

The Marine Leisure Association
(A Company Limited by Guarantee)

The name of the Association is

THE MARINE LEISURE ASSOCIATION LIMITED (MLA)

Membership is open to all BMF members, with parallel membership status to the Federation, who have been operating for 12-months or more as a registered company, partnership or sole trader within the marine industry as an RYA Training Centre and/or Charter & Holiday operator who agree to abide to the Objectives & relevant Code of Conduct(s) of the MLA. All members must fully comply with all statutory and regulatory legislation applicable to their business, products and services

The Objects of the Association are set out in Section 3.1 in the Group Association Rules.

The classes and conditions of Membership are set out in the Membership Information Notes attached to the Rules.

The Executive Committee are set out in Item Nos. 29 to 52.

MLA GROUP ASSOCIATION RULES

NAME

- 1 The name of the Group Association (hereinafter called "the Group Association is "The Marine Leisure Association" (The Trade Association for Training, Charter and Holidays)

OFFICE

- 2 The principal office of the Group Association will be situated in the UK

OBJECTS

- 3.1 The objects of the Group Association
- 3.1.1 To promote and increase participation of all aspects of boating to the public.
- 3.1.2 To collect disseminate and facilitate the exchange of information, technical, statistical or otherwise and to provide opportunity for discussion and communication between Members
- 3.1.3 To represent Members within the industry on questions affecting the industry in discussions and communications with the United Kingdom government departments and other United Kingdom statutory bodies or organisations, improving our influence with those who have impact on this organisation and its membership

- 3.1.4 To print and publish or procure to be printed and published and to circulate or procure to be circulated such papers, periodicals, books, circulars and other literary undertakings as may seem conducive to any of the objects of the Group Association
- 3.1.5. To advise Members where practical and on request on any matter arising in the course of their business relating to the group
- 3.1.6 To protect and advise the public and maintain quality standards of the organisation, including but not limited to the charter, purchase and use of sail and power training and any other product or service associated with or allied to the industry or any allied or associated trade
- 3.1.7 To encourage recruitment training and further technical and/or management education in the industry or any allied or associated trade
- 3.1.8 To engage promote and assist in development and research on any subject likely to be of interest to the Members
- 3.1.9 To liaise and cooperate with the RYA and/or the MCA or any other like regulatory body.
- 3.1.10 The Group Association will endeavour to promote such a standard by:
- a. becoming the lead body in setting standards of excellence for the Charter and Holiday industry
 - b. all RYA Training Centre Members so that it becomes one of the leading authorities on Nautical Training.
- 3.1.11 To establish and run schemes for the mutual benefit of all its Members. To achieve such financial benefits as may be possible by taking advantage of group purchasing, advertising, insurance or other matters of common interest and to derive income for itself and its members.
- 3.1.12 To produce and amend from time to time specimen documentation for its Members.
- 3.1.13 To provide a system of Alternative Dispute Resolution if asked for in the event of any dispute between a client and a Member.
- 3.2 In pursuance of its objects as set out above the Group Association shall at all times act in accord with the objects and agreed policies of the Federation
- 3.3 The Group Association shall have the following powers exercisable in furtherance of its said objects but not otherwise namely:

- 3.3.1 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
- 3.3.2 to sell let or mortgage dispose of or turn to account all or any of the property or assets of the Group Association
- 3.3.3 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
- 3.3.4 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
- 3.3.5 to take and accept any gift of money property or other assets whether subject to any special trust or not
- 3.3.6 to draw make accept endorse discount execute and issue promissory notes bills cheques and other instruments and to operate bank accounts
- 3.3.7 to invest moneys of the Group Association not immediately required for its purposes in or upon such **low risk** 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
- 3.3.8 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
- 3.3.9 to undertake and execute charitable trusts
- 3.3.10 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 Group Association and 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
- 3.3.11 to amalgamate with any companies institutions societies or associations, which shall have objects altogether or mainly similar to those of the Group Association
- 3.3.12 to pay out of funds of the Group Association the costs charges and expenses of and incidental to the formation of the Group Association
- 3.3.13 to do all such other lawful things as shall further the attainment of the objects of the Group Association or any of them

