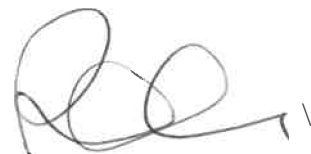


Company No 07073259

**THE COMPANIES ACT 2006
COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL
ARTICLES OF ASSOCIATION
OF**

THE THOROUGHBRED BREEDERS' ASSOCIATION

Adopted by Special Resolution passed on 22 November 2020
as amended by Special Resolution of the Members dated 6
October 2023

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PART 1 - PRELIMINARY

DISAPPLICATION OF MODEL ARTICLES

The regulations contained in The Model Articles for Private Companies Limited by Guarantee in force at the time of incorporation of the Company 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:

"Act"	the Companies Act 2006 (as amended from time to time)
"these Articles"	these Articles of Association, whether as originally adopted or from time to time altered by special resolution
"Board"	the board of Directors of the Charity from time to time
"Charity"	the company regulated by these Articles
"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
"Commission"	the Charity Commission for England and Wales
"Directors"	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 177 of the Charities Act 2011
"electronic address"	any address or number used for the purposes of sending or receiving documents or information by electronic means
"electronic communication" "electronic form" and "electronic means"	means the same as in the Electronic Communications Act 2000 and has the meaning given in section 1168 of the Act

"Honorary President" such person as shall be appointed to the role of Honorary President in accordance with these Articles

"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).

PART 2- OBJECTS AND POWERS OF THE COMPANY

3. OBJECTS

The Charity's objects are to encourage by means of the provision of educational or research facilities or otherwise the science of natural production and improvement of the thoroughbred horse in Great Britain.

4. POWERS

- 4.1 The Charity has power to do anything which is calculated to further its objects or is conducive or incidental to doing so. In particular,-the Charity has power to:
- 4.1.1 Educate and train or facilitate education and training about the nature and welfare of the thoroughbred horse and the breeding of such animals;
 - 4.1.2 Provide information and advice to breeders, government departments, industry bodies and members of the public;
 - 4.1.3 Provide, promote and sponsor lectures, discussions, exhibitions and other like events;
 - 4.1.4 Acquire and maintain a library of books, resources and information relating to thoroughbred horses;
 - 4.1.5 Co-operate and liaise with other organisations and bodies with similar charitable objects;
 - 4.1.6 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
 - 4.1.7 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.

- 4.2 In addition to the powers set out above, the trustees of the Charity shall also have powers:
- 4.2.1 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. In exercising this power, the Charity must comply with sections 117 and 122 of the Charities Act 2011;
 - 4.2.2 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. The Charity must comply as appropriate with sections 124 126 of the Charities Act 2011 if it wishes to mortgage land;
 - 4.2.3 to print and / or publish in any media any printed materials, books, leaflets or similar matter;
 - 4.2.4 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;
 - 4.2.5 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;
 - 4.2.6 to take and accept any gift of money, property or other assets whether subject to any special trust or not;
 - 4.2.7 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;
 - 4.2.8 to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments and to operate bank accounts;
 - 4.2.9 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;
 - 4.2.10 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;

- 4.2.11 to undertake and execute charitable trusts;
- 4.2.12 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 Article 4.2.18 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;
- 4.2.13 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);
- 4.2.14 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;
- 4.2.15 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 these Articles;
- 4.2.16 to pay out of funds of the Charity the costs, charges and expenses of and incidental to the formation and registration of the Charity;
- 4.2.17 to do all such other lawful and charitable things as shall further the attainment of the objects of the Charity or any of them;
- 4.2.18 Provided that in any case where 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. APPLICATION OF INCOME AND PROPERTY

The income and property of the Charity shall be applied solely towards the promotion of its objects as set forth in these Articles 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:

- 5.1 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;
- 5.2 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;
- 5.3 to any Director of reasonable out-of-pocket expenses;
- 5.4 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:
 - 5.4.1 the Director discloses his or her interest in any such arrangement;
 - 5.4.2 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;
- 5.5 of reasonable and proper rent for premises demised or let by any member of the Charity or any Director;
- 5.6 of reasonable and proper remuneration by the Charity to any Director for performing exceptional services actually rendered provided that:
 - 5.6.1 any such Director is absent from all meetings of the board of Directors during the relative discussions;
 - 5.6.2 any such Director takes no part in the relative discussions;
 - 5.6.3 the other Directors are satisfied that the transactions arising out of such decisions are advantageous to the charitable purposes of the Charity;
 - 5.6.4 at no time shall the majority of the total number of Directors receive any such remuneration.

