

Company No 07073259

**THE COMPANIES ACT 2006  
COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL  
MEMORANDUM  
OF  
THE THOROUGHBRED BREEDERS' ASSOCIATION**

Adopted by Special Resolution  
on.6<sup>th</sup> July 2009

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## **NAME**

- 1 The name of the company shall be the Thoroughbred Breeders' Association, and in this document it is called the Charity.

## **REGISTERED OFFICE**

- 2 The Charity's registered office is to be situated in England

## **OBJECTS**

- 3 The Charity's objects are:
    - 3.1 To advance public awareness and knowledge of the history and heritage of thoroughbred horses and to promote the welfare of thoroughbred horses for the public benefit;
    - 3.2 To promote scientific education and research in relation to the breeding of thoroughbred horses and to disseminate the same to the public;
    - 3.3 To advance and promote by any legitimate means public education relating to the understanding and development of the breeding of thoroughbred horses;
- in each case, both within the United Kingdom and internationally

## **POWERS**

- 4 In furtherance of its objects, the trustees of the Charity shall have powers exercisable in promotion of those objects including to:
  - 4.1 Educate and train or facilitate education and training about the nature and welfare of the thoroughbred horse and the breeding of such animals;
  - 4.2 Provide information and advice to breeders, government departments, industry bodies and members of the public;
  - 4.3 Provide, promote and sponsor lectures, discussions, exhibitions and other like events;
  - 4.4 Acquire and maintain a library of books, resources and information relating to thoroughbred horses;

- 4.5 Co-operate and liaise with other organisations and bodies with similar charitable objects;
- 4.6 Prepare papers, proposals, reports and other information (or commission other bodies or individuals to do so) for submission to any industry, regulatory or governmental body; and
- 4.7 Prepare, edit, print, publish, issue, acquire and distribute any literary works or matters or the useful results of scientific research, relating to or concerning the subject of thoroughbred horses; establish and maintain collections of material, literature and scientific data relating thereto; disseminate information so obtained; and contribute towards the provision of a library or libraries designed to assist such work.
- 5 In addition to the powers set out above, the trustees of the Charity shall also have powers:
  - 5.1 to purchase, take on lease or in exchange, hire or otherwise acquire real or personal property and rights or privileges and to construct, maintain and alter buildings or erections;
  - 5.2 to sell, manage, let or mortgage, dispose of or turn to account all or any of the property or assets of the Charity, subject to such consents as may be required by law;
  - 5.3 to print and / or publish in any media any printed materials, books, leaflets or similar matter;
  - 5.4 to purchase or otherwise acquire plant and machinery including computer hardware and software, furniture, fixtures, fittings and all other effects of every description and to apply for registration of any patents, rights, copyrights, licences and the like;
  - 5.5 to borrow or raise money on such terms and on such security as may be thought fit with such consents as are required by law;
  - 5.6 to take and accept any gift of money, property or other assets whether subject to any special trust or not;
  - 5.7 to issue appeals, hold public meetings and take such other steps as may

be required for the purpose of procuring contributions to the funds of the Charity in the shape of loans, donations, subscriptions or otherwise provided that the Charity shall not undertake any permanent trading activities in raising funds for the said objects;

- 5.8 to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments and to operate bank accounts;
- 5.9 to invest in its own name or in the name of nominees moneys of the Charity not immediately required for its purposes in or upon such investments, securities or property as may be thought fit subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law;
- 5.10 To delegate, upon such terms and at such reasonable remuneration as the Charity shall think fit, to professional investment managers (the **'Managers'**) the exercise of all or any of the Charity's powers of investment on condition that:
  - 5.10.1 such delegation shall be by an agreement which is made or evidenced in writing;
  - 5.10.2 the delegated powers shall be exercisable only within clear policy guidelines devised from time to time by the Charity and the Charity shall use reasonable endeavours to ensure that the guidelines are observed;
  - 5.10.3 the Managers shall be under a duty to report promptly to the Trustees any exercise of the delegated powers, and in particular to report every transaction carried out by the Managers to the Trustees within 14 days, and to report on the performance of investments managed by them at least every three months;
  - 5.10.4 the Charity shall be entitled at any time and without notice to review, alter or determine the delegation or its terms;
  - 5.10.5 the Charity review the arrangements for delegation at intervals not (in the absence of special reasons) exceeding 12 months, but so that any failure by the Charity to undertake such review within the period of 12 months shall not invalidate the delegation;