INTERPRETATION

4.1 In these Rules:

'Act'	means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force
'Auditor'	means the auditor for the time being of the Group Association elected in accordance with the Rules
'Bye-laws'	means the byelaws for the time being of the Group Association
'Charter'	A Charter means an agreement between owner or managing agent and any other party to operate the vessel
'Charterer'	means the other party paying for the use of that vessel
'Clear Days'	in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect
Conduct Committee	means the Membership Committee and a nominee of the BMF Legal Committee and representatives of the RYA
'Council'	means the council for the time being of the Federation The Federation shall be managed by the Council, which shall exercise its powers of management on behalf of its members
'Executed'	includes any mode of execution
'Executive Committee'	means the executive committee for the time being of the Group Association
'Federation'	means the British Marine Federation Limited a company registered in England and Wales (No: 2592936) whose registered office is situated at Marine House Thorpe Lea Road Egham Surrey TW20 8HE

'Federation Rules'	means the written rules for the time being of the Federation
'Member'	means a member of the Group Association
'Office'	means the principal office of the Group Association
'President'	means the President for the time being of the Federation
'Representative'	means the individual person who shall be the accredited representative of a sole trader, partnership or company which shall be a Member such representative shall be either the owner of or a partner in the business (if a sole trader or partnership respectively) or the nominee of a sole trader or partnership or director or senior employee of a company who shall have been accredited as the representative of such Member by the Executive Committee prior to the nomination of such individual person for election as a member of the Executive Committee or for the offices of Chairman or Vice-Chairman at the last meeting of the Executive Committee prior to an election
'Rules'	mean these Rules of the Group
'Secretary'	means the General Secretary of the Group Association or any other person appointed to perform the duties of the General Secretary of the Group Association
The RYA	means the Royal Yachting Association
The MCA	means the Maritime and Coastguard Agency
'The United Kingdom'	means Great Britain and Northern Ireland
Training Centre/School	Means any RYA Recognised organisation whose aim is to provide instruction in cruising or racing using either Sail or Power to fee-paying clients. This definition incorporates commercially operating Sailing Schools, Dinghy Schools, Motor Cruising Schools, Powerboating Schools and Windsurfing Schools.

- 4.2 Words importing the masculine gender also include the neuter and feminine gender and words importing the singular number include also the plural number
- 4.3 The expression 'person' includes any individual firm company club federation or association

MEMBERS

- 5.1 Classes of Members shall be determined from time to time by the Federation

All members must fully comply with all statutory and regulatory legislation applicable to their business, products and services. Such persons as are admitted to membership in accordance with the Rules shall be members of a group association and a regional association. No person should be admitted a member of a group association or regional association unless he is approved by the Federation for membership both of the Federation and of a group association and regional association. The Federation shall consult with the appropriate group association and regional association prior to consideration of any application by the Federation. The Federation at a meeting of Council shall admit persons granted membership of the Federation to membership of a group association and a regional association in accordance with the Federation's memorandum and articles of association

- 5.2. The Federation shall not admit to membership of the Federation or a group association or regional association, any person whose application shall have been fully considered and rejected by the executive committee of the group association or the regional association to which it is proposed the applicant shall become a member

- 5.2.1 The Federation need not give reasons for the rejection of any application for membership

- 5.3 The categories of membership of the Group Association shall be the same as those of the Federation

- 5.4 A Member shall cease to be a Member if :-

- 5.4.1 a Member shall give one month's notice in writing of termination if seeking to transfer to another Group Association but otherwise shall give six month's notice in writing of termination to the Group Association

- 5.4.2 in the case of an individual he becomes of unsound mind or bankrupt

- 5.4.3 in the case of a company it goes into liquidation (other than voluntarily for the purposes of amalgamation or reconstruction) or is unable to pay its debts within the meaning of section 123 Insolvency Act 1986 (or suffers a distress or execution to be levied on or a receiver appointed of any property in connection with the business

of the company or if it makes any arrangements with its creditors or if an administrator or administrative receiver is appointed pursuant to the Insolvency Act 1986 (or any statutory modification or re-enactment thereof)

- 5.4.4 for any reason it ceases to be a member of the Federation
- 5.4.5 there shall be any sum of money due and owing from the Member to the Group Association either by way of subscription or otherwise and the Group Association and/or Council shall in its absolute discretion determine that it shall cease to be a Member
- 5.5 Further a Member shall also cease to be a Member if:-
 - 5.5.1 there shall be a material change in the ownership, management or control of the Member. The Council shall determine in its absolute discretion that it shall cease to be a Member
 - 5.5.2 there shall be a material change in the trade or business carried on by the Member and the Council shall determine in its absolute discretion that it shall cease to be a Member.
 - 5.5.3 Any school from which RYA recognition is to be withdrawn . That said, such a member shall have the right of appeal and may call upon the Group Association for assistance, if it is in the interest of the group to do so. The Company Secretary of the Group or other official may help the school represent their case before the RYA training company
- 5.6 A Member shall notify the Group Association and the Federation of any material change in the ownership management or control of the Member or if there shall be any material change in the trade or business carried on by the Member. The Federation shall consult with the Group Association which shall have the right to present its views to the Federation prior to any decision being taken by the Federation. Having consulted with the Group Association, the Federation shall determine in its absolute discretion whether there shall be a material change as set out in clause 5.5 above
- 6 Upon cessation of membership of the Group Association for any reason such former Member shall not be entitled to any refund of any monies previously paid to the Group Association by way of subscription or otherwise and any monies due and owing at the date of cessation of membership shall be immediately payable without abatement set off or demand

