

ARTICLES OF ASSOCIATION
OF
MERTHYR TYDFIL ANGLING ASSOCIATION

COMPANY NUMBER: 5056788
DATE OF INCORPORATION : 26/02/2004

THE COMPANIES ACT 2006
(THE ACT)

PRIVATE COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION

OF

MERTHYR TYDFIL ANGLING ASSOCIATION

1) The following provisions comprise the Articles of Association of the Company.

DEFINED TERMS

2) The following words and expressions mean as follows:

- a)** The Fishing Rights mean the fishing rights which the Company owns or has exclusive rights to fish - on the River Usk – River Taff – and any other rights that the company own.
- b)** The Subsidiary means Merthyr Tydfil Angling Alliance which is the wholly owned Subsidiary of the Company.
- c)** The Lease means the lease between the Company and the Subsidiary. Under the Lease the Company shall grant and the Subsidiary shall acquire - exclusive rights to administer and exercise the Fishing Rights. The Lease may mean one or more leases
- d)** Members are the members of the Company as defined in the Companies Act 2006. Eligible members will be the Members who reside in the post codes CF46, CF47 and CF48.
- e)** The Angling Members are (in that capacity the angling members of the Subsidiary) who shall have joined the Subsidiary to engage in the sport of angling. The Angling Members are by virtue of their membership of the Subsidiary – Members (as defined above) of the Company
- f)** The Bylaws mean the bylaws which shall have been adopted by the Company which shall prescribe the conduct and the rules of fishing and other related matters.
- g)** The Dis-Application Conditions are defined in the following “MEMBERS” provisions

OBJECTS

- 3)** The primary objects and powers of the Company shall be:
- a)** To retain ownership – solely and absolutely - of the Fishing Rights for the benefit of the sport of angling.
 - b)** To exercise any fishing rights
 - c)** To promote the sport of angling for the benefit of anyone who wished to participate without any kind of restriction on an amateur and non profit making basis

- d) To authorise the Subsidiary under the Lease to exercise the Fishing Rights exclusively as its Primary Activity and to preserve its current and continuing relationship as parent of the Subsidiary
- 4) The following provisions are provisions for entrenchment in accordance with Chapter 2 of Part 3 of the Companies Act 2006
 - a) Any resolution to amend or repeal these Articles of Association which shall result in the amendment or repeal of the preceding Clauses 3)a) to 3)d) shall not be valid – unless
 - i) Any such amendment or repeal shall be approved by a special resolution of Eligible Members which shall be approved as a written resolution in accordance with Chapters 1 and 2 of Part 13 of the Companies Act 2006
 - ii) Any such resolution shall be deemed to have been passed when at least 75% of the number of Eligible Members shall vote for the approval of the resolution. Eligible Members shall be entitled to vote on the proposed resolution – other Members shall not.
 - b) The Eligible Members mean Members who are resident in the Post Code districts of CF46, CF47 and CF48,
 - c) Clause 3d) above shall cease to apply if the Dis-application Conditions shall apply.

THE LEASE / FISHING RIGHTS / BYLAWS

- 5) The Company shall procure that the Company and the Subsidiary shall complete the Lease as soon as shall be practical after the adoption of these Articles of Association - And – as the case may be - after any subsequent acquisition – as owner - of any Fishing Rights by the Company
- 6) Under the Lease - the Company shall grant and the Subsidiary shall acquire - exclusive rights to administer and exercise the Fishing Rights. The Lease shall authorise the Subsidiary to promote the Fishing Rights for the benefit of its Angling Members in the fresh waters which are referred to in the Fishing Rights – according to the Articles of Association and the Bylaws of the Subsidiary
- 7) The Lease shall permit and authorise the Subsidiary to exercise all the Company's powers in relation to the operation and management of the Fishing Rights.
- 8) The Company may exercise any fishing rights which shall not be subject to the Lease - at its discretion. The Company may also exercise the Fishing Rights if the Dis-application Conditions (as defined later) shall apply.
- 9) The Company shall create and approve Bylaws from time to time - for the conduct of fishing by its Members and any exercise of fishing rights by the Company. The Directors and individual Members may recommend the adoption or modification of Bylaws for consideration and – if approved – the adoption by the Company at the next annual general meeting of the Company. The Bylaws shall be binding on all Members. The Company may elect to adopt the Bylaws of the Subsidiary – in its entirety or in part
- 10) No Bylaw shall be inconsistent with or shall affect or repeal anything contained in the Articles of Association of the Company. If any such Bylaw shall be inconsistent with any provision in the Articles of Association – the Articles of Association shall prevail. In that case the Directors shall ensure that the inconsistency in the Bylaws shall be eliminated.

