

No. 246445

**The Companies Act 2006**  
**Private Company Limited by Guarantee and not Having a Share Capital**  
**Articles of Association**  
**Of**  
**The Scottish Amateur Swimming Association Limited**

**Adopted in entirety by Special Resolution on [27 February 2010]**

**Amendments Adopted by Special Resolutions on:**

26 February 2011	A2.2.4, A2.3.2, A3.1.3.2.5 and A3.1.3.6.1
23 February 2013	A1.2.2
22 February 2014	A1.2.1, A3.1.3.2, A3.1.3.4, A3.1.3.6, A3.1.3.7, A3.1.3.8, A5.7, A5.8 & A5.9, Also the complete removal of the Appendix to the Articles
28 February 2015	A2.1.4, A2.2.1, A2.3.1, A2.3.2, A2.3.3, A3.1.1.2, A3.1.1.3, A3.1.3.7, A3.1.3.8
27 February 2016	A3.1.3.8.2
25 February 2017	A3.1.3.7.2 & A3.1.3.8.1
24 February 2018	A2.1.1, A2.1.4, A2.2.1, A3.1.3.2, A3.1.3.6.1

Scottish Amateur Swimming Association Limited  
National Swimming Academy  
University of Stirling  
Stirling  
FK9 4LA

(These Company Articles replaced the original Memorandum of Association of the Scottish Amateur Swimming Association Limited, A private company limited by guarantee and not having a share capital - Incorporated on [1 May 2003] and which were adopted by Special Resolution on 23 February 2008)

**Scottish Amateur Swimming Association  
Company Articles**

**Index**

- PART A1 INTERPRETATION
  - A1.1 Defined Terms
  - A1.2 Company Objects
  - A1.3 Registered Office
  
- PART A2 COMPANY BOARD
  - A2.1 Appointments
  - A2.2 Meetings
  - A2.3 Business
  
- PART A3 BOARD DIRECTORS
  - A3.1 Board Directors' Powers and Responsibilities
    - A3.1.1 Board Directors' General Authority
    - A3.1.2 Board Directors' Powers of Delegation
    - A3.1.3 Committees
  - A3.2 Decision-Making by Board Directors
    - A3.2.1 Board Directors to Take Decisions Collectively
    - A3.2.2 Unanimous Decisions
    - A3.2.3 Majority Decisions Without Board Directors' Meeting
    - A3.2.4 Calling a Board Directors' Meeting
    - A3.2.5 Quorum for Majority Decisions
    - A3.2.6 Chairing of Majority Decisions Making Processes
    - A3.2.7 Casting Vote
    - A3.2.8 Conflict of Interest
    - A3.2.9 Records of Decisions to be Kept
  - A3.3 Appointment of Board Directors
    - A3.3.1 Methods of Appointing Board Directors
    - A3.3.2 Termination of Board Director's Appointment
    - A3.3.3 Board Directors' Remuneration
    - A3.3.4 Board Directors' Expenses
  
- PART A4 MEMBERS
  - A4.1 Becoming and Ceasing to be a Member
  - A4.2 Member's Reserve Power
  
- PART A5 ADMINISTRATIVE ARRANGEMENTS
  - A5.1 Organisation of General Meetings
  - A5.2 Means of Communication to be Used
  - A5.3 Addresses and Other Contact Details
  - A5.4 No Right to Inspect Accounts and Other Records
  - A5.5 Provision for Employees on Cessation of Business
  - A5.6 Indemnity
  - A5.7 Company Income, Property and Payment
  - A5.8 Liability of Members
  - A5.9 Dissolution of Company

**PART A1 INTERPRETATION****A1.1 Defined Terms**

In the articles, unless the context requires otherwise:

“**Articles**” means the Company’s Articles of Association;

“**bankruptcy**” includes individual insolvency proceedings in a jurisdiction other than England and Wales and Northern Ireland which have an effect similar to that of bankruptcy;

“**Board Director**” means a Director of the Company Board, nominated and appointed by the Member in accordance with the Constitution;

“**Chair**” has the meaning given in article A2.3.1

“**chair of the meeting**” has the meaning given in article A2.3.1

“**Clubs**” means the clubs affiliated to the SASA;

“**Code of Practice**” means a document defining policy in respect of a specific subject;

“**Committees**” means the Discipline and Technical Committees of the Company which are appointed in accordance with these articles;

“**Companies Acts**” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;

“**Company Rules**” means the rules of the Company from time to time, approved by the Member, and adopted by the Company;

“**Constitution**” means the Constitution of the Member.