PART 3 - MEMBERS

6. LIABILITY OF MEMBERS

- 6.1 The liability of the members is limited.

6.2 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 or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the Charity contracted before he or she 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).

7. MEMBERS

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

7.2 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 the Charity's objects to apply for membership of the Charity.

7.3 Subject to Article 7.5, 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 7.2 above and pay any subscriptions or payments required under Article 7.4 below.

7.4 All members shall pay an annual subscription at the rate decided in accordance with Article 10.9.

7.5 The Board may:

7.5.1 reject an application for membership at its discretion; and

7.5.2 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 or her expulsion is to be considered, and that he or she is given an opportunity of being heard whether by the Board or a delegated sub-committee thereof 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 27 below.

7.6 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.

7.7 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.

7.8 Subject to all moneys presently payable by him or her to the Charity pursuant to any regulations made by the Directors pursuant to Article 27 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.

7.9 Membership is not transferable and will terminate if:

7.9.1 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;

7.9.2 The Board exercises its discretion to terminate the member's membership in accordance with Article 7.5 above;

7.9.3 The member resigns in accordance with Article 7.8 above; 7.9.4

The member dies or, if it is an organisation, ceases to exist; or

7.9.5 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.

8. GENERAL MEETINGS

8.1 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.

8.2 If at any time there are not sufficient Directors either:

8.2.1 within the United Kingdom; or

8.2.2 for the time being absent from the United Kingdom having given the Charity an address within the United Kingdom for service

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.

9. NOTICE OF GENERAL MEETINGS

9.1 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.

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

9.3 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.

- 9.4 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.
- 9.5 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.
- 9.6 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.

10. **PROCEEDINGS AT GENERAL MEETINGS**

- 10.1 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.
- 10.2 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.
- 10.3 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.
- 10.4 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.
- 10.5 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.

- 10.6 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands.
- 10.7 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.
- 10.8 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.
- 10.9 The rate or rates of subscription for membership shall be decided by majority vote of the members in general meeting.

11. VOTES OF MEMBERS

- 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.
- 11.2 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 27 or otherwise have been paid.
- 11.3 , 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.

PART 4 - DIRECTORS

12. NUMBER OF DIRECTORS

- 12.1 Unless otherwise determined by ordinary resolution the number of Directors shall not exceed twelve.

13. NO ALTERNATE DIRECTORS

- 13.1 A Director shall not be entitled to appoint an alternate Director.

14. POWERS OF DIRECTORS

14.1 Subject to the provisions of the Act, 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 in accordance with Article 16. No alteration 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 14.1 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.

14.2 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.

15. **DIRECTORS' INTERESTS**

15.1 Unless authorised by the Directors in accordance with these Articles a Director must not vote on or be counted in the quorum in relation to any resolution of the Directors in which the Director has a direct or indirect interest that conflicts or may conflict with the interests of the Charity ("Conflict").

15.2 Any authorisation under this Article will be effective only if

15.2.1 the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine,

15.2.2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question, and

15.2.3 the matter was agreed without his voting or would have been agreed to if his or her vote had not been counted.

15.3 Any authorisation of the Conflict under this Article may (whether at the time of giving the authorisation or subsequently)

15.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise from the Conflict so authorised,

15.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine, and

15.3.3 be terminated or varied by the Directors at any time provided that this will not affect anything done by the Directors in accordance with the terms of the authorisation prior to such termination or variation

- 15.4 In authorising a Conflict the Director may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the charity and in respect of which he owes a duty of confidentiality to another person the Director is under no obligation to
- 15.4.1 disclose such information to the Directors or to any Director or other officer or employee of the Charity, or
 - 15.4.2 use or apply any such information in performing his duties as a Director, where to do so would amount to a breach of that confidence
- 15.5 Where the Directors authorise a Conflict
- 15.5.1 the Director will be obliged to conduct himself in accordance with any terms imposed by Directors in relation to the Conflict,
 - 15.5.2 the Director will not infringe any duty he owes to the Charity by virtue of sections 171 to 177 of the Companies Act 2006 provided he or she acts in accordance with such terms, limits and conditions (if any) as the Directors may impose in respect of its authorisation.
- 15.6 Notwithstanding Article 15.5.2 above, a Director must declare to the other Directors the nature and extent of any Conflict in relation to a proposed transaction or arrangement with the Charity or in relation to any such transaction or arrangement to be entered into by the Charity which has not previously been declared, unless the other Directors are already aware of the Conflict.
- 15.7 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Charity for any remuneration, profit or other benefit which he or she derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the Charity in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation), or which he or she derives from a transaction or arrangement with the Charity as described above, and no contract shall be liable to be avoided on such grounds.
- 15.8 Subject to Article 15.9 all acts done by a meeting of Directors, or of a committee of Directors, shall be valid notwithstanding the participation in any vote of a Director
- 15.8.1 who was disqualified from holding office,
 - 15.8.2 who had previously retired or had been obliged by the constitution to vacate office,
 - 15.8.3 who was not entitled to vote on the matter, whether by reason of a conflict of interest or otherwise,