- 5.11 to make any donations in cash or assets or establish or support or aid in the establishment or support of and to lend money (with or without security) to or for any charitable associations or institutions;
- 5.12 to undertake and execute charitable trusts;
- 5.13 to engage and pay any person or persons whether on a full-time or part-time basis or whether as consultant or employee to supervise, organise, carry on the work of and advise the Charity and, subject to the provisions of clause 5.19.3 hereof, to make any reasonable and necessary provision for the payment of pensions and superannuation to or on behalf of employees or former employees and their wives, husbands and other dependants;
- 5.14 to enter into any contract of insurance in respect of any matter in which the Charity has an insurable interest and any real or personal property in which the Charity shall have any interest and to insure the Charity in connection with any acts done or omitted to be done by any officers, employees and voluntary workers of the Charity on behalf of the Charity, including indemnity insurance for such persons (but not including anyone who is a trustee, director or member of the Charity);
- 5.15 to provide indemnity insurance to cover the liability of the directors or members of the Charity which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Charity, provided that any such insurance shall not extend to any claim arising from any act or omission which the claiming directors or member knew to be a breach of trust or breach of duty or which was committed by him in reckless disregard of whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of an unsuccessful defence to a criminal prosecution brought against the Board Members in their capacity as directors of the Charity;
- 5.16 to amalgamate with any companies, institutions, societies or associations which shall be charitable by law and have objects altogether or mainly similar to those of the Charity and prohibit payment of any dividend or profit to and the distribution of any of their assets among their members

at least to the same extent as such payments or distributions are prohibited in the case of members of the Charity by this Memorandum of Association;

5.17 to pay out of funds of the Charity the costs, charges and expenses of and incidental to the formation and registration of the Charity;

5.18 to do all such other lawful and charitable things as shall further the attainment of the objects of the Charity or any of them.

5.19 Provided that:

5.19.1 In the case the Charity shall take or hold any property which may be subject to any trusts, the Charity shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts;

5.19.2 The Charity's objects shall not extend to the regulation of relations between workers and employers or organisations of workers and organisations of employers;

5.19.3 In case the Charity shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales or any relevant successor body, the Charity shall not sell, mortgage, charge or lease the same without such authority, approval or consent as may be required by law and as regards any such property the directors of the Charity shall be chargeable for any such property that may come into their hands and shall be answerable and accountable for their own acts, receipts, neglects and defaults and for the due administration of such property in the same manner and to the same extent as they would as such directors have been if no incorporation had been effected and the incorporation of the Charity shall not diminish or impair any control or authority exercisable by the Chancery Division or the Charity Commissioners or any relevant successor body over such directors but they shall as regards any such property be subject jointly and separately to such control or authority as if the Charity were not incorporated.

## **INCOME AND PROPERTY**

6 The income and property of the Charity shall be applied solely towards the promotion of its objects as set forth in this Memorandum of

Association and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit, to members of the Charity and no director of the Charity shall be appointed to any office of the Charity paid by salary or fees, or receive any remuneration or other benefit in money or money's worth from the Charity. Provided that nothing herein shall prevent any payment in good faith by the Charity:

- 6.1 of reasonable and proper remuneration to any member, officer or servant of the Charity (not being a director) for any services rendered to the Charity and of travelling expenses necessarily incurred in carrying out the duties of any member, officer or servant of the Charity;
- 6.2 of interest on money lent by a member or director of the Charity at a rate per annum not exceeding two percentage points less than the base lending rate for the time being of the Charity's clearing bankers or 3% whichever is the greater;
- 6.3 to any director of reasonable out-of-pocket expenses;
- 6.4 of fees, remuneration or other benefit in money or money's worth to a company partnership or limited liability partnership of which a member of the Charity or a director may be a member so long as:
  - 6.4.1 the director discloses his interest in any such arrangement;
  - 6.4.2 where professional services are supplied to the Charity by a partnership or limited liability partnership in which the director is a partner or member the director does not personally provide those services;
- 6.5 of reasonable and proper rent for premises demised or let by any member of the Charity or any director;
- 6.6 of reasonable and proper remuneration by the Charity to any director for performing exceptional services actually rendered provided that:
  - 6.6.1 any such director is absent from all meetings of the board of directors during the relative discussions;
  - 6.6.2 any such director takes no part in the relative discussions;

6.6.3 the other directors are satisfied that the transactions arising out of such decisions are advantageous to the charitable purposes of the Charity;

6.6.4 at no time shall the majority of the total number of directors receive any such remuneration.