“**District**” means the four Districts into which the SASA is divided, namely East, Midlands, North and West;

“**document**” includes, unless otherwise specified, any document sent or supplied in electronic form;

“**electronic form**” has the meaning given in section 1168 of the Companies Act 2006;

“**FINA**” means the Federation Internationale de Natation;

“**Honorary Legal Advisor**” means the legal advisor of Scottish Swimming as appointed by the Member;

“**LEN**” means the Ligue Europeenne de Natation;

“**majority decision**” has the meaning given in article A3.2.3.

“**Member**” has the meaning given in section 112 of the Companies Act 2006;

“**National Arbitration Panel**” means the National Arbitration Panel of the Company from time to time appointed in accordance with Company Rules;

“**National Enquiry Panel**” means the National Enquiry Panel of the Company from time to time appointed in accordance with Company Rules;

“**Office**” means the registered office of the Company;

“**ordinary resolution**” has the meaning given in section 282 of the Companies Act 2006

“**Regulations**” means regulations approved by the Company Board in accordance with these Articles;

“**SASA**” means the Scottish Amateur Swimming Association;

“**SASA Council**” means the Council of the Member.

“**Secretary**” means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

“**special resolution**” has the meaning given in section 283 of the Companies Act 2006;

“**subsidiary**” has the meaning given in section 1159 of the Companies Act 2006;

“**Swim Schools**” means swim schools affiliated to the SASA;

“**transmittee**” means a person entitled to a share by reason of the death or bankruptcy of the share’s holder or otherwise by operation of law;

“**unanimous decision**” has the meaning given in article A3.2.2;

“**United Kingdom**” means Great Britain and Northern Ireland.

“**writing**” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

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

**A1.2 Company Objects**

- A1.2.1 The principal object for which the Company is established is to deal with the day to day management of the affairs of The Scottish Amateur Swimming Association (the "SASA") as such right is delegated to and vested in the Company in terms of the SASA Constitution.
- A1.2.2 Refer to SASA Constitution Sections C2.1, C2.2 and C2.4.

**A1.3 Registered Office**

- A1.3.1 The Company's Registered Office is to be situated in Scotland.

**PART A2 COMPANY BOARD****A2.1 Appointments**

- A2.1.1 The Company Board shall consist of:
- i) Non-Executive Board Directors
    - a) Chair
    - b) Six other Board Directors
    - c) SASA President
    - d) One of the Vice Presidents of the SASA
  - ii) Executive Board Directors
    - e) Chief Executive Officer
- A2.1.2 The Company Board Chair and the six other Board Directors (as in A2.1.1(i) a & b) shall be appointed as per SASA Constitution Section C7.4, following an open recruitment process.
- a) The Company Board Chair can be re-appointed for a second consecutive term in office by the unanimous agreement of the Chair of the Company Board Appointments Panel (SASA Constitution C7.4.1) without the need for an open recruitment process.
  - b) Company Board Directors can be re-appointed for a second consecutive term in office by the unanimous agreement of the Company Board Members Appointments Panel (SASA Constitution C7.4.2) without the need for an open recruitment process.
- A2.1.3 Arrangements for and conduct of business at the Company Board meetings shall be in accordance with Company Rules Section R16.
- A2.1.4 The normal term of office for a non executive member of the Company Board is four years. A member may only be appointed for two consecutive terms in any one capacity and a maximum of three consecutive terms in all capacities, subject to re-appointment after each term as per A2.1.2. A member, who has to retire from the Company Board for this reason may apply for a vacancy on the Company Board after an absence of four years from the Board.

