

HAYLING ISLAND SAILING CLUB (“the Club”)

NOTICE OF SPECIAL GENERAL MEETING

INCORPORATION OF THE CLUB

NOTICE IS GIVEN that a Special General Meeting of the Club will be held at Hayling Island Sailing Club, Sandy Point, Hayling Island, Hampshire, PO11 9SL on **26 April 2026 at 3p.m.** to consider and if thought fit to pass the following **RESOLUTION**:

DISTRIBUTION OF ASSETS BY WAY OF RECONSTRUCTION

Pursuant to Rule 2.3 of the HISC Rules adopted 19 October 2025:

“THAT the Club distribute its assets by way of a scheme of reconstruction to Hayling Island Sailing Club Ltd, company no. 16464456 (“HISC Ltd”), a company limited by guarantee with similar objects to the Club and then dissolves, AND THAT, accordingly, the General Committee on behalf of the Club be authorised to:

- a) adopt, with members of the General Committee as its first members and directors, the articles of association for HISC Ltd, in the form produced to the meeting;**
- b) in conjunction with the Trustees, effect the transfer of the assets and undertaking of the Club to HISC Ltd, upon the terms of the transfer agreement produced to the meeting and make arrangements to admit as members of HISC Ltd the members of the Club;**
- c) make any amendments to the documents referred to under (a) and (b) above, provided that such amendments do not materially alter their substance, and take any further actions necessary to give full effect to this Resolution.”**

Notes:

- In order for the Resolution to be passed, two thirds of those present and voting must vote in favour of it. This includes valid proxy votes.
- Those members eligible to vote (and in due course be admitted as members of HISC Ltd) are Full or Honorary Life members who are over 18 years of age at the date of the meeting in accordance with HISC Rule 39.1
- Voting members are entitled to appoint another voting member of the Club to act as a proxy to attend and vote in his/her stead pursuant to Rule 39.2. Please contact reception@hisc.co.uk if you wish to request a proxy form.
- The quorum for a General Meeting is 40 members in accordance with Rule 24

Date of Notice: 2nd April 2026

PROPOSED BY RESOLUTION OF THE GENERAL COMMITTEE

Explanation to Notice of Special General Meeting

This **explanation** is intended to assist as a guide and does not form part of the proposed resolution.

- a) A resolution to amend HISC Rule 2 was duly passed at the General Meeting of 19 October 2025. The additional Rule 2.3 allows for a decision to be taken by Club members on changing the Club's structure following legal and tax advice received by the Club.
- b) In accordance with Rule 2.3, if a two thirds majority of (voting) members of the Club agree, it can transfer its assets, upon dissolution, by way of a scheme of reconstruction to a limited company with similar objects to those of the Club.
- c) The notice invites members under this new Rule to consider and agree that the Club 'incorporates' as a limited liability entity, which involves the Club's assets and undertaking being transferred to the new company, HISC Ltd.
- d) HISC Ltd would be governed by the articles of association, which are its constitution, similar to how the Club is currently governed by the HISC Rules. While the articles of association will be HISC Ltd's governing document, HISC Ltd would also have rules which bind its members, which sit under and are subordinate to the articles.
- e) The new company would record the adoption of the articles of association and rules as part of a separate process, but your vote would provide a mandate for the General Committee to do this. In due course voting members would be invited to become a member of HISC Ltd.
- f) The motion therefore gives authority to the General Committee to take the necessary steps to implement the Club's decision to incorporate, using the documents in the form annexed.
- g) The notice is accompanied by the proposed draft articles of association and draft rules for the incorporated club. Please note that for the purposes of this meeting and until incorporation of the Club, the current (19 October 2025) HISC Rules remain effective.
- h) Also annexed is the draft transfer agreement that would give effect to the transfer of assets from the Club to the new company. The Trustees of the Club who currently hold the Club's property on its behalf would be parties to this agreement.