#### **LIABILITY**

7 The liability of the members is limited.

8 Every member of the Charity undertakes to contribute to the assets of the Charity, in the event of the same being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the Charity contracted before he ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound (£1).

#### **WINDING UP/DISSOLUTION**

9 If upon the winding up or dissolution of the Charity there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Charity, but shall be given or transferred to some other charitable body or bodies having objects similar to the objects of the Charity and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Charity under or by virtue of clause 5.19.3 hereof, such body or bodies to be determined by the members of the Charity at or before the time of dissolution, and if so far as effect cannot be given to such provision, then to some other charitable body.

WE the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association.

NAME AND ADDRESS OF SUBSCRIBER(S)

Signed by:

Name:

.....  
\_\_\_\_\_



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1           **PRELIMINARY**

1.1           The regulations contained in Table A and Table C in the Schedule to the Companies (Tables A to F) Regulations 1985 in force at the time of adoption of these Articles shall not apply to the Charity and these Articles alone shall constitute the regulations of the Charity.

2           **DEFINITIONS AND INTERPRETATION**

2.1           In these Articles the following expressions have the following meanings unless inconsistent with the context:

<b>“Act”</b>	the Companies Act 2006 (as amended from time to time)
<b>“these Articles”</b>	these Articles of Association, whether as originally adopted or as from time to time altered by special resolution
<b>“Board”</b>	the board of directors of the Charity from time to time
<b>“Charity”</b>	the company regulated by these Articles
<b>“clear days”</b>	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
<b>“Commission”</b>	the Charity Commission for England and Wales
<b>“directors”</b>	the directors for the time being of the Charity or (as the context shall require) any of them acting as the board of directors of the Charity. The directors are charity trustees as defined by section 97 of the Charities Act 1993
<b>“electronic address”</b>	any address or number used for the purposes of sending or receiving documents or information by electronic means
<b>“electronic communication”</b>	means the same as in the Electronic Communications Act 2000

**“electronic form”** and have the meaning given in section 1168 of the  
**“electronic means”** Act

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

2.2 any reference to “persons” includes natural persons, firms, partnerships, companies, corporations, limited liability partnerships, associations, organisations, governments, states, foundations and trusts (in each case whether or not having separate legal personality)

### **3 MEMBERS**

3.1 The subscribers to the Memorandum of Association of the Charity and such other persons as are admitted to membership in accordance with the Articles shall be members of the Charity.

3.2 It shall be open to any person of 18 years or over who are breeders of the thoroughbred horse and all others who declare their support for and are in sympathy with the Charity’s objects to apply for membership of the Charity.

3.3 Subject to clause 3.5, membership shall be granted to those individuals who submit an application in a form prescribed by the Board provided that applicants meet the membership criteria contained in Article 3.2 above and pay any subscriptions or payments required under Article 3.4 below.

3.4 All members shall pay an annual subscription at the rate decided in accordance with Article 6.9.

3.5 The Board may:

3.5.1 reject an application for membership at its discretion; and

3.5.2 terminate a person’s membership at its discretion on the grounds that the member is guilty of conduct detrimental to, or of acting in any way that may undermine, the objects of the Charity, provided that the member is given written particulars of the charge alleged against him at least one month before the Board meeting at which his expulsion is to be considered, and that he is given an opportunity of being heard in his defence;

provided that the Board's discretion is to be exercised reasonably and in accordance with any relevant regulations made by the Board in accordance with Article 22 below.

- 3.6 A list of members shall be kept by the Board, and entry in that list shall be conclusive evidence that any person is or is not a member.
- 3.7 Entry shall be made in the membership list once an application in the prescribed form has been made and the first subscription or other membership payment, if any, has been paid.
- 3.8 Subject to all moneys presently payable by him or her to the Charity pursuant to any regulations made by the directors pursuant to Article 22 or otherwise having been paid, a member may at any time resign from the Charity by giving at least seven clear days' notice in writing to the Charity provided that after such resignation the number of members remaining is not less than one.
- 3.9 Membership is not transferable and will terminate if:
  - 3.9.1 The member fails without good reason to pay in full a subscription within three (3) calendar months after a request for its payment has been made;
  - 3.9.2 The Board exercises its discretion to terminate the member's membership in accordance with Article 3.5 above;
  - 3.9.3 The member resigns in accordance with Article 3.8 above;
  - 3.9.4 The member dies or, if it is an organisation, ceases to exist; or
  - 3.9.5 The member becomes bankrupt or, if it is an organisation, makes any arrangement or composition with his or her creditors generally, or is made subject to any form of insolvency administration.