**A2.2 Meetings**

- A2.2.1 The Company Board shall meet at least six times a year at venues to be arranged by the Company with the agreement of the Chair. One of the meetings will be a joint meeting with SASA Council in November each year.

**From 01 October 2019 the following will apply**

- A2.2.1 The Company Board shall meet at least six times a year at venues to be arranged by the Company with the agreement of the Chair. One of the meetings will be a joint meeting with SASA Council in June or July each year.
- A2.2.2 The Company shall give not less than seven days notice of a Company Board Meeting and specify the business.
- A2.2.3 The Company, with the agreement of the Chair, may alter the date of any meeting or cancel the meeting should there be insufficient business to be transacted.
- A2.2.4 Notice of Board Directors' meeting must indicate:
- a) Proposed date, time and venue.
  - b) Agenda.
- A2.2.5 Notice of Board Directors' meeting:
- a) need not be given in writing, but
  - b) must be communicated to each Board Director and other attendees.
- A2.2.6 Company staff shall attend as and when required.
- A2.2.7 Relevant papers to be discussed at Company Board meetings will be issued to Council members when they are issued to Company Board members.

**A2.3 Business**

- A2.3.1 The Chair, who shall be referred to as the 'chair of the meeting' shall be taken in the following order of preference depending on attendance.
- a) The Chair of the Company Board.
  - b) An attendee as agreed by those present.
- A2.3.2 The quorum shall be five.

- A2.3.3 Procedures adopted for the conduct of business at meetings of the Company Board shall be in accordance with Section A3.2 and Company Rules Section R16.0.

## **PART A3 BOARD DIRECTORS**

### **A3.1 Board Directors' Powers and Responsibilities**

#### **A3.1.1 Board Directors' General Authority**

- A3.1.1.1 Subject to the articles, the Board Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company. Board Directors shall also be required to act in accordance with the General Duties Section of the Companies Act and any subsequent modification.
- A3.1.1.2 Without prejudice to the generality of Article A3.1.1.1 the Board Directors main duties are:
- Be responsible for the day to day management of the affairs of the SASA.
  - Appoint any sub committee(s).
  - Approve, reject or amend any recommendations from Committees.
  - Appoint and arrange supervision of the staff of the Company and arrange accommodation for the administration and staff of the Company and for that purpose, enter into contracts for the lease, purchase or disposal of heritable property.
  - Make alternative arrangements, where a Company Committee is not operating in accordance with the Company Articles and Rules.
  - Maintain relationships with funding partners.
- A3.1.1.3 Without prejudice to the generality of Article A3.1.1.1 the Board Directors additional responsibilities are:
- Approve or otherwise Regulations as drafted by Committees.
  - Appoint the Company Complaints Panel (as per Company Rule Section R1.3.2.1).
  - Consider and approve, for issue, Codes of Practice
  - Nominate candidates for British Swimming appointments.
- A3.1.1.4 Notwithstanding any other provisions in these Articles all matters relating to proceedings of the Board Directors shall be in accordance with the Company Rules.

#### **A3.1.2 Board Directors' Powers of Delegation**

- A3.1.2.1 Subject to the articles, the Board Directors may delegate any of the powers which are conferred on them under the articles:
- to such persons;
  - by such means (including by power of attorney);
  - to such an extent;
  - in relation to such matters or territories; and
  - on such conditions or subject to such restrictions as they think fit.
- A3.1.2.2 If the Board Directors so specify, any such delegation may authorise further delegation of the Board Directors' powers by any person to whom they are delegated.
- A3.1.2.3 The Board Directors may revoke any delegation in whole or part, or alter its terms.

#### **A3.1.3 Committees**

##### **A3.1.3.1 General**

- A3.1.3.1.1 Committees to which the Board Directors delegate any of the powers must follow procedures which are based as closely as possible on those provisions of the articles which govern the taking of decisions by Board Directors.
- A3.1.3.1.2 The Board Directors may make rules of procedure for committees, which prevail over rules derived from the articles if they are not consistent with them.