if without

15.8.4 the vote of that Director, and

15.8.5 that Director being counted in the quorum,

the decision has been made by a majority of the Directors at a quorate meeting.

15.9 Article 15.7 does not permit a Director to keep any benefit that may be conferred upon him or her by resolution of the Directors or of a committee of Directors if, but for Article 15.7 the resolution would have been void, or if the Director has not complied with Article 15.6.

16. **DELEGATION OF DIRECTORS' POWERS**

16.1 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.

16.2 The Directors may 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:

16.2.1 such delegation shall be by an agreement which is made or evidenced in writing;

16.2.2 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;

16.2.3 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;

16.2.4 the Charity shall be entitled at any time and without notice to review, alter or determine the delegation or its terms;

16.2.5 the Charity shall review the arrangements for delegation at intervals not (in the absence of special reasons) exceeding 4 months, but so that any failure by the Charity to undertake such review within the period of 4 months shall not invalidate the delegation.

17. APPOINTMENT AND RETIREMENT OF DIRECTORS

17.1 Directors shall be appointed in accordance with any regulations made by the Charity for the purpose from time to time under Article 27.1.3 and as follows:

17.1.1 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 postal ballot in accordance with Article 28, 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;

17.1.2 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;

17.1.3 All Directors howsoever appointed must comply with the Charity Commission's guidance on the duties and responsibilities of trustees and with the Charity's terms of reference for Directors insofar as such terms do not conflict with these Articles.

17.2 All Directors shall be appointed for a fixed term of office of four years from

17.2.1 in the case of elected Directors, the date of their appointment at the relevant AGM at which the result of the postal ballot is announced; and

17.2.2 in the case of co-opted Directors, the date of the first general meeting after their appointment.

17.3 Prior to the expiry of a Director's term of office:

17.3.1 in the case of elected Directors, the members of the Charity by postal ballot in accordance with Article 28 may extend that elected Director's term of office by up to a further four years; and

17.3.2 in the case of co-opted Directors, the Directors may vote, without that co-opted Director being present or voting, to extend that co-opted Director's term of office by up to a further four years.

17.4 A Director's term of office may run for a maximum of eight years from the date of their appointment at the relevant AGM (in the case of an elected Director) or from the date of the first general meeting after their appointment (in the case of a co-opted Director) under Articles 17.2 and 17.3 above. A Director whose term of office has been extended under Article 17.3 above and whose term of office as extended has subsequently expired may thereafter be re-appointed for further terms of office in

accordance with these Articles, provided that he or she has not been a Director of the Charity in the twelve months immediately preceding the re-appointment.

- 17.5 The Board shall have the power to waive the requirement in Article 17.4 for twelve months to elapse before a Director may be eligible for re-appointment.
- 17.6 Should the office of an elected Director be vacated in accordance with Article 18 and the Director is not immediately being replaced in accordance with Article 17.1.1, 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 postal ballot in accordance with Article 28. Such a Director shall still be counted as an elected Director for the purpose of counting the available vacancies on the Board.

18. DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 18.1 The office of a Director shall be vacated if:
 - 18.2 he or she becomes prohibited by law from being a Director; or
 - 18.3 he or she becomes bankrupt, insolvent, or makes any arrangement or composition with his or her creditors generally; or
 - 18.4 he or she becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs;
 - 18.5 he or she resigns his or her office by notice to the Charity;
 - 18.6 he or she is removed by the members of the Charity in accordance with the provisions of the Act;
 - 18.7 he or she dies; or
 - 18.8 the Board resolves that a Director be removed from office on the grounds of that Director's inappropriate conduct. Such a resolution to remove a Director from office may only be passed if:
 - 18.8.1 the Director has been given at least twenty-one days' notice in writing of the meeting of the Directors at which the resolution will be proposed and the reasons why it is to be proposed;
 - 18.8.2 prior to the vote on the resolution, the Director has been allowed to make representations to the meeting at which the resolution is proposed; and
 - 18.8.3 at least two thirds of the Directors then in office (excluding the Director it is proposed to remove) vote in favour of the resolution.