#### **4 GENERAL MEETINGS**

- 4.1 The directors may call general meetings at any time, one of which shall be an annual general meeting to be held once in every calendar year.
- 4.2 If at any time there are not within the United Kingdom sufficient directors capable of acting to form a quorum, any director of the Charity may convene a general meeting in the same manner as nearly as possible as

that in which meetings may be convened by the directors.

## **5 NOTICE OF GENERAL MEETINGS**

5.1 A general meeting shall be called by at least fourteen clear days' notice in writing. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted.

5.2 Subject to the provisions of these Articles notice of general meetings shall be given to all members, to all directors and to the auditors.

5.3 Notwithstanding the foregoing provisions of these Articles a general meeting may be called by shorter notice if it is so agreed in accordance with section 307 of the Act.

5.4 Every notice concerning a general meeting shall be given in accordance with the Act that is, in hard copy, electronic form or by means of a website.

5.5 The Charity may send a notice of a meeting by making it available on a website or sending it in electronic form and if notice is sent in either way it will be valid provided it complies with the relevant provisions of the Act.

5.6 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.

## **6 PROCEEDINGS AT GENERAL MEETINGS**

6.1 No business shall be transacted at any general meeting unless a quorum of members is present. Twenty five (25) persons entitled to vote upon the business to be transacted, each being a member or a duly authorised representative of a corporation shall be a quorum save that, if and for so long as the Charity has only one person as a member, one member present in person shall be a quorum.

6.2 If within half an hour from the time appointed for the general meeting a quorum is not present the general meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the directors may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefore the member or members

present in person or (being a body corporate) by representative and entitled to vote upon the business to be transacted shall constitute a quorum and shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place.

- 6.3 The chairperson of the directors shall preside as chairperson at every general meeting of the Charity, or if he or she shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the directors present (and in the case of a director being a body corporate, its duly appointed representative) shall elect one of their number to be chairperson of the meeting.
- 6.4 If at any meeting no director is willing to act as chairperson or if no director is present within fifteen minutes after the time appointed for holding the general meeting, the members present shall choose one of their number to be chairperson of the meeting.
- 6.5 The chairperson may, with the consent of any 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, but no business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 6.6 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands.
- 6.7 A declaration by the chairperson 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 of the Charity shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

6.8 A resolution in writing executed in accordance with the relevant provisions of Chapters 1 and 2 of Part 13 of the Act (as they relate to the passing of ordinary and special resolutions) shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of the requisite number of members.

6.9 The rate or rates of subscription for membership shall be decided by majority vote of the members in general meeting.

## **7 VOTES OF MEMBERS**

7.1 On a show of hands every member (being an individual) present in person or (being a corporation) is present by a duly authorised representative shall have one vote.

7.2 No member shall be entitled to vote at any general meeting unless all moneys presently payable by him or her to the Charity pursuant to these Articles or any regulations made by the directors under Article 22 or otherwise have been paid.

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

## **8 NUMBER OF DIRECTORS**

8.1 Subject to the effect of the transitional provisions referred to in Clause 12.4 below and unless otherwise determined by ordinary resolution the number of directors shall not exceed twelve.

## **9 NO ALTERNATE DIRECTORS**

9.1 A director shall not be entitled to appoint an alternate director.

## **10 POWERS OF DIRECTORS**

10.1 Subject to the provisions of the Act, the Memorandum of Association of the Charity and these Articles and to any directions given by special resolution, the business of the Charity shall be overseen by the directors who may exercise all the powers of the Charity, and who may delegate

the day to day management of the Charity to any other person, as they see fit (subject to any conditions the directors may impose). No alteration of the Memorandum of Association or of these Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article 10.1 shall not be limited by any special power given to the directors by these Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