##### **A3.1.3.2 Meetings**

- A3.1.3.2.1 Committees shall meet at least twice per year at venues, dates and times agreed by the majority of members of the Committee.
- A3.1.3.2.2 Confirmation of venue, date and time of each meeting, along with a business agenda shall be sent out not less than seven days prior to each meeting, normally by the Company.
- A3.1.3.2.3 A Special Meeting of a Committee shall be called when requested by the Company Board. The venue, date and time of the meeting shall be agreed by the majority of the members of the Committee.
- A3.1.3.2.4 Each Committee shall provide a list of meeting dates for the following calendar year to the Company by 1 November each year.

##### **From 01 August 2019 the following will apply**

- A3.1.3.2.4 Each Committee shall provide a list of meeting dates for the following calendar year to the Company by 31 July each year.

A3.1.3.2.5 The Chair shall be taken in the following order of preference depending on attendance.

- a) The Chair of the Company Committee.
- b) A District/Club representative as agreed by those present.
- c) Any attendee as agreed by those present.

A3.1.3.2.6 Standing Orders shall, as appropriate, be in accordance with those set out in Company Rules Section R16.

A3.1.3.2.7 All members, including co-opted members, shall be entitled to vote if they are members of SASA.

**A3.1.3.3 Order of Business**

A3.1.3.3.1 The business of Committee meetings shall include:

- a) Minutes of Previous Meeting
- b) Actions from Previous Meetings
- c) Finance
- d) Forward Programme
- e) Any Other Competent Business

A3.1.3.3.2 The business agenda for each meeting will be agreed by the Committee Chair prior to issue.

**A3.1.3.4 Appointments**

A3.1.3.4.1 The appointment process for members of National Discipline/Technical Committees shall be as follows:

- a) Each committee shall nominate the Chair, who can, but need not be, a nominated / appointed member of the committee, to the Company Board for appointment for a two year term, reviewed annually.
- b) Clubs and/or Districts shall nominate their representatives, to the Company Board for appointment annually as per SASA Constitution Section C5.14(a).
- c) Any person holding office, as any of the following, shall not be eligible to be appointed as a Chair of a National Committee:
  - a President of a District
  - a Secretary of a District
  - a Treasurer of a District
  - the President of SASA
  - a Vice President of SASA
  - a Board Director of the Company
- d) The Chair of each committee shall be responsible for recruiting through open procedures, against an appropriate role description, persons to fulfil those positions which are not appointed by clubs, districts or other groups, e.g. club representative and district representatives. Elected members of the committee are eligible to be appointed to such positions but are not entitled to additional voting rights.
- e) All members of National Committees shall be members of SASA unless specifically stated otherwise (e.g. Scottish Swimming Staff) in the Committee structures in Sections A3.1.3.7 and A3.1.3.8.
- f) Co-opted members must be members of SASA except with the agreement of the Company Board.

**A3.1.3.5 Core Roles**

A3.1.3.5.1 National Discipline / Technical Committees shall have the following core roles:

	<b>Discipline</b>	<b>Technical</b>
• Planning and implementing national events.	✓	
• Selecting national squads and national squad training, as appropriate.	✓	
• Calendar planning of events.	✓	
• Producing and monitoring the implementing of a development plan.	✓	✓
• Producing and monitoring, in line with the development plan, an annual budget	✓	✓
• Maintaining regulations	✓	✓
• Communication	✓	✓
• Support Discipline Committees as required		✓

**A3.1.3.6 Responsibilities**

A3.1.3.6.1 National Discipline/Technical Committees shall have the following responsibilities in addition to those detailed in their Regulations:

- a) Review annually and bring forward for the approval of Company Board amendments to the regulations, for which they have responsibility, or confirm no change is required by 1 November each year, before promulgation of the regulations to the membership.

**From 01 August 2019 the following will apply**

- a) Review annually and bring forward for the approval of Company Board amendments to the regulations, for which they have responsibility, or confirm no change is required by 31 May each year, before promulgation of the regulations to the membership.
- b) Submit an Annual Report to the Company by 1 November each year.

