

Following my update on the outcome of the EGM held in February 2025, we had sought feedback from members who had concerns and objections to the proposed changes of the Articles of Association and Club Rules. The Board has received and considered the feedback received.

To make it easier to see and understand the changes that the Board is proposing, we have laid out below the feedback received and set out:-

- (a) the concern
- (b) the original thinking of the Board and the proposed changes and
- (c) the proposed amended language in the Articles and Rules.

We hope you will find this a useful and easy document to follow.

<b>Concern</b>	<b>Restrictions on Standing for Commodore (A6.2)</b> The requirement that candidates for Commodore must have served as a director for at least three years unless approved by 75% of the existing directors is an unfair restriction
<b>Proposal</b>	The concern is noted. The intention and general practice at Newport Boat Club was that anybody being proposed for Commodore would have at least served in the capacity as Vice Commodore and/or have some degree of knowledge and experience of the Club having served on the Board (or previously the Management Committee), thus providing a degree of continuity and familiarity with other Board members. The Board agrees that three years is too long but feels that to note the importance of continuity, wishes to maintain one year only. Nevertheless, a Commodore can be elected without having served as a director of the club because the one-year rule can be waived by a vote of directors in a board meeting, if a suitable candidate were to emerge with the requisite skills with 75% approval. Finally, the Members have the final say by having to elect the appointment of the Commodore at the AGM.
<b>Revised Wording in Articles/Rules</b>	A6.2. Officers shall be elected by the Full Members at the AGM each year or co-opted by the Directors in accordance with Article 8.2. All Officers shall hold office from the conclusion of the AGM in which they are appointed until the conclusion of the AGM the following calendar year. All Officers shall be eligible to stand for re-election, except that no-one may serve as Commodore for more than 3 successive years or as Treasurer for more than 5 successive years.  Candidates for Commodore must have previously served as a director or a member of the management committee of Newport Boat Club for at least 1 year.  This requirement may, however, be waived for a suitably qualified candidate subject to a vote at a meeting by a 75% majority of the existing Directors.
<b>Concern</b>	<b>Raising the Bar for Calling a Special General Meeting (A14.6)</b> Under the proposed amendments, members would need at least 10% of the full membership to call a Special General Meeting, compared to the current requirement of just 30 members. Furthermore, this

	threshold contradicts the Companies (Shareholders Rights) Regulation 2009, which reduced the requirement in the Companies Act 2006 from 10% to 5% to empower shareholders.
<b>Proposal</b>	The Board accepts 5% in accordance with the requirements of Companies (Shareholders Rights) Regulation 2009
<b>Revised Wording in Articles/Rules</b>	A14.6. A Special General Meeting (SGM) may be called by the Directors at any time, and must be called within 21 days of a written request from at least 5% of the Full Membership, and the meeting date must be at least 14 and not more than 28 days after the meeting is called. The notice calling a SGM shall indicate the business to be discussed and set out the terms of any proposed resolutions.
<b>Concern</b>	<b>Limitations on Amending the Articles (A18.1)</b> Currently, any member can propose amendments to the Club's Articles, ensuring an inclusive and democratic process. The new requirement that 5% of the membership must support any amendment before it is considered creates unnecessary barriers to change.
<b>Proposal</b>	With now over 1,200 full members and potential for legal cost of agreeing changes to the Articles, the Board genuinely felt that the number should increase to around 60 (5%). However, the Board is happy to accept the present position of proposer and seconder with 30 members in support. The Companies (Shareholders Rights) Regulation 2009 does not specify whether the minimum number for amending articles is 5%. Therefore, it is proposed that we revert to the previous position in the Club's articles
<b>Revised Wording in Articles/Rules</b>	A18.1. These Articles may be amended by special resolution of the Full Members. In accordance with the Act, the proposed resolution must be moved by EITHER the Directors OR a proposer and seconder with the support of at least 30 Full Members.
<b>Concern</b>	<b>The Introduction of an Unelected Elders Body (A1.2)</b> The establishment of an unelected body of "Elders" to oversee honorary appointments and disciplinary appeals is concerning. There is no clarity on their selection process, qualifications, or accountability to members. Of those listed as possible Elders it is my understanding none would wish to accept the position. There is no need for this unelected body and both honorary appointments and disciplinary appeals should be dealt with by the board.
<b>Proposal</b>	The rationale for the introduction of Elders was twofold to: <ul style="list-style-type: none"> <li>a) Introduce a fair and independent appeals process following the disciplining of a member which currently does not exist, and should reduce the risk of a potentially costly legal action against the Club, and</li> <li>b) provide independent due process to ensure against misuse of honorary appointments and gifts following recent criticism from a number of members.</li> </ul> <p>The proposed Rule did in fact set out the selection process, qualifications and responsibilities of Elders. Nevertheless, the Board</p>

