directors' Remuneration and Expenses**

16.1. None of the directors shall be entitled to any remuneration, whether in respect of his or her office as director or as holder of any position of office.

16.2. The directors may be paid travelling and other expenses properly incurred by them in connection with their attendance at meetings of directors, general meetings, meetings of committees of directors or meetings of general committees or otherwise in connection with the discharge of their duties.

## **17. Powers of Directors**

17.1. Subject to the provisions of the Act and the Articles, the business of the Company shall be managed by the directors who may exercise all of the powers of the Company.

17.2. The Board shall further have power to make, maintain, publish and enforce all necessary policy statements, Codes of Conduct, Codes of Ethics, standing orders, operating practices, rules and regulations in connection with Company objectives and the sport of rowing in Scotland.

17.3. The member clubs may, by special resolution, direct the directors to take, or refrain from taking, specified action.



17.4. No alteration of the Articles and no special resolution shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that special resolution had not been passed.

17.5. A meeting of directors at which a quorum is present may exercise all of the powers exercisable by the directors.

17.6. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purpose and on such conditions as they may determine, including authority for the agent to delegate all or any of his or her powers.

17.7. The Board will have the power to take disciplinary action against any Member of the Company which fails to follow agreed Company policies.

## **18. Proceedings of Directors**

18.1. Subject to the provisions of the Articles, the directors may regulate their proceedings as they think fit.

18.2. Any director may call a meeting of the directors or request the Secretary to call a meeting of the directors.

18.3. No notice of a meeting of directors need be given to a director who is absent from the United Kingdom.

18.4. Questions arising at meetings of directors shall be decided by a majority of votes; in the case of an equality of votes, the chairman shall have a second or casting vote.

18.5. The quorum for the transaction of the business of the directors may be fixed by the directors and, unless so fixed at any other number, shall be four. A Director may participate in a meeting of the Board or of a sub-committee of the Board by means of conference telephone, video link or similar equipment whereby all Directors participating in the meeting are able to communicate comprehensibly with each other by audio or visual means. Directors participating in a meeting in this manner shall be deemed to be present in person at such a meeting.

18.6. The continuing directors or a sole continuing director may act notwithstanding vacancies but if the number of remaining directors is less than the number fixed as the quorum, they or he may act only for the purpose of filling vacancies or for calling a forum meeting.

18.7. Unless he is unwilling to do so, the President shall preside as chairman at every meeting of directors at which he is present.

18.8. If the President is unwilling to act as chairman or is not present within fifteen minutes after the time appointed for the meeting, a Vice-President shall act as chairman; if a Vice-President is not willing to act as chairman or is not present within fifteen minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.



18.9. All acts done by a meeting of directors or by a meeting of a committee of directors or by a person acting as a director shall, notwithstanding that it is later discovered that there was a defect in the appointment of any director, that any director was disqualified from holding office, had vacated office or was not entitled to vote, be as valid as if every such director had been duly appointed and had continued to be a director and had been entitled to vote.

18.10. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors (which signature may be evidenced by letter, electronic mail, facsimile or otherwise as the Directors may from time to time permit) shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held; it may consist of several documents in the same form each signed by one or more directors.

18.11. Except as otherwise provided by the Articles, a director shall not vote at a meeting of directors or at a meeting of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly an interest or duty which is material and which conflicts or may conflict with the interests of the Company unless the interest or duty arises only because the case falls within either or both of the following paragraphs:

- a) the resolution relates to the giving by the director of a guarantee, security or indemnity in respect of money lent to, or any obligation incurred by the director for the benefit of, the Company or any of its subsidiaries; and/or
- b) the resolution relates to the giving to a third party of a guarantee, security or indemnity in respect of an obligation of the Company or any of its subsidiaries for which the director has assumed responsibility in whole or part (and whether alone or jointly with others) under a guarantee or indemnity or by the giving of security.

18.12. For the purposes of Article 18.11, an interest of a person who is, for any purpose of the Act (excluding any statutory modification not in force at the date of incorporation of the Company), connected with a director shall be treated as an interest of the director and an interest of the appointer of an alternate director shall be treated as an interest of the alternate director.