**From 01 August 2019 the following will apply**

- b) Submit an Annual Report to the Company by 31 July each year.
- c) Submit their nomination for Chair for the following year, to the Company, by 1 November each year.

**From 01 August 2019 the following will apply**

- c) Submit their nomination for Chair for the following year, to the Company, by 31 July each year.
- d) Submit to the Company reports as requested by the Company Board.
- e) Submit a proposed budget for their forward programme to the Company Board and be accountable and responsible for the implementation of the agreed programme.
- f) Health and Safety at events they run on behalf of Scottish Swimming.  
It is the responsibility of the National Committee to:
  - i) Ensure that all participants are made aware of the Health and Safety requirements of the facilities and/or venues used.
  - ii) Define any additional Health and Safety requirements specific to their discipline where those defined by the facility and/or venue operator are insufficient to cover their requirements.
  - iii) Ensure that all participants are aware of the Health and Safety requirements that apply.

**A3.1.3.7 National Discipline Committees**

National Discipline Committees shall be structured, depending on the number of clubs participating in the discipline, as follows:

**A3.1.3.7.1 Diving, Synchronised Swimming and Water Polo Committees**

- a) Chair (responsible for sharing information with Districts)
- b) One representative from each club responsible for encouraging:
  - Club development
  - Coach education
  - Volunteer Training.
- c) Event Co-ordinator responsible for
  - Competition programme
  - Calendar Planning
  - Health and Safety relating to events.
- d) Technical Officials Co-ordinator responsible for
  - Technical officials training
  - Technical officials deployment
- e) Co-opted Members, if necessary, subject to approval of the Company Board.
- f) Finance Co-ordinator (Water Polo Committee only) responsible for
  - Controlling income and expenditure
  - Budget preparation, monitoring and reconciliation
  - Preparation of annual accounts
- g) The quorum for Diving Synchronised Swimming and Water Polo Committee meetings shall be four, excluding co-opted members, provided at least two Clubs are represented.

**A3.1.3.7.2 Swimming Committee**

- a) Chair
- b) One representative from each District.
- c) Scottish Swimming Performance Director.
- d) National Championships/Events Convenor

- e) Technical Officials representative (who should be a member of the Swimming Technical Officials Committee)
- f) Coach Representative
- g) Disability Performance Development Manager
- h) Co-opted Members, if necessary, subject to approval of the Company Board.
- i) The quorum for Swimming Committee meetings shall be five, excluding co-opted members, provided at least 2 Districts are represented.

#### **A3.1.3.7.3 Masters Swimming Committee**

- a) Chair
- b) One representative from each District.
- c) Events co-ordinator.
- d) Technical Officials Representative.
- e) Co-opted Members, if necessary, subject to approval of the Company Board.
- f) The quorum for Masters Swimming Committee meetings shall be four, excluding co-opted members, provided at least 2 Districts are represented.

#### **A3.1.3.7.4 Open Water Committee**

- a) Chair
- b) One representative from each District.
- c) Open Water Squad/Team Manager.
- d) Events Co-ordinator.
- e) Technical Officials Co-ordinator.
- f) Health and Safety Co-ordinator.
- g) Co-opted Members, if necessary, subject to approval of the Company Board.
- h) The quorum for Open Water Committee meetings shall be four, excluding co-opted members, provided at least 2 Districts are represented.

A3.1.3.7.5 Responsibilities for Swimming, Open Water Swimming and Masters Swimming committee positions other than the District representatives shall be defined by the Chair.

#### **A3.1.3.8 National Technical Committees**

National Technical Committees shall be structured as follows:

##### **A3.1.3.8.1 Swimming Technical Officials Committee**

- a) Chair
- b) One representative from each District
- c) One Representative from Open Water, nominated by the National Open Water Committee
- d) Two persons elected at an annual STO meeting
- e) Co-opted Members, if necessary, subject to approval of the Company Board.
- f) All members shall be certificated registered referees.
- g) The quorum for Swimming Technical Officials Committee meetings shall be four, excluding co-opted members, provided at least 2 Districts are represented.