	agrees to remove the introduction of Elders, but wishes to set up an appropriate independent appeals process for the reason outlined
<b>Revised Wording in Articles/Rules</b>	Reference to Elder removed and the following clauses amended in the Rules.  R11.3 Generally a Rule 11 Action will initially be investigated by an uninvolved Director to determine the facts, then considered by a disciplinary panel consisting of three further independent and uninvolved Directors. The right of appeal shall exist to a panel consisting of three uninvolved Members acceptable to the appellant and Board. The outcome of an appeal is final.  R11.4 If the Member is a Director, or if there is no uninvolved Director, then the investigation and initial hearing shall be carried out by three uninvolved Members acceptable to the defendant and Board. In this case the appeal panel shall be a different three uninvolved Members acceptable to the appellant and Board.
<b>Concern</b>	<b>A.12.</b> Honorary Membership has been applied by years of precedent. This is an unnecessarily complex rule.
<b>Proposal</b>	Revised wording proposed for article 12
<b>Revised Wording in Articles/Rules</b>	A12. Nominations for appointment to an honorary class of membership (such as Vice-President or Honorary Life Member) shall be subject to approval of 75% of Board members present at a quorate meeting and submitted for approval by a simple majority of Full Members present (in person or by proxy) at a General Meeting.
<b>Concern</b>	<b>Expansion of Club Objectives to Include Non-Members (A3.1.b)</b> The inclusion of “the wider community” in the Club’s objectives represents a fundamental shift in purpose. While promoting water sports to the local community is commendable, the Club is funded by its members and should primarily serve their interests. Allowing non-members access to facilities without appropriate contribution undermines the fundamental nature of Newport Boat Club as a members’ club.
<b>Proposal</b>	It has never been the intention of the Board to change the nature of the NBC as a private members Club. We do, however, recognise that the Club has to exist, operate and be a part of the local community. The purpose of including the word Community within the Objectives was to recognise this, and also that it is an important factor for most grant funding bodies should the opportunity arise such as for a new safety boat or Celtic Long boat. Agreed to the removal of this specific term from Article 3.1b
<b>Revised Wording in Articles/Rules</b>	A3. OBJECTS A3.1. The Club has been established for the following purposes: a) to hold all of the assets and liabilities transferred from the precursor unincorporated body known as Newport Boat Club;

	<p>b) to promote and facilitate Member participation in healthy recreation by the provision of facilities for the sport of Boating; and to provide social and other facilities for Members, including a clubhouse and appropriately licensed facilities, as may from time to time be determined by the Directors.</p>
<b>Concern</b>	<p><b>A9.2 VAT:</b> A minor note but, all mileage claims must be accompanied by a valid VAT receipt for the purchase of fuel (HMRC)</p>
<b>Proposal</b>	<p>The concern was noted but there are occasions where a receipt may not be available for the purpose and board felt that a balanced approach should be adopted.</p>
<b>Revised Wording in Articles/Rules</b>	<p>A9.2. The Club may pay any reasonable expenses which the Directors properly incur in connection with the discharge of their responsibilities in relation to the Club, and claims should be supported by a VAT receipt wherever practicable.</p>
<b>Concern</b>	<p><b>A11.4.</b> New membership classes may be proposed by the directors but should be approved by the Members</p>
<b>Proposal</b>	<p>Already changed in the final draft presented to Members</p>
<b>Revised Wording in Articles/Rules</b>	<p>A11.4. The Directors may propose different classes of Membership, and who will be eligible for admission to them and what their rights and obligations will be, subject to approval by members at a General Meeting.</p>
<b>Concern</b>	<p><b>A20. Dissolution:</b> If a new class of spouse voting membership for a 50% premium in fee is ratified, to be fair and equitable, the distribution calculations will need amending.</p>
<b>Proposal</b>	<p>Offering joint membership is something that has been requested by many members over many years, particularly when both partners are active participants in Club affairs. It is also something that is offered by virtually all other similar clubs. There are three points to consider regarding Associate members:</p> <ol style="list-style-type: none"> <li>1. They have no right to vote at, or even attend, General Meetings (and some of them resent being excluded and so being denied the opportunity to participate and express their views);</li> <li>2. They cannot serve on any committee of the Club (so we miss out on a sizeable pool of volunteer talent);</li> <li>3. They get no share of the proceeds in the unlikely event of the Club being dissolved (although this has never arisen as a driver for change).</li> </ol> <p>For these reasons, and to reflect a more inclusive and equal world, the Board believe that the proposed change is the right way to proceed. However, although dissolution is unlikely, the residual amount to be distributed would no doubt be very small, and Members in different categories have already paid very different amounts for each 'point', if this is really seen as a major obstacle to acceptance then we suggest</p>