- 10.2 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Charity, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the directors shall from time to time by resolution determine.
- 10.3 The following provisions of this Article 10 apply subject always to:
  - 10.3.1 Clause 6 of the Charity's Memorandum of Association (which requires the income and property of the Institute to be applied solely towards the promotion of the objects of the Charity, while nevertheless permitting certain reasonable and proper expenditure); and
  - 10.3.2 the Companies Act 2006.
- 10.4 The Board may by resolution passed at a meeting attended by them all (or them all with the sole exception of the conflicted director) authorise any director to be, or to continue to be, in a situation in which the director has a direct or indirect interest that conflicts or may conflict with the interests of the Charity.
- 10.5 A conflicted or potentially conflicted director must not vote on the resolution to authorise the director to be or continue in the relevant situation of conflict, and in relation to that resolution must not be counted in the quorum necessary for the transaction of business by the directors.
- 10.6 The Board may also by resolution passed in accordance with Article 10.4 authorise (either generally or only for specific meetings or in relation to specific matters) the conflicted or potentially conflicted director to be

counted in the quorum for and to vote on any business at any meetings of the directors, except that the director may not vote or be authorised to vote either:

- 10.6.1 in relation to any proposed transaction or arrangement with the director;  
or
- 10.6.2 on any resolution giving for the director an authority within Article 10.4.
- 10.7 A director's duty to avoid conflicts does not apply in relation to a proposed transaction or arrangement with the Charity where:
  - 10.7.1 the Directors so decide;
  - 10.7.2 the proposed transaction or arrangement is not prohibited by Clause 6 of the Institute's Memorandum of Association; and
  - 10.7.3 the proposed transaction or arrangement is within the following descriptions, namely the descriptions in Clauses 4 and 5 of the Charity's Memorandum of Association.
- 10.8 Unless authorised by the Board in accordance with these Articles a director must not vote on or be counted in the quorum in relation to any resolution of the Board in which the particular director has a direct or indirect interest that conflicts or may conflict with the interests of the Institute. A director who for any reason is not entitled to vote on or be counted in the quorum in relation to a resolution of the Board may nevertheless be present at the meeting while the resolution is under consideration.
- 10.9 If a question arises at a meeting of the Board or of a committee of the Board as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chair and his or her ruling in relation to any director other than him or herself shall be final and conclusive. If a question arises as to the right of the chair to vote, the question may be referred to the next longest-serving member of the Board and his or her ruling in relation to the chair shall be final and conclusive.

## **11 DELEGATION OF DIRECTORS' POWERS**

11.1 The directors may delegate any of their powers to any committee (by whatever name called), consisting of one or more directors, and/or such other persons (if any) not being directors, co-opted on to such committee as the directors think fit. Any such delegation may be made subject to any conditions the directors may impose and may be collateral to their own powers and may be revoked or altered. Any representatives appointed to any such committee may be delegated such powers the directors see fit in order to carry out their duties, whether by contract, power of attorney, or otherwise. Subject to any such conditions the proceedings of a committee of representatives with two or more members shall be governed by the Articles regulating the proceedings of directors (including obligations of disclosure) so far as they are capable of applying.

## **12 APPOINTMENT AND RETIREMENT OF DIRECTORS**

12.1 Subject to Article 12.4 and 12.5, directors shall be appointed as follows:

12.1.1 Up to six directors shall be appointed at any time (whether to fill a vacancy or as an additional director) by the members of the Charity by ordinary resolution, provided that the person who is appointed is willing to act and the appointment does not cause the number of directors to exceed the maximum number of directors as prescribed by these Articles, and directors so appointed shall be described in these Articles as elected directors; and

12.1.2 Up to six further directors shall be appointed by resolution of the Board, provided that the person who is appointed is willing to act and the appointment does not cause the number of directors to exceed the maximum number of directors as prescribed by these Articles, and directors so appointed shall be described in these Articles as co-opted directors.

12.2 Subject to 12.4 and 12.5 (which shall apply in respect of the currently serving directors), all directors shall be appointed for a fixed term of office of four years from the date of their appointment, after which they shall not be eligible for re-appointment until a full calendar year after the date of their retirement has elapsed.

