

THE COMPANIES ACTS 1985 to 1989

**COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL**

ARTICLES OF ASSOCIATION

of

THE TOURISM ALLIANCE LIMITED

Company number 05106422

1.0 PRELIMINARY

- 1.1 The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No. 1052) and as further amended by The Companies Act 1985 (Electronic Communications) Order 2000 (SI 2000 No. 3373) (such Table being hereinafter called "**Table A**") shall apply to the company save in so far as they are excluded or varied hereby and such regulations (save as so excluded or varied) and the articles hereinafter contained shall be the Articles of Association of the company.
- 1.2 Regulations 2 to 35 (inclusive), 54, 55, 57, 59, 102 to 108 (inclusive), 110, 114, 116 and 117 of Table A shall not apply to the company.
- 1.3 In these articles the expression "the Act" means the Companies Act 1985, but so that any reference in these articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

2.0 INTERPRETATION

- 2.1 In regulation 1 of Table A, the definition of "**the holder**" shall be omitted.
- 2.2 In Table A, the terms "member" and "membership" shall be construed as relating to "full members" and "full membership" and not to "associate members", "associate membership", "affiliate members" or "affiliate membership" as set out in Clause 3.2 below.

3.0 MEMBERS

- 3.1 The subscribers to the memorandum of association of the company and such other persons as

are admitted to full membership in accordance with these articles, shall be members of the company. No person shall be admitted as a full member, associate member or affiliate member of the company unless he is approved by the directors. Every person who wishes to become a full member, associate or affiliate member shall deliver to the company an application for full membership associate membership or affiliate, in such form as the directors require, executed by him. Membership shall not be granted until subscription fees, as set out in Clause 3.6, are received in full by the company.

- 3.2 (a) Membership is open to all associations or representative bodies in the private, public or voluntary sectors whose activities involve the field of tourism in the United Kingdom. There shall be three categories of membership, full membership, associate membership and affiliate membership.
- (b) To be eligible for full membership, associations or representative bodies must either be open to members based throughout the United Kingdom or throughout one of the nations of England, Scotland or Wales or the province of Northern Ireland, or their representative work must extend throughout the United Kingdom or throughout one of the nations of England, Scotland or Wales or the province of Northern Ireland.
- (c) To be eligible for associate membership, associations or representative bodies must either be open to members based in a region, city or local area of the United Kingdom, or their representative work must be primarily focused on the interests of a region, city or local area. The Board shall have discretion to accept as associate members any other organisations active in UK tourism which are not eligible for full membership. Associate members are not members of the company for the purposes of the Articles or the Act but may have such rights and obligations as set out in the Articles.
- (d) To be eligible for affiliate membership, organizations must be public or private corporations, companies and other bodies, corporate or unincorporated, who are interested in furthering the objectives of the Association. Associate members are not members of the company for the purposes of the Articles or the Act but may have such rights and obligations as set out in the Articles.
- 3.3 Full membership shall entitle members to vote at general meetings of the company. Associate members and affiliate members shall be entitled to attend and speak at general meetings of the company, but neither associate membership nor affiliate membership shall carry voting rights at general meetings of the company. Full members may only claim full membership and associate members may only claim associate membership and affiliate members may only claim affiliate membership of the company in the form or forms prescribed by the Board from time to time.
- 3.4 Full membership, associate or affiliate membership of the company shall not be used to indicate or imply the status of a regulated or approved business for the purposes of the UK Package Travel, Package Holiday and Package Tours Regulations 1992 (as amended) or otherwise to indicate to consumers or others that the member's membership of the company affords them any protection of any sort. Members shall not publish any statement whatsoever purporting to reflect the opinion or view of the company or of the board of directors of the company without having received the prior written authorisation of the board of directors of the company or of the Chair or Executive Director of the company.
- 3.5 A member may at any time withdraw from the company by giving 12 months' written notice to the company. No refund of any 'unused' proportion of the full, associate or affiliate membership fee shall be refunded as applicable on a member withdrawing from the company. Neither full membership, associate membership nor affiliate membership shall be transferable and any membership shall cease on insolvency/liquidation.