MEMBERS

- 11)** Clauses 12) - 14) are subject to Clause 15) below=
- 12)** The Angling Members of the Subsidiary shall be deemed to be Members of the Company. Members of the Company must at all times be Angling Members of the Subsidiary. The Company shall adopt the following provisions of the Articles of Association of the Subsidiary which relate to membership
- a)** No person shall become a Member unless:
 - i) that person has completed an approved application for angling membership of the Subsidiary in an approved application form
 - ii) The approved application form shall include the Members written consent to his or her admission as a Member of the Company and his or her guarantee in accordance with the following "LIABILITY OF MEMBERS" clause; and
 - iii) The application shall have been approved by the Subsidiary by its issue to the Member of a membership card; and
 - iv) The Member shall have made a written undertaking to comply with the Bylaws and shall have been issued with an individual fishing licence
- 13)** An effect of the approval or renewal of membership as Angling Member of the Subsidiary shall be his or her admission as a Member of the Company in accordance with the Articles of Association of the Company and the Bylaws
- 14)** Membership of any Member shall be for a prescribed annual membership period (as prescribed by the Subsidiary Company) . Membership of any Member shall commence upon the approval of his or her membership as an Angling Member of the Subsidiary. Membership of any Member of the Company shall end at the conclusion of the then current membership period and upon the cessation of Membership of the Subsidiary as an Angling Member. If the Membership of any Member shall be renewed at the end of any membership period it shall be as if the membership had not ceased
- 15)** The preceding three Clauses shall cease to apply if :
- a)** the Lease shall terminate or cease to apply in any way; or
 - b)** If:
 - i) the Subsidiary shall cease or threaten to cease to carry on its Primary Activity; or
 - ii) if any petition shall be presented or if any action shall be commenced by any person (including the Subsidiary) to wind up the affairs of the Subsidiary; or
 - iii) if any action shall be commenced by any person (including the Subsidiary) to appoint an Insolvency Practitioner to administer the affairs of the Subsidiary.
- 16)** The above conditions in a) and b) in the preceding Clause are referred to in these Articles of Association as the Dis-application Conditions. If the said Clauses shall cease to apply in accordance with the preceding Clause - the Membership of the Members of the Company - at the time of cessation - shall continue. The Members shall be subject to the Bylaws.
- 17)** Membership shall not be transferable

LIABILITY OF MEMBERS

- 18)** The liability of every Member will be limited to £1 being the amount that every Member undertakes to contribute to the assets of the Company if the Company shall be being wound up while he or she is a Member or within one year after he or she shall cease to be a Member. The guaranteed payment shall be applied towards:-
- a)** payment of the Company's debts and liabilities contracted before he or she ceases to be a Member;
 - b)** the payment of the costs, charges and expenses of winding up, and
 - c)** adjustment of the rights of the contributories among themselves.

DIRECTORS

- 19)** Any person who is willing to act as a Director and is permitted by law to do so may be appointed to be a Director. An overriding requirement shall be that the Company shall ensure that every Director must at all times be a fit and proper person. The minimum standards of any fit and proper person shall be those which Charity Trustees are expected to meet and in accordance with any relevant HM Revenue and Customs guidance. The Directors of the Company may appoint any person who is not at the time a Member (a Non Member) to be a Director. They may do so if they are of the opinion that the Non Member would add value to the company and its Objects. There shall not be more than 2 Non Member Directors in office at any one time.
- 20)** The Company and the Directors shall procure that the Objects policies and aims of the Company and the Subsidiary shall always be unified and similar in every way. It shall be the duty of the Company and the Directors to procure and ensure:
- a)** that this shall be maintained;
 - b)** that the Directors of the Company and of the Subsidiary shall be the same at all times;
 - c)** that the Directors of the Company who shall be on office at the time of the incorporation of the Subsidiary shall be appointed as its first Directors;
 - d)** that the Company shall procure that notice shall be given immediately to the Subsidiary of all or any appointments and terminations of Directors of the Company to ensure the required conformity between directorships of the Parent and Subsidiary
 - e)** that upon every appointment and termination of any appointment of a Director of the Company - the Company (as parent of the Subsidiary) shall procure the approval of the same appointment or termination of the appointment of the Director of the Subsidiary
- 21)** All the Directors of the Company shall retire at every Annual General Meeting (AGM) of the Company and shall be eligible for re-election. Any Member (or Members) who wish to propose the appointment of a Director at the AGM shall give written notice of the proposal to the Company. The written notice shall be served on the Company within a period of 28 days before the date of the AGM so that the proposal shall be included in the notice of the AGM
- 22)** The minimum number of Directors shall be five (5) and there shall be no prescribed maximum number of Directors. The Directors - at their discretion may appoint

