

# THE PENGUIN CRUISING CLUB LTD - RULES OF THE CLUB

## 1. Preamble

The Rules were first adopted at the AGM held on 7 JAN 1989. This version of the Rules is proposed for adoption at the AGM to be held on 14<sup>th</sup> JAN 2017.

- 1.1. The name of the club is The Penguin Cruising Club Ltd ("the Club").
- 1.2. The Club is a voluntary association and a Not For Profit company incorporated in England and Wales as a Company Limited by Guarantee and not having a share capital. It is registered with Companies House as company number 2458419.
- 1.3. The liability of Company Members is limited to £1 (one pound).
- 1.4. When applying and interpreting these rules commonsense and good seamanship shall prevail.
- 1.5. These Rules are to be read in conjunction with, and supplemental to, the Articles of Association of the Club registered with Companies House. Where there is any difference between the two, these Rules shall prevail.

## 2. Aims

- 2.1. The Club aims to promote cruising for its members in sailing vessels for pleasure and to keep alive the spirit of its two forerunners. The forerunners were informal associations of friends known as "Penguin Sailing" and the earlier "Fingal Sailing", both created by Kevin Walton to provide cruises off the West of Scotland at minimum costs shared equally by all those taking part.
- 2.2. The Club aims to support younger members, particularly those from disadvantaged backgrounds or with disabilities to discover sailing through various means including subsidising in part or in whole their share of the cost of cruises that they participate in.
- 2.3. The Club's principal activity is cruises of one week or longer each preferably with two or more yachts sailing in company and conforming to a plan-of-the-day ('Cruises').
- 2.4. The Club may hold social events ashore to bring members and their guests together when not sailing.
- 2.5. The Club, although independent, may seek association with other sailing bodies or clubs.

## 3. Membership

- 3.1. The Club comprises three types of Club Members ('Members' or 'Club Members') whose qualifications shall be as follows.
  - 3.1.1. ORDINARY MEMBERS: ~ have joined a yacht for their first cruise with the Club, having accepted membership of the club and paid a cruise fee.
  - 3.1.2. FULL MEMBERS: ~ have sailed on at least one cruise with the Club as an Ordinary Member or its forerunners, and been elected to Full Membership at an annual general meeting of the Club.
  - 3.1.3. HONORARY MEMBERS: ~ have accepted an invitation to hold this rank conveyed to them by the secretary on the instruction of the committee. Such invitations may be made to those whose acceptance would honour the Club, or whose long or conspicuous service, to the Club, commands recognition.

and in addition such Members may also be:

- 3.1.4. COMPANY MEMBERS: ~ Ordinary, Full or Honorary Members who have further elected to become members of the company by signing a simple declaration indicating

that they are willing to be such a member and to pay one pound in the event that the Company is wound up.

Only Company Members are '*members of the company*' within the meaning of Section 112 Companies Act 2006.

CREW MEMBERS mean Members who participate on a Cruise.

3.2. Any person being or becoming a Club Member and who takes part in sailing or other activities organised by the Club recognises the risk that is inherent in the Club's activities, is willing to accept them and undertakes to behave in a seamanlike manner and in accordance with:

- a) these Rules
- b) such rules which the Committee or Cruise Commodore might make for the cruise
- c) any other directions which may be given from time to time to Crew Members by any Committee member, the Cruise Commodore, or that member's skipper on any cruise or other Committee activity,
- d) propriety and in such a way as not to harm the reputation of the Club or its members.

Nothing herein however is intended to restrict or limit liability for personal injury or death resulting from negligence.

3.3. Rule 3.2 will be repeated on cruise booking forms and the like put out by the Club and shall be part of the conditions of the contract between the Crew Members and the Club.

3.4 Membership shall be terminated;

- a) Automatically, if a Member fails to pay the annual subscription and such subscription is outstanding for more than 90 days from the due date for payment;
- b) On receipt of notification, if a Member notifies the Club Secretary of his or her intention to resign;

and, on 30 days written notice to a Member from the Club or any Committee Member on behalf of the Club, if:

- c) A Member fails to comply with these rules; or
- d) if the Committee decides that it would not be in the interest of the Club for a person to remain a Member.

3.5 An annual subscription is due from Full Members on the 1st of March. The amount shall be as last determined at a Club AGM.

3.6 Members may resign but even so remain liable for sums remaining due to the Club or Cruise Account.

#### **4. Committee**

4.1. The Club shall be managed by a Committee consisting of:

- (a) five Officers elected by the Members:-

The COMMODORE, The COMPANY SECRETARY,

The MEMBERSHIP SECRETARY, The VICE-COMMODORE, The TREASURER and

- (b) up to four other ORDINARY or FULL MEMBERS elected by the Members and

(c) one Officer co-opted by the Committee - The IT OFFICER

together 'Committee Members'.