GENERAL MEETINGS

- 7 The Group Association shall in each calendar year hold a general meeting as its annual general meeting in addition to any other meetings in that year and shall

specify the meeting as such in the notices calling it. The annual general meeting in each year shall be held at such time and place as the Executive Committee shall appoint. All general meetings other than annual general meetings shall be called extraordinary general meetings.

- 8 The annual general meeting shall transact the following business:
 - 8.1 to consider and approve the minutes of the last annual general meeting
 - 8.2 to receive the report of the Chairman on the activities of the Group Association during the previous year
 - 8.3 to elect the Chairman and Vice-Chairman upon the expiry of their said term – refer to Clause 32 & 33
 - 8.4 to elect members to the Executive Committee upon the expiry of their said term – refer to Clause 37 & 38
 - 8.5 to receive and consider the accounts of the Group Association for the previous year and the Auditor's report on the accounts and the Treasurer's report as to the financial position of the Group Association
 - 8.6 to remove or elect the Auditor or confirm that he remain in office
 - 8.7 to decide on any resolution, which may be duly submitted in accordance with these Rules
- 9 The Executive Committee may call general meetings and on the written requisition of ten Members of the Group Association signed by all such Members shall forthwith proceed to convene an extraordinary general meeting for a date not later than 7 weeks after receipt of the requisition. If there are not within the United Kingdom sufficient members of the Executive Committee to call a general meeting any member of the Executive Committee or any Member may call a general meeting.

NOTICE OF GENERAL MEETINGS

- 10.1 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a member of the Executive Committee shall be called by at least 21 Clear Days' notice. All other extraordinary general meetings shall be called by at least 14 Clear Days' notice but a general meeting may be called by shorter notice if it is so agreed by the Executive Committee.
 - 10.1.1 in the case of an annual general meeting by all the Members entitled to attend and vote there at and

- 10.1.2 in the case of any other meeting by a 75 per cent majority in number of the Members having a right to attend and vote at the meeting
- 10.2 The notice shall specify the time and place of the meeting and the general nature of the business to be transacted except that any notice under clause 54.2 shall specify the precise nature of the business to be transacted. In the case of an annual general meeting the notice shall specify the meeting as such The notice shall be given to all the Members and to the Auditors
- 10.3 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

PROCEEDINGS AT GENERAL MEETINGS

- 11 No business shall be transacted at any meeting unless a quorum is present. Ten persons or persons representing twenty five per cent of those Members entitled to vote upon the business to be transacted each being a Member or a proxy for a Member shall be a quorum Only Full Members shall have a vote at any general meeting of the Group Association
- 12 If such a quorum is not present within half an hour from the time appointed for the meeting or if during a meeting such a quorum ceases to be present the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other time as the Executive Committee may determine
- 13 The chairman (if any) of the Executive Committee or in his absence some other member of the Executive Committee nominated by the Executive Committee shall preside as chairman of the meeting but if neither the chairman nor such other member of the Executive Committee (if any) be present within 15 minutes after the time appointed for holding the meeting and willing to act the members of the Executive Committee present shall elect one of their number to be chairman and if there is only one member of the Executive Committee present and willing to act he shall be chairman
- 14 If no member of the Executive Committee is willing to act as chairman or if no member of the Executive Committee is present within 15 minutes after the time appointed for holding the meeting the members present and entitled to vote shall choose one of their number to be chairman
- 15 An Executive Committee member shall notwithstanding that he is not a Member be entitled to attend and speak at any general meeting
- 16 The chairman may with the consent of a 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 an adjourned meeting other

than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more at least 7 Clear Days' notice in writing shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

- 17 A resolution put to the vote of a meeting shall be decided on a show of hands unless the majority of Members determine that such vote should take place by way of a ballot.
- 18 In the case of an equality of votes whether on a show of hands or on a ballot the chairman shall be entitled to a casting vote in addition to any other vote he may have.
- 19 A resolution in writing executed by or on behalf of each Member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present 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 one or more Members.