Directors to fulfil prescribed duties. If the number of Directors in office shall be less than any prescribed minimum number of Directors at any time – the continuing Director or Directors may act – only - to appoint a Director or Directors to ensure compliance with this Clause as to the minimum number of acting Directors

23) Subject to the Act and to any direction of the Company by special resolution the Directors shall be responsible for the management of the Company's activities for which purpose they may exercise all the powers of the Company on its behalf except those which are reserved to the Company by these Articles of Association or by the Act

a) Appointment

i) A Director may be appointed at any time so long as any prescribed maximum number of Directors shall not be exceeded:-

- (1) by the Directors to fill a vacancy or as an additional Director.
- (2) by ordinary resolution of the Company at an Annual General Meeting or any General Meeting or by a written resolution

b) Cessation of Office

- i) The office of any Director shall cease:
- (1) If removed in accordance with the Act ;
 - (2) if he or she shall be prohibited from being a Director by law; or
 - (3) if the Director shall deliver his or her written resignation as Director to the Company. Any such written resignation shall take effect on the date prescribed in the written notice; or
 - (4) If the Director shall breach the statutory duty including a duty to avoid a conflict of interest which (in the opinion of the Directors) cannot be remedied or has material consequences for the Company
 - (5) If the Director - in the reasonable opinion of the Directors – is deemed not to be a fit and proper person;
 - (6) If the Director shall have failed for more than 6 months to attend Directors' meetings - And - if the Directors resolve that the office should – in the interests of the Company – be vacated
 - (7) if the Director shall have been convicted of any offence which the Directors reasonably believe shall be likely to harm the reputation of the Company
 - (8) If any Member who shall also be a Director at the time shall cease to be Member

DECISION MAKING (DIRECTORS)

24) The Directors may regulate their proceedings as they decide. The general rule about decision-making by Directors is that any resolution or decision of the Directors must be either a majority decision at a meeting or a unanimous decision

25) The general rule shall not apply if the Company has one Director and is not required to have more than one Director. In that case the Director may take decisions without regard to any of the provisions of these articles relating to Directors' decision-making.

26) A unanimous decision may take the form of a resolution in writing copies of which have been signed by every Director

- 27)** Any Director may call a Directors' meeting by giving or authorising notice of the meeting to be given to the Directors. Notice of any Directors' meeting which need not be in writing must be given to every Director
- 28)** No proposal is to be voted at a Directors meeting unless a quorum is participating throughout the meeting except a proposal to call another meeting. The quorum for Directors' meetings shall be five (5) unless the Company decides otherwise by ordinary resolution but it must never be less than two.
- 29)** If the total number of Directors for the time being is less than the quorum required or less than any prescribed minimum the Directors must not take any decision other than a decision to appoint a Director or further Directors or to call a general meeting so as to enable the Members to appoint further Directors.
- 30)** The Directors may appoint a Director to chair their meetings on a continuing basis. The Directors may terminate the appointment at any time. If a chair man or woman has not been so appointed or if he or she shall not be in attendance within ten minutes of the time at which it was to start - the participating Directors must appoint one of themselves to chair it.
- 31)** If the numbers of votes cast at any meeting of the Directors for and against a proposal motion or resolution are equal the Chair of the meeting shall not be entitled to a second or casting vote.
- 32)** The Directors must ensure that the Company keeps a record in writing of every unanimous or majority decision taken by the Directors.
- 33)** The power of the Directors to regulate their proceedings shall include (if duly approved by all the Directors) participation in meetings by conference telephone or any kind of communication or electronic communication so long as:
- a)** proper and reasonable notice of the meeting and of the proposal to conduct it in accordance with the preceding Clause shall have been given to all persons who are entitled to attend meetings of Directors; and
 - b)** written minutes of and the transcripts of all resolutions of the Directors at all meetings of Directors which shall be conducted in accordance with this Clause shall be certified in writing by all the participating Directors by electronic communication or otherwise to be correct. The reference to "resolutions" in this clause means any proposed resolution which to be valid requires proper certification in accordance with this Clause.
- 34)** The date of any resolution passed at any meeting which may be held in accordance with the preceding Clause shall be when the transcript of the resolution shall be certified by the last Director to do so.
- 35)** A Director may vote as a Director at any Meeting on any motion or resolution concerning a matter contract or arrangement in which he is interested in any way. If a Director votes pursuant to this Regulation he shall be counted for the purposes of a quorum.