##### **A3.1.3.8.2 Coaches Technical Panel**

- a) Chair, who need not necessarily be a member of SASA.
- b) Four coaches reflecting geographical spread of programmes around the country
- c) Two additional coaches to balance the group
- d) Performance Director
- e) National Coach
- f) sportscotland representative
- g) The quorum for Coaches Technical Panel meetings shall be five, excluding co-opted members, provided at least 2 of the Coaches are present.

### **A3.2 Decision-Making by Board Directors**

#### **A3.2.1 Board Directors to Take Decisions Collectively**

A3.2.1.1 The general rule about decision-making by Board Directors is that any decision of the Board Directors must be either a unanimous decision or a majority decision.

A3.2.1.2 Subject to the articles, the Board Directors –

- a) may take either a unanimous decision or a majority decision on any matter, and
- b) may, but need not, take any decision at a Board Directors' meeting

#### **A3.2.2 Unanimous Decisions**

A3.2.2.1 The Board Directors take a unanimous decision when they all indicate to each other that they share a common view on a matter.



**A3.2.2.2 A unanimous decision:**

- a) may be taken without any discussion between Board Directors, and
- b) may, but need not, take the form of a resolution in writing, copies of which have been signed by each Board Director

**A3.2.3 Majority Decisions Without Board Directors' Meeting**

A3.2.3.1 This article applies where a majority decision is not taken in a Board Directors' meeting.

A3.2.3.2 The Board Directors take a majority decision if:

- a) a Board Director has become aware of a matter on which the Board Directors need to take a decision;
- b) that Board Director has made the other Board Directors aware of the matter and the decision;
- c) the Board Directors have had a reasonable opportunity to communicate their views on the matter and the decision to each other; and
- d) a majority of those Board Directors vote in favour of a particular decision on that matter.

A3.2.3.3 But if a Board Director is aware that consultation with another Board Director will make it impossible to take a particular decision as soon as the Company's business requires, that Board Director:

- a) may decide not to communicate with that other Board Director in relation to that decision before it is taken, but
- b) must communicate the decision not to communicate to all the other Board Directors as soon as is practicable, explaining the reasons for it.

A3.2.3.4 And if a Board Director states that he does not wish to discuss or vote on a particular matter, the Board Directors may choose not to communicate with that Board Director in relation to decisions to be taken on that matter.

A3.2.3.5 Board Directors participating in the taking of a majority decision otherwise than at a Board Directors' meeting:

- a) may be in different places, and may participate at different time, and
- b) may communicate with each other by any means

**A3.2.4 Calling a Board Directors' Meeting**

A3.2.4.1 Meetings shall be arranged in accordance with Section A2.2.

**A3.2.5 Quorum for Majority Decisions**

A3.2.5.1 No majority decision (other than a decision to call a Board Directors' meeting) shall be taken by the Board Directors unless a quorum participates in the decision-making process.

A3.2.5.2 The quorum for Board Directors' decision-making shall be in accordance with Section A2.3.2.

A3.2.5.3 If the total number of Board Directors for the time being is less than the quorum required for Board Directors' majority decision-making, the Board Directors must not take any majority decision, but request the Member to appoint further Board Director(s) in accordance with the Member's Constitution.

**A3.2.6 Chairing the Majority Decision Making Processes**

A3.2.6.1 The Chair of the Company is appointed in accordance with the Member's Constitution.

A3.2.6.2 If the Chair is not participating in a Board Directors' meeting within ten minutes of the time at which it was to start, the participating Board Directors must appoint one of themselves to chair it. The person chairing the meeting in accordance with this article is referred to as the "chair of the meeting."

**A3.2.7 Casting Vote**

A3.2.7.1 A casting vote shall only be applied in accordance with Company Rule Section R16.3.3.

A3.2.7.2 But a casting vote rule shall not apply if the views of the specified Board Director are to be disregarded as a result of an actual or potential conflict of interest.

**A3.2.8 Conflict of Interest**

A3.2.8.1 If a proposed decision of the Board Directors is concerned with an actual or proposed transaction or arrangement with the Company in which a Board Director has a direct or indirect interest, that Board Director is not to be counted as participating in the decision-making process for voting or quorum purposes.