- 12.3 In exceptional circumstances, the Board shall have the power to waive the requirement for a full calendar year to elapse before a director may be eligible for re-appointment.
- 12.4 As at the date of adoption of these Articles there are eight elected members of the Board, whose retirement and replacement shall be conducted as follows:
- 12.4.1 The three longest-serving elected directors shall retire at the annual general meeting of the Charity held in 2010, and shall be replaced by two directors appointed in accordance with Article 12.1.1;
- 12.4.2 The three next longest-serving elected directors shall retire at the annual general meeting of the Charity held in 2011, and shall be replaced by two directors appointed in accordance with Article 12.1.1; and
- 12.4.3 The two next longest-serving elected directors shall retire at the annual general meeting of the Charity held in 2012, and shall be replaced by two directors appointed in accordance with Article 12.1.1.
- 12.5 As at the date of adoption of these Articles there are five co-opted members of the Board, whose retirement and replacement shall be conducted as follows:
- 12.5.1 With the exception of the Board member who occupies the role of the National Hunt Committee Chair, who shall retire with effect from 31 December 2009, for the purposes of Article 12.2, the appointment of all other co-opted members shall be deemed to commence with effect from the date of the adoption of the Articles.
- 12.6 Should the office of an elected director be vacated in accordance with Article 13 and the director is not immediately being replaced in accordance with Article 12.1.1, the Board shall have power to appoint a director to fill the vacancy, subject to that director's appointment being ratified (or another director being appointed in their place) by ordinary resolution of the members at the next general meeting of the Charity. Such a director shall still be counted as an elected director for the purpose of counting the available vacancies on the Board.

### **13 DISQUALIFICATION AND REMOVAL OF DIRECTORS**

- 13.1 The office of a director shall be vacated if:
- 13.1.1 he or she becomes prohibited by law from being a director; or
  - 13.1.2 he or she becomes bankrupt, insolvent, or makes any arrangement or composition with his or her creditors generally; or
  - 13.1.3 he or she is, or may be, suffering from mental disorder and either:
    - 13.1.3.1 he or she is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or
    - 13.1.3.2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his or her detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his or her property or affairs; or
  - 13.1.4 he or she resigns his or her office by notice to the Charity;
  - 13.1.5 he or she is removed by the members of the Charity in accordance with the provisions of the Act; or
  - 13.1.6 he or she dies.

### **14 DIRECTORS' REMUNERATION**

- 14.1 The directors shall not be paid any remuneration unless it is authorised by clause 6 of the Memorandum.

### **15 PROCEEDINGS OF THE DIRECTORS**

- 15.1 Subject to the provisions of these Articles, the directors may regulate their meetings as they think fit. A director may call a meeting of the directors. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairperson shall have a second or casting vote. Notice of every meeting of the directors shall be given to each director, including directors who may for the time being be absent from the United Kingdom and have given the Charity an address within the United Kingdom for service.

- 15.2 Any director may participate in a meeting of the directors or a committee constituted pursuant to Article 11 of which he or she is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Act, shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairperson of the meeting then is.
- 15.3 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 two.
- 15.4 The directors shall appoint one of their number to be the chairperson of the Board and may remove him or her from that office. Unless he or she is unwilling to do so, the director so appointed shall preside at every meeting of the directors at which he or she is present. But, if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairperson of the meeting.
- 15.5 The directors shall appoint any one of their number to be vice-chairperson of the Board.
- 15.6 All acts done by any meeting of the directors or of a committee constituted pursuant to Article 11, or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any director or person acting as aforesaid, or that they or any of them were disqualified from holding office or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
- 15.7 A resolution in writing, signed by all the directors entitled to receive notice of a meeting of directors or of a committee constituted pursuant to Article

11 shall be as valid and effectual as if it had been passed at a meeting of the directors or (as the case may be) such a committee duly convened and held and may consist of several documents in the like form each signed by one or more directors or members of the committee (as the case may be).

15.8 The directors may invite any member or third party to attend a meeting of the Board as an observer or adviser, provided that the observer or adviser shall take no part in any vote or decision taken by the directors.

## **16 MINUTES**

16.1 The directors shall cause minutes to be made in books kept for the purposes:

16.1.1 of recording the names and addresses of all members; and

16.1.2 of all appointments of officers made by the directors; and

16.1.3 of all proceedings at meetings of the Charity and of the directors and of committees constituted pursuant to Article 11 including the names of directors and members (as appropriate) present at each such meeting.

## **17 ACCOUNTS AND ANNUAL REPORT**

17.1 No member shall (as such) have any right of inspecting any accounting records or other book or document of the Charity except as conferred by statute or authorised by the directors or by ordinary resolution of the Charity.

17.2 The directors must prepare accounts and keep accounting records as required by the Act.

17.3 The directors shall comply with the requirements of the Charities Act 1993 (and any subsequent modification or replacement) with regard to statement of accounts, preparation of an annual report, preparation of an annual return and their transmission to the Commission.