VOTES OF MEMBERS IN GENERAL MEETINGS

- 20 On a show of hands every Full Member present in person or by proxy shall have one vote. On a ballot every Full Member present in person or by proxy shall have one vote.
- 21 Save as herein expressly provided no voting Member other than a voting Member duly registered who shall have paid every subscription and other sum (if any) which shall be due and payable to the Group Association/Regional Association in respect of his Membership shall be entitled to vote on any question either personally or by proxy or as a proxy for another Member or by post as set out in these Rules at any General Meeting.
- 22 An individual Member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote whether on a show of hands or on a ballot by his receiver curator bonis or other person authorised in that behalf appointed by that court and any such receiver curator bonis or other person may on a ballot vote by proxy. Evidence to the satisfaction of the members of the Executive Committee of the authority of the person claiming to exercise the right to vote shall be deposited at the office or at such other place as is specified in accordance with the Rules for the deposit of instruments of proxy not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
- 23 Votes may be given on a ballot either personally by a Representative or by proxy. On a show of hands a voting Member present only by proxy shall have no vote but

a proxy for a corporation may vote on a show of hands. A corporation may vote by its Representative appointed as provided by the Act. A proxy need not be a Member.

24 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 chairman whose decision shall be final and conclusive.

25 An instrument appointing a proxy shall be in writing executed by or on behalf of the appointer and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Executive Committee may approve):

I/We _____ of _____

being a voting Member/Members of the above-named Group Association hereby appoint _____

of _____ or failing him _____ of _____

as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the Group Association to be held on _____ and at any adjournment hereof.

Signed on _____

26 Where it is desired to afford voting Members an opportunity of instructing the proxy how he shall act the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Executive Committee may approve):

I/We _____ of _____

being a voting Member/Members of the above-named Group Association hereby appoint _____

of _____ or failing him _____ of _____

as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the Group Association to be held on _____ 20 and at an adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No 1 *for *against
Resolution No 2 *for *against

* strike out whichever is not desired

Unless otherwise instructed the proxy may vote as he thinks fit or abstain from voting

Signed this day of 20

- 27 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Executive Committee may:
- 27.1 be deposited at the Office or such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Group Association in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote or
- 27.2 in the case of a ballot taken more than 48 hours after it is demanded be deposited as aforesaid after the ballot has been demanded and not less than 24 hours before the time appointed for the taking of the ballot or
- 27.3 where the ballot is not taken forthwith but is taken not more than 48 hours after it was demanded be delivered at the meeting at which the ballot was demanded to the chairman or to the Secretary or to any director and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid
- 28 A vote given or ballot demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous termination of the authority of the person voting or demanding a ballot unless notice of the termination was received by the Group Association at the Office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the ballot demanded or (in the case of a ballot taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the ballot

MEMBERS OF EXECUTIVE COMMITTEE

- 29 Pending an EGM to be held at the London Boat Show 2006, an interim Committee consisting of Chris Satchwell (Chairman), Roger Bennett (NFSS), Paul Bew (NFSS), Nigel James (YCA), Steve Tyas (YCA), Pete Tyler (ABSC) and Jeremy Tutt (ABSC) will be the first Executive Committee.
- 30 The immediate past Chairman shall be an ex officio member of the Executive Committee. Unless otherwise determined by ordinary resolution the number of elected members of the Executive Committee shall be upto 11, inclusive of the

Chairman, 2 Vice Chairmen, Company Secretary, Treasurer and up to 6 elected members 2 from the sailing school industry, 2 from those involved in UK charter and 2 involved in foreign activity (schools and/or charter/holidays). One Vice-Chairman to represent Sailing Schools and one Vice-Chairman to represent Charter/Holidays. Up to a further three members may be co-opted with no voting rights

- 31 Only an Honorary Member or a Representative of a Full Member or Associate Member shall be elected to hold office as a member of the Executive Committee

CHAIRMAN AND VICE-CHAIRMAN

- 32 The Group Association shall at its Annual General Meeting elect a Chairman who shall at the time of his election be a member of the Executive Committee. The Chairman shall in accordance with, and subject to Rule 46 hereof be entitled to preside at all meetings of the Executive Committee at which he shall be present. The Executive Committee may delegate any of its powers to the Chairman pursuant to Rule 36.2 below. The Chairman may not serve for longer than 3 years – a minimum of one year must expire before seeking re-election to that office.