18.13. A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

18.14. The Company may by special resolution suspend or relax to any extent, either generally, or in respect of any particular matter, any provision of the Articles prohibiting a director from voting at a meeting of the directors or at a meeting of a committee of directors.

18.15. Where proposals are under consideration concerning the appointment of two or more directors as office bearers with the Company the proposals may be divided and considered in relation to each director separately; provided he is not for another reason precluded from voting, each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his or her own appointment.

18.16. If a question arises at a meeting of directors or at a meeting of a committee of directors 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 the Chairman's ruling in relation to any director other than himself or herself shall be final and conclusive.

18.17. The directors may invite or allow any person to attend and speak, but not to vote, at any meeting or meetings of the directors or of any committee of the directors and, unless otherwise resolved by the directors each Club Member shall be entitled to send two Member Representatives to so attend a meeting of the directors.

## **19. Directors May Delegate**

19.1. Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the Articles:

- a) to such person or Committee;
- b) by such means (including by power of attorney);
- c) to such an extent;
- d) in relation to such matters or territories; and
- e) on such terms and conditions;

as they think fit.

19.2. If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

19.3. The directors may revoke any delegation in whole or part, or alter its terms and conditions.

19.4. The Board may establish Committees. The 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.

19.5. The Board may make rules of procedure for all or any Committees, which prevail over rules derived from the articles if they are not consistent with them.

19.6. The directors shall appoint any individual as a Committee Member in accordance with the terms of reference of the relevant Committee.

## **20. Minutes**

20.1. The directors shall ensure that minutes are made (in books kept for the purpose) of all proceedings at general meetings, meetings of the directors, meetings of committees of directors; a minute of a meeting of directors or of a committee of directors shall include the names of the directors present.

## **21. Discipline**



21.1. The Board, in consultation with the appropriate Clubs, shall have the power to suspend any person under the jurisdiction of the Company who acts in a violent or abusive manner or who acts in any way likely to bring the sport of rowing or sculling into disrepute for such a period as it shall determine from competing, coaching, taking part or participating in any way at any regatta run under the Rules of the Company or at any event, competition or activity run under the aegis of the Company.

21.2. Disciplinary matters will be handled in accordance with Scottish Rowing's Disciplinary and Grievance Procedures.

## **22. The Seal**

22.1. The Company shall not be obliged to have a Common Seal.

## **23. Accounts**

23.1. No Member shall (as such) have any right of inspecting any accounting records on other book or document of the Company except as conferred by statute or as authorised by the directors or by ordinary resolution of the Company.

## **24. Auditors**

24.1. Auditors of the Company shall be appointed if required or so determined by the directors and their duties regulated in accordance with the Act.

## **25. Notices**

25.1. Any notice to be given in pursuance of these Articles shall be in writing except that a notice calling a meeting of the Directors need not be in writing.

25.2. Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

- a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 24 hours after it was posted or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider;
- b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.



For the purposes of this article, no account shall be taken of any part of a day that is not a working day.

25.3. In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

25.4. A Member Representative present at any meeting of the Company shall be deemed to have received notice of the meeting on behalf of the Member and, where requisite, of the purposes for which it was called.

## **26. Winding-Up**

26.1. If on the winding-up of the Company any property remains after satisfaction of all the Company's debts and liabilities, such property shall be transferred to some other body or bodies (whether incorporated or unincorporated) whose objects are altogether or in part similar to the objects of the Company.

26.2. The body or bodies to which property is transferred under Article 26.1 shall be determined by the members of the Company at or before the time of dissolution or, failing such determination by such court as may have or may acquire jurisdiction

## **27. Indemnity**

27.1. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any loss or liability which he may sustain or incur in connection with the execution of his or her duties of office including, without prejudice to that generality, any liability incurred in defending any proceedings, whether civil or criminal, in which judgement is given in his or her favour or in which he is acquitted or in connection with any application in which relief is granted by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

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