	referring the whole joint membership topic to a working group to be established in the Autumn to come back to the Board with recommendations.
<b>Revised Wording in Articles/Rules</b>	Remove Joint Membership from Rule 8 and column 3 of Rule 9.1, and delete Rule 9.3(a).
<b>Concern</b>	<p><b>A15:Records and Accounts</b></p> <p>Should budgets be shared with membership? There is no reference to financial planning.</p> <p>Budgeting Process (not mentioned in the Articles or Rules because we were told it is covered in the Operations Manual. This was not revealed by the EGM and there is no sign of it).</p> <p>Members have not seen the Operations Manual, so the recommended process below may or may not be covered:-</p> <p>(i) Each Department has regular monthly/quarterly meetings in which the financial performance against budget is compared and reported to the Treasurer and Club Admin Manager (CAM).</p> <p>(ii) Capital Expenditure (Capex) requirements are discussed and recorded at those meetings.</p> <p>(iii) Forecasts are prepared for the following year and made available to the Treasurer and CAM at least 6 weeks before the Financial Year end including Capex requirements. This gives the Treasurer time to consolidate the forecast Cash Flows for the departments into a single NBC forecast for the whole Club in time for approval by the Management Committee and the Board of Directors.</p> <p>(iv) Meeting dates for the next year for each Department to be circulated to committee members at the same time as (iii) above.</p>
<b>Proposal</b>	<p>These requirements make the AGM operational.</p> <p>Presentation of budgets is not a requirement of other companies – large or small, and is not appropriate to the AGM.</p> <p>The Board’s view is that we are a boat club and the suggested requirements are not appropriate, and the requirements as set out add limited value. The new Articles do, however, add a new requirement for a 5-year plan to be presented at each AGM.</p> <p>Proposal not accepted</p>
<b>Revised Wording in Articles/Rules</b>	No change required
<b>Concern</b>	<p><b>Rule 1.1 -Treasurer</b></p> <p>What is and where is the Administration Operations Manual?</p>
<b>Proposal</b>	<p>This was discussed although the publication of an operations manual is not a requirement of other incorporated bodies.</p> <p>The Board does not agree that the Manual should be published as proposed.</p> <p>However, the board recognises the concern and proposes to clarify that the Administrations Manual, for which the Treasurer is responsible, includes all relevant policies and procedures.</p>

<b>Revised Wording in Articles/Rules</b>	<b>Rule 1.1 Treasurer</b> Treasurer (b) amend to read “Oversees the production and maintenance of the Administration Operations Manual to include all relevant policies and procedures, relevant parts of which will be made available to all staff, and which will be reviewed in total and updated at least annually.”
<b>Concern</b>	<b>Rule 1.1 – Boating Secretary</b> The absence of the above position as a nominated officer to the Board was an issue
<b>Proposal</b>	Officer positions had been rationalised to being the heads of functions. The Boating Secretary position still very much exists, but is not a head of function. Nevertheless, we accept this change.
<b>Revised Wording in Articles/Rules</b>	<b>Rule 1.1 and Article 6.1</b> Add Boating Secretary to Article 6.1 and move Boating Secretary from Rule 1.2 to Rule 1.1
<b>Concern</b>	<b>Rule 7 – Membership</b> Why no proposer (or seconder) for a new member?
<b>Proposal</b>	The concern is acknowledged. There are three main reasons: <ul style="list-style-type: none"> <li>- There is no requirement in company or licencing law for applicants to be proposed or seconded; and</li> <li>- The original intention of having proposers and seconders was to identify existing members who could vouch for the applicant. In practice, many applications have proposers and seconders who barely know the applicants, or even have these fields blank; and</li> <li>- We are trying to make becoming a member easier and requiring proposers and seconders for online applications would be overly <del>make this overly</del> cumbersome.</li> </ul> <p>The Board will continue the practice of reviewing, and if appropriate ratifying, new member applications at its meetings.</p>
<b>Revised Wording in Articles/Rules</b>	No changes required

The Board has listened to concerns and sought to accommodate the majority of the those raised. Where the Board has not been able to accept the concern, every effort has been made to consider other options to try and achieve an accommodation.

The draft proposals for the Articles and Rules are available on the Club website -

I would hope that you agree that the revised articles are now more reflective of the concerns and the Board has sought to accommodate the concerns raised. The Board is proposing to put the revised Articles for approval by members at the forthcoming **Annual General Meeting of Newport Boat Club Limited which will be held on Thursday, August 21<sup>st</sup>, 2025 at 18.30** in the Commodore’s Lounge. A further notification of the meeting will be sent out nearer the time.

In the interim, the Board proposes to hold a number of meetings – both virtual and in-person – to allow members to understand and ask questions or queries regarding the revised Articles. These meetings will be held as follows, all starting at 18.30:-

Monday	July 21 <sup>st</sup>	Virtual
Tuesday	July 29 <sup>th</sup>	Nevern Room, Newport Boat Club
Wednesday	August 13 <sup>th</sup>	Nevern Room, Newport Boat Club

Can you please notify the Company Secretary if you wish to join a Virtual meeting in order that a link may be forwarded.

If there are any other issues which have not been addressed or resolved, could I ask that you make these known to the Company Secretary – [cosec@newportboatclub.co.uk](mailto:cosec@newportboatclub.co.uk). Otherwise we look forward to seeing as many of you as possible at the Annual meeting in August

Charles Searle  
Commodore