A3.2.8.2 But if paragraph A3.2.8.3 below applies, a Board Director who is interested in an actual or proposed transaction or arrangement with the Company:

- a) is to be counted as participating in the decision-making process, and
- b) is entitled to vote on a proposal relating to it.

A3.2.8.3 This paragraph applies when:

- a) the Company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a Board Director from being counted as participating in, or voting at, a Board Directors' meeting;
- b) the Board Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- c) the Board Director's conflict of interest arises from a permitted cause.

A3.2.8.4 For the purposes of this article, the following are permitted causes:

- a) a guarantee given, or to be given, by or to a Board Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;
- b) subscription, or an agreement to subscribe, for securities of the Company or any of its subsidiaries, or to underwrite, sub-write, or guarantee subscription for any such securities; and
- c) a contract about benefits for employees and Board Directors or former employees and Board Directors of the Company of any of its subsidiaries which does not provide special benefits for Board Directors or former Board Directors.

A3.2.8.5 For the purposes of this article, references to proposed decisions and decision-making processes include any Board Directors' meeting or part of a Board Directors' meeting.

A3.2.8.6 If a question arises at a meeting of Board Directors or of a committee as to the right of a Board Director to vote, the question may, before the conclusion of the meeting, be referred to the Chair of the meeting whose ruling in relation to any Board Director other than the Chair is to be final and conclusive.

### **A3.2.9 Records of Decisions to be Kept**

A3.2.9.1 The Board Directors must ensure that the Company keeps a record, in writing, of every unanimous or majority decision taken by the Board Directors for at least ten years from the date of the decision recorded in it.

## **A3.3 Appointment of Board Directors**

### **A3.3.1 Methods of Appointing Board Directors**

A3.3.1.1 Any person who is willing to act as a Board Director, and is permitted by law to do so, may be appointed to be a Board Director in accordance with the Member's Constitution.

### **A3.3.2 Termination of Board Director's Appointment**

A3.3.2.1 A person ceases to be a Board Director as soon as

- a) that person ceases to be or is prohibited from being a Board Director by law;
- b) a bankruptcy order is made against that person;
- c) a composition is made with that person's creditors generally in satisfaction of that person's debt (whether by means of an individual voluntary arrangement or otherwise)
- d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Board Director and may remain so for more than three months;
- e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would normally have;
- f) a notification to the Company that that person is resigning or retiring from office as a Board Director takes effect in accordance with its terms;
- g) that person receives notice signed by all the other Board Directors stating that that person should cease to be a Board Director.

### **A3.3.3 Board Directors' Remuneration**

A3.3.3.1 Board Directors may undertake any services for the Company that the Board Directors decide.

A3.3.3.2 Board Directors are entitled to such remuneration as the Member determines –

- a) for their services to the Company as Board Directors, and
- b) for any other service which they undertake for the Company.

A3.3.3.3 Subject to the articles, a Board Director's remuneration may –

- a) take any form, and
- b) include any arrangements in connection with the payment of an allowance or gratuity, in respect of that Board Director.

A3.3.3.4 Unless the Board Directors decide otherwise, Board Directors' remuneration accrues from day to day.

A3.3.3.5 Unless the Board Directors decide otherwise, Board Directors are not accountable to the Company for any remuneration which they receive as Board Directors of the Company's subsidiaries.

**A3.3.4 Board Directors' Expenses**

A3.3.4.1 The Company must pay reasonable expenses which the Board Directors properly incur in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

**PART A4 MEMBERS****A4.1 Becoming and Ceasing to be a Member**

A4.1.1 The sole member of the Company shall be the SASA (also referred to throughout these Articles of Association as the "Member") or its successor who is the subscriber to the Memorandum of Association of the Company.

**A4.2 Member's Reserve Power**

A4.2.1 The Member may, by special resolution, direct the Board Directors to take, or refrain from taking, specified action.

A4.2.2 No such special resolution invalidates anything which the Board Directors have already done.