CONFLICT OF INTERESTS

- 36)** Every Director is under a statutory duty to avoid actual or potential direct and indirect conflicts of interests which he or she may have or are likely or expected to have with those of the Company. Every Director has a duty to inform and make

full written disclosure to the Company of the detailed nature of all such conflict situations. The Directors may authorize any disclosed conflict of interest so long as the Director shall not derive any financial benefit in his or her capacity as a Director of the Company - and so long as there are not – as a result – adverse consequences for the Company.

INDEMNITY

37) Every Director of the Company shall be indemnified out of the assets of the Company against any losses or liability of any kind which he or she may sustain or incur in or about the proper execution or discharge of his or hers office or duties as such. No Director shall be liable for any loss damage or mis-fortune which may happen to or be incurred by the Company in the execution or discharge of his or her duties. This indemnity and exemption shall not apply to any liability which may not lawfully be indemnified or exempted. The Directors may authorize the creation and maintenance of insurance at the expense of the Company for the benefit of the Directors in respect of any loss or liability which may be incurred by any of them in connection with the execution of his or her duties.

DECISION MAKING (MEMBERS)

38) Unless otherwise provided in these articles every Member has the right to attend speak and vote at any general meeting and to exercise any right to vote by way of a written resolution. Subject to Clause 4 of these Articles of Association every Member is entitled to one vote.

39) The Company shall hold an Annual General Meeting (AGM) every year on the Second Wednesday in November. The business of the Annual General Meeting shall include the following :

- a)** To receive the annual financial statements of the Company
- b)** To receive the annual financial statements of the Subsidiary
- c)** To consider any motion to appoint any Director or Directors which shall include:
 - i)** the re-election of any Director who shall have retired in accordance with these Articles of Association – and who wishes to seek re-election as a Director; and
 - ii)** any written proposal by any Member or Members for the appointment of a Director or Directors in accordance with these Articles of Association
- d)** To receive reports as prescribed by the Directors of the Subsidiary
- e)** To prescribe all fees which shall be payable by the Members to the Company
- f)** To appoint or re-appoint an Accountant to act until the conclusion of the next Annual General Meeting
- g)** To review the Bylaws and any recommendations for adoption or their modification which Directors or individual Members may have made to the Company. Any such recommendations will need to be received by the Company at least 28 days prior to any AGM – notice of which shall be included in the notice of the AGM.
- h)** To consider any other business – which may be included in the notice of the AGM – at the discretion of the Directors

40) No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. The Chair's role shall be confined to any reconvening of the aborted meeting. The quorum at general meetings of the Company shall be 20 Members

present in person or by proxy unless otherwise provided by special resolution. If any convened general meeting shall not proceed because of a lack of quorum – the quorum at the re-convened general meeting shall be 10 Members present in person or by proxy.

- 41)** If an appointed chair shall not be available or shall be unwilling to chair the meeting - the Directors present shall appoint a Director to chair the meeting. If no Director shall be present the meeting shall be adjourned and shall be re-convened as soon as may be practical after the date of the adjourned meeting
- 42)** If the numbers of votes cast at any general meeting of the Company for and against a proposal motion or resolution are equal the Chair of the meeting shall not be entitled to a second or casting vote.
- 43)** The chairman of the meeting may permit other persons who are not Members of the Company to attend and speak at a general meeting.
- 44)** If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum or if during a meeting a quorum ceases to be present the chairman of the meeting must adjourn it.
- 45)** The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
 - a)** the meeting consents to an adjournment; or
 - b)** it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner
- 46)** The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 47)** When adjourning a general meeting the chairman of the meeting must either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors
- 48)** No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.
- 49)** A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.
- 50)** Any objection to the qualification of any person voting at a general meeting must be referred to the chairman of the meeting whose decision is final.
- 51)** A poll on a resolution may be demanded:
 - a)** in advance of the general meeting where it is to be put to the vote: or
 - b)** at a general meeting either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 52)** A poll may be demanded by:

- a) the chairman of the meeting; or
 - b) the Directors; or
 - c) two or more persons having the right to vote on the resolution; or
 - d) a person or persons representing not less than one tenth of the total voting rights of all the Members having the right to vote on the resolution.
- 53)** A demand for a poll may be withdrawn if the poll has not yet been taken and the chairman of the meeting consents to the withdrawal.
- 54)** Polls must be taken immediately and in such manner as the chairman of the meeting directs.
- 55)** Every Member who is entitled to attend and vote at any general meeting of the Company shall in accordance with the Act be entitled to appoint a Proxy to attend and vote at any such general meeting on his behalf.
- 56)** Proxies may be validly appointed only by a notice in writing (a "proxy notice") which:
- i) states the name and address of the Member appointing the proxy;
 - ii) identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
 - iii) is signed by or on behalf of the Member appointing the proxy or is authenticated in such manner as the Directors may determine; and
 - iv) is delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- 57)** The Company may require proxy notices to be delivered in a particular form and may specify different forms for different purposes.
- 58)** Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 59)** Unless a proxy notice 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 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 meeting itself.
- 60)** A person who is entitled to attend speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
- 61)** An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 62)** A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 63)** If a proxy notice is not executed by the person appointing the proxy it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointer's behalf.

- 64)** A special and an ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if the proposed amendment does not in the reasonable opinion of the chairman of the meeting materially alter the scope of the resolution.
- 65)** The Company may communicate with its Members in accordance with and as permitted by the Act and Schedule 5 to the Act. Schedule 5 provides for the different methods of communication by the Company with its Members – which includes electronic communication.

COMPANY SECRETARY

- 66)** The Directors may approve the appointment of a Company Secretary. Any Company Secretary who shall be appointed shall be for such term at such remuneration and upon such conditions which the Directors shall decide. Any Company Secretary who shall be appointed may be removed by the Directors.

COMPANY SEAL

- 67)** The Company need not have a company seal. If it does have a company seal any use of it must be approved by the Directors and countersigned by two Directors or one director and the company secretary (if it has one).

INSPECTION OF ACCOUNTS AND OTHER RECORDS

- 68)** Unless required by law or as authorised by the Directors or by resolution of the Company - no person (other than a current Director of the Company) shall be entitled to inspect any of the accounting or other records or documents of the Company

INCOME AND PROPERTY – WINDING UP

- 69)** The income and property of the Company shall be applied solely towards the promotion of its objects as a non profit making amateur angling organisation
- 70)** No part of the income and property of the Company shall be paid or applied, directly or indirectly, by way of any distribution of any profit or capital of the Company by way of dividend, bonus or otherwise to the Member of the Company in that capacity.
- 71)** The Directors of the Company shall not be paid any remuneration of any kind nor receive any kind of benefit for their services to the Company as Directors. But any Director may be paid for other services which he or she may provide for the Company which have no connection with and are clearly distinctive from the role of Director. Such services which may be provided must be with the prior approval of the Directors and the Member.
- 72)** If upon the winding-up or dissolution of the Company there remains after the satisfaction of all its debts and liabilities any assets whatsoever - those assets shall be given or transferred to another body/organisation - to be applied towards the support and encouragement of the amateur sport of angling. The recipient of the assets shall be determined by resolution of the Directors at or before the winding up or time of dissolution.

THE COMPANY AND THE SUBSIDIARY

73) The relationship between the Company and the Subsidiary shall be preserved in accordance with the Articles of Association of the Company and of the Subsidiary (as procured by the Company as its sole Member). The Company shall - and shall procure that the Subsidiary shall - use all powers to ensure the implementation of policies of non discrimination and unrestricted membership as particularly prescribed in the Articles of Association of the Subsidiary. All Angling Members of the Subsidiary shall be inducted to Membership of the Company without restriction. The Primary Activities of the Companies shall be their participation in and the promotion and the encouragement of participation in the amateur sport of angling on an amateur and non profit making basis.

END * * *