- 33 The Group Association shall at its Annual General Meeting elect two Vice-Chairmen, one representing Training Schools and one representing the Charter /Holiday industry who shall at the time of their election be a member of the Executive Committee. The Vice-Chairmen shall in accordance with and subject to Rule 46 hereof be entitled in the absence or at the request of the Chairman to preside at all meetings of the Executive Committee at which he shall be present. The Executive Committee may delegate any of its powers to the Vice-Chairmen pursuant to Rule 36.2 below. The Vice Chairmen may not serve for longer than 6 years – after 6 years as Vice Chairman, a minimum of one year must expire before seeking re-election to that office.

TREASURER

- 34 The Executive Committee may from time to time elect a Treasurer and may determine for what period he is to hold office and may remove from office any Treasurer so elected. The Treasurer need not be a Member of the Group Association nor a director nominee partner or senior employee of a Member of the Group Association. The Executive Committee may delegate to the Treasurer its powers under Rule 60 relating to the Accounts of the Association and other powers pursuant to Rule 36.2. All cheques with a value greater than £250 shall be signed by two of the following:

Chairman

Treasurer

Secretary

Or other nominated member of the Executive Committee.

COMPANY SECRETARY

- 34A Ensure that the legal responsibilities of a Company Secretary are fulfilled in collaboration with the General Secretary

GENERAL SECRETARY

- 35 The General Secretary shall be appointed by the Executive Committee for such term at such remuneration and upon such conditions as they may think fit and any General Secretary so appointed may be removed by them. The General Secretary need not be a Member of the Group Association nor a director **nominee** partner or senior employee of any Member of the Group Association. The Executive Committee may delegate any of its powers to the General Secretary pursuant to Rule 36.2

POWERS OF THE EXECUTIVE COMMITTEE

- 36.1 Subject to the provisions of the Rules and to any resolution duly passed by the Members in a general meeting the business of the Group Association shall be managed by the Executive Committee who may exercise all the powers of the Group Association. No alteration of the Rules and no such resolution of the Members shall invalidate any prior act of the Executive Committee, which would have been valid if that alteration had not been made or that resolution not passed. The powers given by this regulation shall not be limited by any special power given to the Executive Committee by the Rules and a meeting of the Executive Committee at which a quorum is present may exercise all powers exercisable by the Executive Committee
- 36.2 The Executive Committee may delegate any of its powers to any member or members of the Executive Committee, or to any committee or committees consisting of members of the Executive Committee or to such other person or persons appointed expressly by Executive Committee as it thinks fit. All RYA training related matters will be dealt with specifically by the MLA Training Subcommittee Any member of the Executive Committee or appointed person or persons shall in the exercise of the powers so delegated, conform to any regulations imposed by the Executive Committee. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations imposed on it by the Executive Committee and may otherwise regulate its own affairs

ELECTION OF MEMBERS OF THE EXECUTIVE COMMITTEE

- 37 At the Annual General Meeting Full Members of the Group Association shall elect an Executive Committee of Representatives of Full Members An elected member of the Executive Committee shall serve for a period of three years, one third being re-elected each year – those retiring shall do so on the basis of seniority, if necessary when equal length of service is held, retirees being decided by ballot. The Executive Committee may appoint a person who need not be an Honorary Member or a Representative of a Full Member or an Associate Member who is willing to act

to be a member of the Executive Committee either to fill a vacancy or as an additional member of the Executive Committee. A member of the Executive Committee so appointed shall hold office only until the next following Annual General Meeting. If not eligible for election or he is not reappointed at such Annual General Meeting such appointed member shall vacate his office at the conclusion thereof

38 A retiring member of the Executive Committee may offer himself for re-election

39 A person seeking election as a member of the Executive Committee shall submit his name in writing to the General Secretary not less than 21 days before the date appointed for the Annual General Meeting

DISQUALIFICATION OF MEMBERS OF THE EXECUTIVE COMMITTEE

40 The office of a member of the Executive Committee shall be vacated if: -

40.1 being a Representative of a corporate Member the corporate Member enters into liquidation whether voluntary or compulsory, save for the purpose of reconstruction or amalgamation, or it enters into administrative receivership or an administration order is made against it or it enters into a voluntary arrangement with its creditors;

40.2.1 being a Representative of a Member who is a sole trader or partnership he or the sole trader or partnership shall become insolvent or commit any act of bankruptcy or suffer the filing of a petition in bankruptcy or makes any arrangements or composition with creditors or takes or suffers any similar action in consequence of a debt; or

40.2.2 he is suffering from a mental disorder and either

40.2.2.1 he is admitted to hospital in pursuance of an application for admission for treatment, under the Mental Health Act 1983; or

40.2.2.2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers in respect of his property or affairs;

40.3 being a Representative of a Member of the Group Association, the Member he represents ceases to be a Member of the Federation;