- 3.6 Full membership, associate and affiliate membership fees as determined from time to time by the board of directors shall be payable by each full member, associate member or affiliate member in full on demand of the board of directors. In respect of new members, full membership, associate membership or affiliate fees for the period in which membership commences shall be payable as applicable, pro rata. Such membership fee shall be used to fund the proposed budget, reflecting the proposed services and activities required, together with a reserve fund maintained by the company.
- 3.7 Members may, by agreement, subscribe additional funds in respect of specific projects or additional activities as agreed from time to time.
- 3.8 The board of directors may make calls upon members in respect of any outstanding subscription or annual full membership, associate membership or affiliate fees and members shall (subject to receiving at least 14 clear days' notice specifying when and where payment is to be made) pay to the company as required by the notice the amount called on their full membership, associate or affiliate membership as appropriate.
- 3.9 A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
- 3.10 If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the right of membership in respect of which the call was made will be liable to be forfeited.
- 3.11 If the notice is not complied with any right of membership in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the board of directors.
- 3.12 A person any of whose full membership has been forfeited shall remain liable to the company for all moneys which at the date of forfeiture were presently payable by him to the company in respect of such full membership.
- 3.13 A statutory declaration by a director or the secretary that a right of membership has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to such membership.
- 3.14 (a) The board of directors shall have the power to terminate the membership of any member if it resolves that:
- (i) such member's conduct in relation to the company; or
 - (ii) the operation of such member's business; or
 - (iii) such member's conduct in relation to its own customers' reasonable interests either
- does not represent acceptable practice or may bring the Tourism Industry into disrepute.
- (b) The board of directors shall have the power to resolve to terminate the membership of any member in circumstances where such member has failed to pay the applicable annual subscription within 3 months from the date on which such subscription becomes due and payable.

- 3.15 If the board of directors resolve to terminate a membership in accordance with clause 3.14 above, the member shall be called to answer the conduct complained of at a hearing of a panel consisting of the Chair, Executive Director and two full members who are not directors of the company, and shall be given a period of 28 days to address the issue or issues. The matter shall then be considered again by the board of directors and only then may membership be terminated. There shall be no right of appeal, but a former member may subsequently request that the board of directors review its decision if there should be a material change in circumstances.
- 3.16 Associate members or affiliate members shall have no liability to the company or to third parties in respect of debts, liabilities and obligations of the company and shall be required only to account to the company for the amount of the annual associated membership fee.

4.0 GENERAL MEETINGS AND RESOLUTIONS

- 4.1 (a) 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 director shall be called by at least twenty eight clear days' notice. All other extraordinary general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed:
- (i) in the case of an annual general meeting, by all the full members entitled to attend and vote thereat; and
 - (ii) in the case of any other general meeting by a majority in number of the full members having a right to attend and vote being a majority together holding not less than 90% of the total voting rights at the meeting of all the full members.
- (b) The notice shall specify the time and place of the meeting and the general nature of the business to be transacted. The notice of an annual general meeting, shall specify the meeting as such and shall, in the same notice, invite full members to stand as candidates to serve as a member of the Advisory Council.
- (c) The directors may make such lawful arrangements as they see fit in respect of physical attendance and/or remote attendance at a general meeting. The entitlement of any person to attend and participate in a general meeting shall be subject to such arrangements.
- (d) The notice shall be given to all the full members, associate members and affiliate members and to the directors, Members of the Advisory Council and auditors.
- (e) Regulation 38 of Table A shall not apply to the company.
- 4.2 (a) No business shall be transacted at any general meeting unless a quorum is present. Subject to article 4.2(b) below, ten full members present and entitled to vote upon the business to be transacted, each being a full member or a proxy of a full member or (if the full member is an incorporated entity) a duly authorised representative, shall be a quorum.
- (b) If and for so long as the company has only one full member, that full member present in person or by proxy or (if the full member is an incorporated entity) their duly authorised representative shall be a quorum.