In addition, for the durations of their appointment, CRUISE ORGANISERS and CRUISE COMMODORES shall attend Committee meetings as required.

- 4.2. The elected Committee members under 4.1(a) and (b) shall be the directors of the Club within the meaning of Part 10 Companies Act 2006.
- 4.3. All Committee members shall automatically retire at the beginning of each AGM but may stand for re-election.
- 4.4. Continuous service as a member of the Committee under 4.1(b) shall be limited to three years.
- 4.5. The quorum for any Committee meeting shall be four elected Committee Members namely those under 4.1(a) and (b). The chairman of each meeting shall be the Commodore or in his or her absence such person as may be elected by that meeting. A simple majority of those elected committee members present shall be decisive. In the event of a tie the chairman shall have a second (casting) vote.
- 4.6. The Committee may appoint Full Members of the Club to fill, until the next AGM, any casual vacancies.
- 4.7. The Committee shall delegate responsibility for the management of each cruise to a Full Member who shall be the Cruise Organiser. Cruise Organisers, even if co-opted to the Committee, may not vote on approval of their cruise accounts nor on their own appointment, or its termination.
- 4.8. The Committee may co-opt Full Members or invite others with special knowledge, to attend and speak but not to vote at its meetings.
- 4.9. Committee Members may be dismissed from their office as a Committee Member by a majority vote of Company Members present at any General Meeting of the Club.
- 4.10. The Committee shall appoint a Legal Adviser who shall be qualified to advise the Committee on all legal matters relating to the Club's affairs.
- 4.11. The Committee may make byelaws to regulate procedures and practice for the conduct of the business of the club and the conduct of cruises. If conflict appears between any bye-law and these Rules the latter shall prevail. All Members present shall have an opportunity to inspect a copy of the current bye-laws at an AGM and may raise relevant points for discussion at the meeting.
- 4.12. Duties of the Officers
  - 4.12.1 Commodore & Vice-Commodore

The Commodore chairs Committee meetings, the AGM and other General Meetings and otherwise provides leadership to the Committee.
  - 4.12.2 Company Secretary

The Company Secretary shall

    - conduct the correspondence of the Club.
    - arrange custody of all Club documents.
    - keep minutes of all Club and Committee Meetings. The minutes shall be confirmed and signed by the appropriate chairman at the next meeting.
    - take out and administer such insurance policies as may be needed to give appropriate protection to the interests of the Club, its officers and members.
    - keep the Club and the Committee informed about the Club's affairs and ensure that they are managed in accordance with the Rules and any applicable law.

- maintain contact with the Club's legal advisor

#### 4.12.3 Membership Secretary

The Membership Secretary shall

- keep a database of members of the Club with names, addresses, contact details, offices held, cruises sailed and other sailing experience.
- keep the Club's Mailing List.
- keep records of those members who have paid annual subscriptions.
- dispatch annual mailings and notices of the next AGM prepared by the Company Secretary.
- ensure submission of annual return to Companies House.

#### 4.12.4 Treasurer

The Treasurer shall

- have custody of the Club's Accounts and ensure that they are kept up to date and give a true and fair view of the state of the finances of the Club.
- advise Cruise Organisers on the form to be taken by the Cruise Accounts in order to conform with the Rules
- prepare an annual statement of account and balance sheet, as at the 30th of November in each year for submission, duly audited, to the AGM.

### 5. General Meetings

- 5.1 An Annual General Meeting shall be held in January or February of each year.
- 5.2 An Extraordinary General Meeting shall be held as soon as practicable after a requisition in writing detailing the topics for discussion and signed by ten or more Full Members is received by the Company Secretary.
- 5.3 Motions for discussion at General Meetings signed by at least two Full Members and received by the secretary in time will be put on the agenda for the next General Meeting.
- 5.4 General Meetings shall be called by a notice sent at least four weeks before the date of the meeting to all members. The notice shall include the time and place (as determined by the committee), the agenda and a note about any motions affecting the Rules or otherwise special.
- 5.5 Matters of long term effect may not be decided if not on the agenda or not circulated sufficiently in advance as the Committee shall reasonably determine.
- 5.6 Except by a prior resolution at the meeting, a simple majority of those Members present and entitled to vote at the meeting shall be decisive, subject to a quorum of ten entitled to vote. In the event of a tie the Commodore or in his absence a Full Member elected to take the chair shall have a second (casting) vote.
- 5.7 Entitlement to vote at general meetings is limited to paid-up Full Members.
- 5.8 The AGM agenda should include in this order:
  - i. the election to Full Membership of recommended Ordinary Members. Their first year's subscription is deemed to have been paid with their first cruise fee.
  - ii. the consideration and adoption, if approved, of the audited accounts.
  - iii. the election of Officers and Committee members.
  - iv. the appointment of auditors.