40.4 being a director or employee or partner of a Member of the Group Association he ceases to be such a director or employee or partner;

40.5 by notice in writing to the Executive Committee and the Group Association he resigns his office

- 40.6 he ceases to hold office by reason of any order made under the Directors Disqualification Act 1985

EXPENSES OF MEMBERS OF THE EXECUTIVE COMMITTEE

- 41 The members of the Executive Committee may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of the Executive Committee or any committee of the Executive Committee or general meetings or otherwise in connection with the discharge of their duties

INTERESTS OF MEMBERS OF THE EXECUTIVE COMMITTEE

- 42 A member of the Executive Committee shall declare an interest prior to any consideration by the Executive Committee of any transaction or arrangement. The Executive Committee may exclude the member from the meeting but if permitted to stay he shall not speak nor shall he cast a vote

PROCEEDINGS OF THE EXECUTIVE COMMITTEE

- 43 Subject to the provisions of the Rules the Executive Committee may regulate their proceedings as they think fit. The Executive Committee shall meet regularly and not less frequently than four times in each year. A member of the Executive Committee may and the General Secretary at the request of a member of the Executive Committee shall call a meeting of the Executive Committee. It shall not be necessary to give notice of a meeting to a member of the Executive Committee who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes the chairman shall have a second or casting vote
- 44 The quorum for the transaction of the business of the Executive Committee may be fixed by the Executive Committee and unless so fixed at any other number shall be three.
- 45 The continuing members of the Executive Committee or a sole continuing member of the Executive Committee may act notwithstanding any vacancies in their number but if the number of members of the Executive Committee is less than the number fixed as the quorum the continuing members or member of the Executive Committee or director may act only for the purpose of filling vacancies or of calling a general meeting
- 46 The Chairman of the Executive Committee shall preside at every meeting of the Executive Committee at which he is present. If the Chairman is not present one of the Vice Chairmen of the Executive Committee shall preside. If neither the Chairman nor a Vice-Chairman is present within 15 minutes after the time appointed for the meeting the members of the Executive Committee present may appoint one of their number to be chairman of the meeting

- 47 All acts done by a meeting of the Executive Committee or of a committee of the Executive Committee or by a person acting as a member of the Executive Committee shall notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that 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 member of the Executive Committee and had been entitled to vote
- 48 A resolution in writing signed by all the members of the Executive Committee entitled to receive notice of a meeting of the Executive Committee or of a committee of the Executive Committee shall be as valid and effectual as if it had been passed at a meeting of the members of the Executive Committee as (as the case may be) a committee of the Executive Committee duly convened and held and may consist of several documents in the like form each signed by one or more members of the Executive Committee
- 49 A member of the Executive Committee shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote
- 50 The Members may determine in general meeting to suspend or relax to any extent either generally or in respect of any particular matter any provision of the Rules prohibiting a member of the Executive Committee from voting at a meeting of the Executive Committee or of a committee of the Executive Committee
- 51 Where proposals are under consideration concerning the appointment of two or more members of the Executive Committee to offices or employments with the Group Association or any body corporate in which the Group Association is interested the proposals may be divided and considered in relation to each member of the Executive Committee separately and (provided he is not for another reason precluded from voting) each of the members of the Executive Committee concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment
- 52 If a question arises at a meeting of the Executive Committee or of a committee of the Executive Committee as to the right of a member of the Executive Committee to vote the question may before the conclusion of the meeting be referred to the chairman of the meeting and his ruling in relation to any member of the Executive Committee other than himself shall be final and conclusive

MINUTES

- 53 The Executive Committee shall cause minutes to be made in books kept for the purpose:
- 53.1 of all appointments of officers made by the Executive Committee and

- 53.2 of all proceedings at meetings of the Group Association and of the Executive Committee and of committees of the Executive Committee including the names of the members of the Executive Committee present at each such meeting