**PART A5 ADMINISTRATIVE ARRANGEMENTS****A5.1 Organisation of General Meetings**

A5.1.1 The Company shall not hold General or Extraordinary General Meetings, but will report to and participate in the General and Extraordinary General Meetings of the Member.

A5.1.2 Changes to the Company Articles may only be made as defined in the SASA Constitution Section C4.1.2.

A5.1.3 Changes to the Company Rules may only be made as defined in the SASA Constitution Section C4.1.3.

**A5.2 Means of Communication to be Used**

A5.2.1 Subject to the articles –

- a) anything sent or supplied by or to the Company under the articles may be sent or supplied in any way which the Companies Act 2006 provides for documents or information to be sent or supplied by or to the Company for the purposes of the Companies Acts, and
- b) any notice or document to be sent or supplied to a Board Director in connection with the taking of decisions by Board Directors may also be sent or supplied by the means by which that Board Director has asked to be sent or supplied with notices or documents for the time being.

A5.2.2 A Board Director may agree with the Company that notices or documents sent to a Board Director 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.

**A5.3 Addresses and Other Contact Details**

A5.3.1 Anything sent to a member under the articles may be sent to that member's address in the register of members, unless –

- a) the member and the Company have agreed that another means of communication is to be used, and
- b) the member has supplied the Company with the information it needs in order to be able to use that other means of communication.

A5.3.2 Any notice or document sent to a Board Director may be sent to that Board Director's address as registered in the register of Board Directors, unless –

- a) the Board Director and the Company have agreed that another means of communication is to be used, and –
- b) the Board Director has supplied the Company with the information with the information it needs in order to be able to use that other means of communication.

**A5.4 No right to Inspect Accounts and Other Records**

A5.4.1 Except as provided by law or a person nominated by the Member, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a member.

**A5.5 Provision for Employees on Cessation of Business**

A5.5.1 The Board Directors may decide to make provision for the benefit of person employed or formerly employed by the Company or any of its subsidiaries (other than a Board Director or former Board Director or shadow Board Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

**A5.6 Indemnity**

- A5.6.1 Subject to the provisions of the Act but without prejudice to any indemnity which may otherwise be available, every Board Director, Managing Director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by and out of the assets of the Company against:
  - a) all charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto; and
  - b) any liability incurred by him in:
    - i) defending any proceedings, whether civil or criminal, in which judgement is not given against him; or
    - ii) in connection with any application in which relief is granted to him by the Court from liability for negligence, breach of duty or breach of trust in relation to the affairs of the Company.
- A5.6.2 The Company may purchase and maintain for any officer or auditor of the Company insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.

**A5.7 Company Income, Property and Payment**

- A5.7.1 The income and property of the Company whensoever derived shall be applied solely towards the promotion of the objects of the Company as set forth in the Company Articles and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, gift, bonus or otherwise howsoever by way of profit to the Members, officers or servants of the Company. PROVIDED that nothing herein shall prevent
  - a) The payment in good faith of reasonable and proper remuneration to any Member, officer, or servant of the Company in return for any services actually rendered to the Company, or outlays properly incurred on its behalf.
  - b) The payment in good faith to any Member, officer, or servant of the Company including members of its Board of Directors of out of pocket expenses incurred by him in or about the performance of his duties.
  - c) A reasonable and proper rent for premises let by any Member of the Company or its Board of Directors.

**A5.8 Liability of Members**

- A5.8.1 The Member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up while a Member, or within one year after ceasing to be a Member, for payment of the debts and liabilities of the Company contracted before ceasing to be a Member and of the costs, charges, and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required not exceeding £1.

**A5.9 Dissolution of Company**

- A5.9.1 Notwithstanding Section A5.7, if upon the winding up or dissolution of the Company there remains after satisfaction of all its debts and liabilities any property whatsoever the same shall be paid to or distributed to the sole Member of the Company, which is The SASA. Insofar as possible, there shall be a reasonable relationship between the amount to be so paid or distributed to the sole Member and the amount originally contributed by the sole Member.

\* \* \* \* \*