17.4 The directors shall notify the Commission of any changes to the Charity's entry on the Register of Charities.

## **18 DOCUMENTS SENT IN ELECTRONIC FORM OR BY MEANS OF A**

## **WEBSITE**

- 18.1 Where the Act permits the Charity to send documents or notices to its members in electronic form or by means of a website, the documents will be validly sent provided the Charity complies with the requirements of the Act.
- 18.2 Subject to any requirement of the Act, documents and notices may be sent to the Charity in electronic form to the address specified by the Charity for that purpose and such documents and notices sent to the Charity are sufficiently authenticated if the identity of the sender is confirmed in the way the Charity has specified.

## **19 NOTICES**

- 19.1 Any notice to be given to or by any person pursuant to these Articles shall be in writing except that a notice calling a meeting of the directors need not be in writing.
- 19.2 The Charity may give notice to a member either personally or by sending it by first class post in a pre- paid envelope addressed to the member at his or her registered address or by leaving it at that address, or (if he or she has no registered address within the United Kingdom) to or at the address, if any, within the United Kingdom supplied by him or her to the Charity for the giving of notices to him or her, but otherwise, no such member shall be entitled to receive any notice from the Charity.
- 19.3 Where a notice is sent by first class post, proof of the notice having been posted in a properly addressed, prepaid envelope shall be conclusive evidence that the notice was given and shall be deemed to have been given at the expiration of 24 hours after the envelope containing the same is posted.
- 19.4 Where a notice is sent by making it available on a website, the notice shall be deemed to have been given either when it was first made available on the website or when the member received or was deemed to have received notice of the fact that the notice was available on the website.
- 19.5 If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Charity is unable effectively to

convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised in at least one national daily newspaper and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case the Charity shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

## **20 WINDING UP**

20.1 Clause 9 of the Memorandum of Association relating to the winding up and dissolution of the Charity shall have effect as if the provisions thereof were repeated in these Articles.

## **21 INDEMNITY**

21.1 Subject to the provisions of, and so far as may be permitted by, the Act and the Charities Act 1993 but without prejudice to any indemnity to which the person concerned may be otherwise entitled, every director, or other officer of the Charity shall be indemnified out of the assets of the Charity against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his or her duties or the exercise of his or her powers or otherwise in relation to or in connection with his or her duties, powers or office, providing that any such indemnity in relation to a Director shall only be valid in respect of any negligence, default, breach of duty or a breach of trust of which the Director may be guilty in relation to the Charity to the extent that it constitutes a qualifying third party indemnity provision as defined in Section 234 of the Act. The Charity may also, subject to the Act, provide funds to any Director or other officer (excluding the Auditors) or do anything to enable a Director or other officer to avoid incurring expenditure of the nature described in Section 205 of the Act.

## **22 REGULATIONS**

22.1 The directors may from time to time make such regulations as they may deem necessary or expedient or convenient for the proper conduct and management of the Charity and for the purposes of prescribing classes of and conditions of membership, and in particular but without prejudice to the generality of the foregoing, it may by such regulations determine:

- 22.1.1 the admission and classification of members of the Charity, and the rights and privileges of such members, and the conditions of membership and the terms on which such members may resign or have their membership terminated and the entrance fees, subscriptions and other fees or payments to be made by such members;
- 22.1.2 the conduct of members of the Charity in relation to one another, and to the Charity's officers, employees and agents;
- 22.1.3 the conduct of any elections for appointment of directors by general meeting of the Charity in accordance with Article 12.1.1;
- 22.1.4 the setting aside of the whole or any part or parts of the Charity's premises at any particular time or times or for any particular purpose or purposes;
- 22.1.5 the procedure at general meetings and meetings of the directors and committees constituted pursuant to Article 11 in so far as such procedure is not regulated by these Articles;
- 22.1.6 and, generally, all such matters as are commonly the subject matter of such rules,
- 22.2 provided, nevertheless, that no rule or bye-law shall be inconsistent with, or shall affect or repeal anything contained in the Memorandum of Association of the Charity or these Articles.
- 22.3 The directors shall have power to alter or repeal the regulations referred to in Article 22.1 and to make additions thereto. The directors shall adopt such means as they deem sufficient to bring to the notice of members all such rules or bye-laws made pursuant to this Article 22 which, so long as they shall be in force, shall be binding on all members.

## **23 INTERPRETATION**

- 23.1 Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Charity.