ACCOUNTS

- 54 The Federation shall:
- 54.1 provide a sum annually to the Group Association with which to manage and operate Group Association. The Executive Committee shall submit a budget annually to the Federation following receipt of which and after the Federation shall have consulted with the Group Association, the Federation shall allocate such sum as shall be agreed
- 54.2 Members may at a general meeting subject to complying with clause 10.2 resolve to pay a sum with which to undertake a special project or projects. Such resolution shall require a majority of seventy five percent (75%) of Members entitled to vote
- 55 The Executive Committee shall cause proper books of account to be kept with respect to: -
- 55.1 all sums of money received and expended by the Group Association and the matters in respect of which such receipts and expenditure take place;
- 55.2 all sales and purchases of goods by the Group Association; and
- 55.3 the assets and liabilities of the Group Association
Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the affairs of the Group Association and to explain its transactions
- 56 At the annual general meeting in every year the Executive Committee shall lay before the Group Association a proper income and expenditure account for the period since the last preceding account (or in the case of the first account since the incorporation of the Group Association) made up to a date not more than six months before such meeting, together with a proper balance sheet made up as at the same date. Every such balance sheet shall be accompanied by proper reports of the Executive Committee and the Auditors and copies of such account, balance sheet and reports shall not less than 21 clear days before the date of the meeting be sent to the Auditors and to all other persons entitled to receive notices of general meetings in the manner in which notices are hereinafter directed to be served. The Auditors' report shall be open to inspection and be read before the Annual General Meeting as set out herein

AUDIT

- 57 Once at least in every year the accounts of the Group Association shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by one or more Auditors
- 58 Auditors shall be appointed and their duties regulated as set out herein at each Annual General Meeting of the Group Association

DISCIPLINARY ACTION

- 59 Disciplinary action may be taken against any Member who: -
- 59.1 commits a breach of any code of proper business conduct adopted by the Group Association or with which the Group Association in general meeting resolves that the Members of the Group Association should comply; or
- 59.2 is otherwise guilty of illegal business conduct or of business conduct which in the opinion of the Group Association or of the Executive Committee is improper or unfair; or
- 59.3 commits any act of or involving fraud or fraudulent or negligent misrepresentation; or
- 59.4 makes any incorrect statement in or in relation to his application for membership of the Group Association; or
- 59.5 fails to comply with an undertaking required of him by the Executive Committee pursuant to the Rules; or
- 59.6 is guilty of conduct which in the opinion of the Group Association or of the Executive Committee is likely to bring the Group Association or the Federation into disrepute
- 59.7 fails to settle payment of services provided by the Group Association
- 60 The Group Association shall submit to the Council or Disciplinary Committee any relevant evidence in its possession and Council or the Disciplinary Committee shall consult with the Executive Committee and seek its views in relation to any disciplinary matter relating to a Member and otherwise when it shall have a relevant interest in such disciplinary matter
- 61 The Council or Disciplinary Committee shall have the power to suspend a Member against whom a complaint has been made or who is alleged to have been in breach of any provision of the Memorandum or Rules of Association or Rules of the Group Association for a period of up to three months. During such period of suspension such Member shall not be entitled to exercise any of its rights or privileges as a Member of the Group Association nor to attend or vote at meetings of the Group Association whether in person or by proxy nor to enjoy any benefit or advantage it would otherwise have enjoyed as a Member but for its suspension.

For the avoidance of doubt but without prejudice to the generality of the foregoing a suspended Member shall not use in any manner the Federation and Group Association logo nor shall such Member be entitled to any discounts or concessions in relation to any exhibition trade fair or other event organised operated or coordinated by or through the Federation or the Group Association to which such Member would otherwise have been entitled but for such suspension

- 62 The Council or Disciplinary Committee shall notify the Member in writing of any complaint or disciplinary allegation made against such Member and of any decision taken by the Council or Disciplinary Committee to suspend the Member. The Member shall be invited to respond to such complaint or allegations and shall be entitled to attend before the Council or Disciplinary Committee to answer any complaint or allegation
- 63 The Council or Disciplinary Committee shall determine whether any complaint or allegation made against a Member should be upheld or dismissed and may hear evidence from any person making such complaint or allegation or any other person the Council or Disciplinary Committee in its absolute discretion thinks fit
- 64 If a complaint or allegation against a Member is upheld the Council or Disciplinary Committee may impose such sanction as it sees fit upon such Member including but not limited to reprimanding suspending or expelling such Member
- 65 On suspension or expulsion of a Member any sums due to the Group Association remain payable and shall be paid immediately
- 66 The Council or Disciplinary Committee and the Executive Committee shall at all times observe the rules of natural justice in carrying out any disciplinary procedure or investigation of any complaint or allegation against a Member
- 67 For the avoidance of doubt if a Member of the Group Association should have his membership of the Federation suspended or terminated for any reason then his Membership of the Group Association and Regional Association shall likewise simultaneously be suspended or terminated
- 68 A Member against whom a complaint or allegation has been upheld may appeal to the Federation President within 21 days of the date on which such Member was informed by the Council or Disciplinary Committee of its decision. Such appeal must be made in writing setting out in full the grounds of the appeal and enclosing all relevant documentation in support of the appeal. The President shall be entitled to review all evidence presented to the Council or Disciplinary Committee and consult both with the Member and with the Council or Disciplinary Committee. The President's decision to allow or dismiss the Member's appeal shall be final. Any sanction imposed by the Council or Disciplinary Committee shall remain in force pending the President's decision on the Member's appeal