- (c) If a quorum is not present within half an hour from the time appointed for a general meeting 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 therefor such adjourned general meeting shall be dissolved.
 - (d) Regulations 40 and 41 of Table A shall not apply to the company.
- 4.3
- (a) If and for so long as the company has only one full member and that full member takes any decision which is required to be taken in general meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the company in general meeting, subject as provided in article 4.3(c) below.
 - (b) Any decision taken by a sole full member pursuant to article 4.3(a) above shall be recorded in writing and delivered by that full member to the company for entry in the company's minute book.
 - (c) Resolutions under section 303 of the Act for the removal of a director before the expiration of his period of office and under section 39] of the Act for the removal of an auditor before the expiration of his period of office shall only be considered by the company in general meeting.
- 4.4
- (a) The words "and at any separate meeting of the holders of any class of shares in the company" shall be omitted from regulation 44 of Table A.
 - (b) Paragraph (d) of Regulation 46 of Table A shall be omitted.
- 4.5 On a show of hands, every full member present in person shall have one vote. On a poll, every full member present in person or by proxy shall have one vote.
- 4.6 Resolutions of the company to be proposed and passed as special resolutions shall be voted on in general meeting by way of a poll.

5.0 APPOINTMENT OF DIRECTORS

- 5.1
- (a) Regulation 64 of Table A shall not apply to the company.
 - (b) There shall be 7 directors of the company as follows:
 - (i) Chair
 - (ii) First Vice Chair
 - (iii) Second Vice Chair
 - (iv) Secretary
 - (v) Treasurer
 - (vi) Past Chair; and
 - (vii) Associate Representative

- (c) The Chair, First Vice Chair, Second Vice Chair, Secretary and Treasurer shall be members of the advisory council. The Chair, First Vice Chair, Second Vice Chair, Secretary and Treasurer shall be appointed annually by the advisory council from amongst their number at the first advisory council meeting following the annual general meeting (“the annual appointment meeting”). They shall remain as directors until the end of the next annual appointment meeting where they may be reappointed by the advisory council (provided they are still a member of the Advisory Council. The procedure for nominations and appointments shall be agreed by the directors from time to time.
- (d) The Associate Representative shall be a representative of an associate member. The Associate Representative shall be appointed annually by a simple majority of the associate members at the annual general meeting. They shall remain as directors until the end of the next annual general meeting where they may be reappointed by a simple majority of the associate members at the annual general meeting. The procedure for nominations and appointments shall be agreed by the directors from time to time. For the avoidance of doubt any resolution of the associate members is not an ordinary or special resolution of the company as associate members are not company law members of the Company.
- (e) On expiry of a Chair’s term in office they shall automatically become the Past Chair (and serve until the Chair who replaced them becomes the next Past Chair).

5.2 The directors may appoint and remove an Executive Director who shall not be a director of the Company.

5.3 The directors shall not be required to retire by rotation and regulations 73 to 80 (inclusive) of Table A shall not apply to the company.

5.4 (a) In regulation 82 of Table A, the word "directors" shall be replaced with the words "Executive Director".

(b) The directors shall not receive remuneration from the company in respect of their services.

5.5 (a) Regulation 83 of Table A shall not apply to the company;

(b) The board of directors of the company may in exceptional circumstances authorise in advance expenses necessarily and actually incurred by a director or officer of the company in representing the company.

5.6 In the event of a casual vacancy among the directors, the board of directors may co-opt a member of the Advisory Council to fill the vacancy . A director so co-opted may serve only until the next annual appointment meeting and must then retire.

5.7 The board of directors may remove a director whose conduct in relation to the company does not represent acceptable practice or may bring the UK Tourism Industry into disrepute, or who is the representative of full member whose membership has been forfeited in accordance with clause 3 above.

6.0 BORROWING POWERS

6.1 The directors may exercise all the powers of the company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and to grant any mortgage, charge or standard security over its undertaking and property, or any part thereof, and to issue debentures, whether outright or as security for any debt, liability or obligation of the company or of any third party.

7.0 ALTERNATE DIRECTORS

7.1 A director, or any such other person as is mentioned in regulation 65 of Table A may act as an alternate director to represent more than one director, and an alternate director shall be entitled at any meeting of the directors or of any committee of the directors to one vote for every director whom he represents in addition to his own vote (if any) as a director, but he shall count as only one for the purpose of determining whether a quorum is present.