## **6. Club Finances**

- 6.1 Although the Club is non-profit-making, it may accumulate and hold reserves sufficient to:
- meet all current expenses.
  - finance advances to Cruise Accounts.
  - meet unforeseen liabilities such as the loss of security deposits paid to charter companies or the failure of a charter company.
- 6.2. Club funds shall be held in the manner determined by the Committee from time to time.
- 6.3 The Committee will also ensure there are appropriate financial controls and safeguards in place in access to club accounts.
- 6.4 Cruises are intended to be self-financing and shall be borne in equal shares per week by those Crew Members who sail during that Cruise save that, in exceptional circumstances, the Club may, following a resolution of the Committee, underwrite or subsidise any costs or liabilities arising in its absolute discretion.
- 6.5 Should the total of Club reserves become, in the opinion of the Treasurer and the Committee, more than is prudently needed under 6.1 above, the Committee may, subject to agreement by members at the AGM, make donations out of those funds to charities or not-for-profit associations with aims akin to those of the Club and/or choose to subsidise the costs of future Cruises..
- 6.6 Whenever practicable sums due to the Club should be paid to the Treasurer and sums due from the Club paid by him. However the Treasurer may entrust Cruise Commodores, Cruise Organisers, Skippers and others with monies to be used on behalf of the Club and to be accounted for by at cruise end. All monies received and paid shall be noted in the books of account.

## **7. Safety & Risk Management**

- 7.1 The Committee will develop and maintain a core set of policies and rules concerning assessment and management of risks while sailing and in the overall operation of the club.
- 7.2 Crew Members shall acknowledge that offshore sailing carries inherent risks of accident and possible injury and that they remain primarily responsible for their own safety at all times.
- 7.3 Crew Members undertake to the Club that they shall arrange their own all-risks travel insurance with cover including "Offshore Sailing" in the geographical region of the Cruise.
- 7.4 Cruises may be organized in geographies/countries with levels of mandatory safety equipment on board charter boats that differ from that in the UK. Members accept that Cruises will necessarily therefore operate to the level of on-board safety equipment mandated locally and provided as standard with the charter boat.

## **8. Cruise Responsibilities, Organisation and Finances**

- 8.1 The Committee delegates the management of a Cruise to a Cruise Organiser who assumes responsibility for the proper organisation and planning of the Cruise.
- 8.2 The Committee appoints an experienced Cruise Commodore afloat from the pool of Cruise applications. While afloat, the Cruise Commodore is responsible to the Committee for the safe organization and planning of the Cruise and for the timely return of the Penguin fleet in good order and in good spirits.

- 8.3 The Committee in consultation with the nominated Cruise Commodore shall appoint a Skipper for each yacht. Skippers shall conform to the Plan-of-the Day agreed with the Cruise Commodore and any general directions given by the Cruise Commodore and to sail in company with the Penguin fleet. Crew Members shall comply with the orders of the Skipper and remain primarily responsible for their own safety at all times.
- 8.4 In advance of each season, the Cruise Organisers will agree a price for each Cruise with the Committee.
- 8.5 The Committee shall set a minimum age for participation on the Cruise in consideration of the anticipated sailing conditions.
- 8.6 A share of the expected Club annual insurance costs will be budgeted as a cost for each Cruise.
- 8.7 In setting the price of each Cruise however, the Committee will seek to generate a small surplus on each Cruise as a contribution towards the club's reserves. The committee with advice from the Treasurer shall decide a suitable surplus target from time to time.
- 8.8 With the exception of 8.4 and 8.5 above, Cruises shall otherwise be budgeted to be self-funding.
- 8.9 The Cruise Organiser shall consult the Treasurer about the terms and conditions of the charter company booking contract and shall not sign a contract without agreement from The Treasurer who shall further countersign any contract and apply the Company stamp if possible.
- 8.10 At the end of a Cruise the Cruise Organiser shall present to the committee a set of accounts showing receipts and expenditure relating to the cruise, and making a proposal for the application of any rebate to Crew Members
- 8.11 After the committee has approved the accounts and surplus distribution plans, amended as may be agreed, they shall be implemented and the Cruise Accounts updated accordingly.
- 8.12 Any surplus in fees received for a Cruise from the relevant Crew Members in excess of the target contribution remaining may be offered back to the Crew Members who sailed as a discount to the Cruise cost. Crew Members may however choose to waive their rebate share back to the Club reserves. Any balance remaining after this shall be transferred to the Club and shall become Club assets.
- 8.13 Any cruise deficit will be repaid to the Cruise Organiser by the Club upon approval of the Cruise Accounts by the Committee.
- 8.14 Smoking of any form including e-cigarettes etc, shall not be allowed on board during Cruises.

## **6. Finally**

Subject to good behaviour, once a "Penguin" always a "Penguin".