THE BYELAWS

- 69.1 The Members may by resolution in general meeting and subject as provided herein adopt bye-laws, which shall be binding upon the Members and are intended to assist in the operation of the Group Association
- 69.2 Subject as set out below the Byelaws may only be varied, amended, added to or deleted by a resolution passed by a seventy five per cent (75%) majority of the Members of the Group Association in general meeting from time to time. The Group Association shall publish the Byelaws and ensure that each Member shall receive a copy of the Byelaws and that thereafter Members shall promptly receive written notice of any variations amendments additions to or deletions from the Byelaws

NOTICES

- 71 Any notice to be given to or by any person pursuant to the Rules shall be in writing except that a notice calling a meeting of the Executive Committee need not be in writing
- 72 The Group Association may give any notice to a Member either personally or by sending it by post in a prepaid envelope addressed to the Member at his registered address or by leaving it at that address. A Member whose registered address is not within the United Kingdom and who gives to the Group Association an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address but otherwise no such Member shall be entitled to receive any notice from the Group Association
- 73 A Member present either in person or by proxy at any meeting of the Group Association shall be deemed to have received notice of the meeting and where requisite of the purposes for which it was called
- 74 Proof that an envelope containing a notice was properly addressed prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted

INDEMNITY

- 75 Subject to the provisions of the Act but without prejudice to any indemnity to which a member of the Executive Committee may otherwise be entitled every member of the Executive Committee or other officer or auditor of the Group Association shall be indemnified out of the assets of the Group Association against any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence default breach of duty or breach of trust in relation to the affairs of the Group Association

DISSOLUTION

76.1 A resolution to dissolve the Group Association shall only be proposed at a special general meeting and notwithstanding Rule 11 a quorum for such special general meeting shall be persons representing 75% of the voting Members. A resolution to dissolve the Group Association shall be carried by a majority of not less than 75% of the voting Members present and voting.

76.2 The dissolution shall take effect from the date of the resolution and the Executive Committee shall be responsible for the winding-up of the assets and liabilities of the Group Association

Any property remaining after the discharge of the debts and liabilities of the Group Association shall be given to the Federation which shall use such property insofar as it may be practical to do so for the benefit of any group association organised in the future to benefit those in the Training, Charter and Holiday industry

MEMBERSHIP INFORMATION NOTES

These notes are for the assistance and convenience of Members but neither the headings nor the notes form any part of the Rules.

The current categories of Federation Membership are as follows and can only be duly changed by approval of the Federation Council and notification given:

1. Full Members
That is to say individuals, firms or companies whose turnover (as defined by the Council of the Federation) within the marine industry is at least 51% of their total trading activities or whose turnover within the marine industry is less than 51% but exceeds £100,000 (One hundred thousand pounds) per annum and who have completed a two year period of continuous trading within the marine industry. In exceptional cases membership may also be offered outside these defined limits with at least 75% of the Council members present and eligible voting in favour.
2. Probationary Members
That is to say individuals, firms or companies who have normally served less than a two-year period of continuous trading within the marine industry. This class of membership is also available to individuals, firms or companies whose turnover (as defined by the Council of the Federation) within the marine industry is at least 51% of their total trading activities but less than £10,000 per annum. Probationary membership shall be of two years or such shorter time as determined by the Federation Council.
3. Associate Members
That is to say individuals, firms or companies whose activities or turnover do not come within the provisions of clause 1(b)(i)-(iv) but who are considered by the Council of the Federation to be eligible for membership.
4. Honorary Members
The Council shall have power to elect to Honorary Membership, as a mark of esteem for conspicuous service to the industry, such individuals as they may from time to time consider eligible.

“Honorary Life Members” of the Group Association may be elected as a reward for their effort on behalf of the Group Association by a majority of members present at an AGM . Honorary Life Members have no voting rights.

SECTION 1 – CLASSES AND CONDITIONS OF MLA MEMBERSHIP

- 1.1 Any company who has been operating for 12-months or more within the industry which is a member of the BMF and who agrees to abide to the Objectives & relevant Code of Conduct(s) of the MLA is eligible to join the Group Association with parallel status as the Federation following the approval by the relevant MLA committee. Refer to Clause 5.1 of Rules.
- 1.2 All members must fully comply with all statutory and regulatory legislation applicable to their business, products and services.

1.3 Probationary members do not have voting rights.