19. DIRECTORS' REMUNERATION

The Directors shall not be paid any remuneration unless it is authorised by Article 5.

20. PROCEEDINGS OF THE DIRECTORS

- 20.1 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.
- 20.2 Any Director may participate in a meeting of the Directors or a committee constituted pursuant to Article 16 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.
- 20.3 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.
- 20.4 The Directors shall appoint one of their number to be the chairperson of the Board (in addition to being a Director). 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.
- 20.5 The chairperson's term of office shall be four years commencing on the date of their appointment, provided that
- 20.5.1 the chairperson's appointment shall terminate upon their ceasing to be a Director; and
- 20.5.2 the chairperson's appointment shall terminate upon the Board resolving to remove the chairperson from their office as chairperson .
- 20.6 Prior to the expiry of a chairperson's term of office, the Directors may vote to extend that chairperson's term of office by up to a further two years.
- 20.7 A chairperson's term of office may run for a maximum of eight years under Articles 20.5 and 20.6 above. A chairperson whose term of office has been extended under Article 20.6 above and whose term of office as extended has subsequently expired may thereafter be re-appointed for further terms of office in accordance with these Articles, provided that he or she has not been the chairperson in the four years immediately preceding the re-appointment.

- 20.8 If there is no Director holding the office of chairperson, 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.
- 20.9 The Directors shall appoint any one of their number to be deputy chairperson of the Board (in addition to being a Director).
- 20.10 The deputy chairperson's term of office shall be three years commencing on the date of their appointment, provided that
- 20.10.1 the deputy chairperson's appointment shall terminate upon their ceasing to be a Director; and
- 20.10.2 the deputy chairperson's appointment shall terminate upon the Board resolving to remove the deputy chairperson from their office.
- 20.11 Prior to the expiry of a deputy chairperson's term of office, the Directors may vote to extend that deputy chairperson's term of office by up to a further two years.
- 20.12 A deputy chairperson's term of office may run for a maximum of five years under Articles 20.10 and 20.11 above. A deputy chairperson whose term of office has been extended under Article 20.11 above and whose term of office as extended has subsequently expired may thereafter be re-appointed for further terms of office in accordance with these Articles, provided that he or she has not been the deputy chairperson in the three years immediately preceding the re-appointment.
- 20.13 All acts done by any meeting of the Directors or of a committee constituted pursuant to Article 16, 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.
- 20.14 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.
- 20.15 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 16 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).

20.16 The Directors may invite any member or third party (which may for the avoidance of doubt include the chief executive officer of the Charity) 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.

21. HONORARY PRESIDENT

21.1 The Directors from time to time shall have discretion to appoint and remove an Honorary President to work alongside the Board in an advisory capacity.

21.2 The Honorary President may be invited to attend Board meetings at the discretion of the Board. For the avoidance of doubt, the Honorary President shall have no right to vote and shall not be counted in the quorum of Board meetings.

21.3 The appointment of the Honorary President shall normally be for a term of 3 years which may be renewable at the discretion of the Directors.

21.4 The role of Honorary President shall be to support and promote the work of the Charity and, whilst such person may be delegated certain functions on behalf of the Board, they shall remain answerable to the Board at all times.

22. MINUTES

22.1 The Directors shall cause minutes to be made in books kept for the purposes:

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

22.1.2 of all appointments of officers made by the Directors; and

22.1.3 of all proceedings at meetings of the Charity and of the Directors and of committees constituted pursuant to Article 16 including the names of Directors and members (as appropriate) present at each such meeting.

PART 5 -ADMINISTRATIVE ARRANGEMENTS

23. ACCOUNTS AND ANNUAL REPORT

23.1 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.

- 23.2 The Directors must prepare accounts and keep accounting records as required by the Act.
- 23.3 The Directors shall comply with the requirements of the Charities Act 2011 (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.
- 23.4 The Directors shall notify the Commission of any changes to the Charity's entry on the Register of Charities.