8.0 GRATUITIES AND PENSIONS

8.1 (a) The directors may exercise the powers of the company conferred by its memorandum of association in relation to the payment of pensions, gratuities and other benefits and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

(b) Regulation 87 of Table A shall not apply to the company.

9.0 PROCEEDINGS OF DIRECTORS

9.1 The quorum for meetings of directors shall be three.

9.2 A director may not vote at any meeting of the directors or of any committee of the directors, on any resolution which in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever. In relation to any such resolution as aforesaid such director shall however be taken into account in calculating the quorum present at the meeting.

9.3 Each director shall comply with his obligations to disclose his interest in contracts under section 317 of the Act.

9.4 Directors' meetings do not need to take place in one physical place. Directors participate in (and form part of the quorum in relation to) a directors' meeting, or part of a directors' meeting, when they can contemporaneously communicate with each other by any means. If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

9.5 Regulations 94 to 97 (inclusive) of Table A shall not apply to the company.

9.6 The directors may from time to time make such rules as they may deem necessary or expedient or convenient for the proper conduct and day to day management of the company.

9.7 the directors may delegate:

- (a) any of their powers or functions to any committee; and
 - (b) the implementation of their decisions, or the day-to-day management of the company's affairs, to any person or committee (including the advisory council).
- 9.8 The directors may delegate by such means; to such an extent; in relation to such matters or territories; and on such terms and conditions as they think appropriate. They may allow those to whom a responsibility has been delegated to delegate further; and may change or terminate the delegation arrangements at any time .

10.0 ADVISORY COUNCIL

- 10.1 An Advisory Council shall be elected in accordance with the articles as set out below.
- 10.2 The maximum number of elected Advisory Council members shall be 15. The minimum number of Advisory Council members may be determined from time to time by ordinary resolution.
- 10.3 The Board may determine the process for nomination and election to the Advisory Council.
- 10.4 Advisory Council members shall remain in office for three years and resign at the third annual general meeting following their appointment or re-appointment. Elected Advisory Council members may be removed at any time by a resolution of the Advisory Council.
- 10.5 If the board of directors decides it is necessary to represent major sectoral interests, to address major issues facing the tourism industry, or to ensure fair representation of the diversity of the membership, the board of directors may co-opt to serve as Advisory Council Members up to eight other persons. The directors may use whatever process they determine to select co-opted directors, including but not limited to receiving nominations from candidates and election by members. A co-opted Advisory Council member shall serve for a term of two years unless removed from office by a resolution of the advisory council or the directors.
- 10.6 Advisory Council members shall not receive remuneration from the company in respect of their services.
- 10.7 In the event of a casual vacancy among the elected members of the Advisory Council, the board of directors may co-opt to fill the vacancy a person who is the duly nominated representative of a full member. A person so co-opted may serve only until the next annual general meeting and must then retire, but are eligible to stand for election.
- 10.8 The board of directors shall meet with the advisory council.. At any meeting between the board of directors and the advisory council, the board of directors shall invite the advisory council to make recommendations as to the management, activities, governance and operations of the company.
- 10.9 The advisory council may appoint a President who shall not be a director of the Company. The advisory council may remove any person appointed as President. The President shall service in office until either (i) they resign upon 10 days written notice or (ii) the advisory council decides to remove or replace the President.

11.0 MINUTES

11.1 The words "of the holders of any class of shares in the company" shall be omitted from regulation 100 of Table A.

12.0 NOTICES

12.1 The second sentence of regulation 112 of Table A shall be omitted.

12.2 The words "or of the holders of any class of shares in the company" shall be omitted from regulation 113 of Table A,

13.0 INDEMNITY

13.1 Every director or other officer or auditor of the company shall be indemnified out of the assets of the company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, or in connection with any application under section 727 of the Act in which relief is granted to him by the Court, and no director or other officer shall be liable for any loss, damage or misfortune which may happen or be incurred by the company in the execution of the duties of his office or in relation thereto. But this article shall only have effect in so far as its provisions are not avoided by section 310 of the Act.

13.2 The directors shall have power to purchase and maintain for any director, officer or auditor of the company insurance against any such liability as is referred to in section of the Act.

13.3 Regulation 118 of Table A shall not apply to the company.