24. DOCUMENTS SENT IN ELECTRONIC FORM OR BY MEANS OF A WEBSITE

- 24.1 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.
- 24.2 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.
- 24.3 Subject to the Articles, anything sent or supplied by or to the Charity under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Charity.
- 24.4 Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- 24.5 Subject to the Articles, any notice to be given to or by any person pursuant to the Articles:
- 24.5.1 must be in writing; or
- 24.5.2 must be given in electronic form.

25. NOTICES

- 25.1 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.

- 25.2 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.
- 25.3 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.
- 25.4 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.
- 25.5 Where a notice is sent by an electronic form of communication, the notice shall be deemed to have been given 48 hours after it was sent.
- 25.6 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.

26. WINDING UP

- 26.1 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 Article 4.2.18 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.

27. INDEMNITY

- 27.1 Subject to the provisions of, and so far as may be permitted by, the Act and the Charities Act 2011 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.

28. REGULATIONS

- 28.1 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:
- 28.1.1 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;
 - 28.1.2 the conduct of members of the Charity in relation to one another, and to the Charity's officers, employees and agents;
 - 28.1.3 the conduct of any elections for appointment of Directors by general meeting of the Charity in accordance with Article 17.1.1;
 - 28.1.4 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;
 - 28.1.5 the procedure at general meetings and meetings of the Directors and committees constituted pursuant to Article 16 in so far as such procedure is not regulated by these Articles;

28.1.6 and, generally, all such matters as are commonly the subject matter of such rules,

28.2 provided, nevertheless, that no rule or bye-law shall be inconsistent with or shall affect or repeal anything contained in these Articles.

28.3 The Directors shall have power to alter or repeal the regulations referred to in Article 28.1 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 28 which, so long as they shall be in force, shall be binding on all members.

29. POSTAL VOTING

29.1 The Charity may, if the Directors so decide, allow the members to vote by post or electronic mail ('email') to elect Directors in accordance with Article 17.1.1. or to make a decision on any matter that may otherwise have been decided at a general meeting of the members.

29.2 The Directors must appoint at least two persons independent of the Charity to serve as scrutineers to supervise the conduct of the postal/email ballot and the counting of votes.

29.3 If postal and/or email voting is to be allowed on a matter, the Charity must send to members not less than (21] days before the deadline for receipt of votes cast in this way:

29.3.1 a notice by email, if the member has agreed to receive notices in this way including an explanation of the purpose of the vote and the voting procedure to be followed by the member, and a voting form capable of being returned by email or post to the Charity, containing details of the resolution being put to the vote, or of the candidates for election, as applicable;

29.3.2 a notice by post to all other members, including a written explanation of the purpose of the postal vote and the voting procedure to be followed by the member; and a postal voting form containing details of the resolution being put to a vote, or of the candidates for election, as applicable.

29.4 The voting procedure must require all forms returned by post to contain the member's name and signature and be placed in an envelope addressed to 'The Scrutineers for The Thoroughbred Breeders Association' at the Charity's principal office or such other postal address as is specified in the voting procedure.

29.5 The voting procedure for votes cast by email must require the member's name to be at the top of the email, and the email must be authenticated in the manner specified in the voting procedure.

- 29.6 Email votes must be returned to an email address used only for this purpose and must be accessed only by a scrutineer.
- 29.7 The voting procedure must specify the closing date and time for receipt of votes, and must state that any votes received after the closing date or not complying with the voting procedure will be invalid and not be counted.
- 29.8 For postal votes, the scrutineers must retain the internal envelopes (with the member's name and signature). For email votes, the scrutineers must cut off and retain any part of the email that includes the member's name. In each case, a scrutineer must record on this evidence of the member's name that the vote has been counted, or if the vote has been declared invalid, the reason for such declaration.
- 29.9 Votes cast by post or email must be counted by all the scrutineers before the meeting at which the result of the vote is to be announced. The scrutineers must provide to the person chairing the meeting written confirmation of the number of valid votes received by post and email and the number of votes received which were invalid.
- 29.10 Following the final declaration of the result of the vote, the scrutineers must provide to a Director or other authorised person bundles containing the evidence of members submitting valid postal votes; evidence of valid email votes, evidence of invalid votes, the valid votes; and the invalid ones.
- 29.11 Any dispute about the conduct of a postal or email ballot must be referred initially to a panel set up by the Directors, to consist of two Directors and two persons independent of the Charity. If the dispute cannot be satisfactorily resolved by the panel it must be referred to the Electoral Reform Services.

30. INTERPRETATION

- 30.1 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.