

COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION OF CUMBRIA TOURISM
Company Number 03027358

INTERPRETATION

1. In these Articles unless the context otherwise requires, words denoting the singular shall include the plural and vice versa and words denoting any one gender shall include all genders and words denoting persons shall include bodies corporate, unincorporated associations, partnerships and other bodies.

“the Act”	means the Companies Act 2006
“the Managing Director”	means the Managing Director for the time being of the Company appointed under Article 35
“the Company”	means Cumbria Tourism
“Members”	Any person or organisation representative admitted to membership by application upon payment of current subscription or contribution.
“Local Authority Member”	means any Local Authority including the National Park Authority admitted as a Member of the Company as specified in Article 3a upon payment of contribution
“Executive Board Member”	means a member of the Executive Board who shall be a director of the Company
“the Executive Board”	means the Executive Board for the time being of the Company who shall be the directors of the Company

“the Chairman”	means the Chairman for the time being of the Company appointed under Article10.
“the Vice Chairman”	means the Vice-Chairman for the time being of the Company appointed under Article 10.
“the President”	means the President for the time being of the Company appointed under Article 9.
“the Office”	means the registered office for the time being of the Company
“the Seal”	means the common seal of the Company
“month”	means calendar month
“year”	means calendar year

PURPOSES

2.
 - (a) The Company is established for the purposes expressed in the Memorandum of Association.
 - (b) The Company is to be a private company limited by guarantee and not having a share capital.

MEMBERSHIP OF THE COMPANY

3.
 - (a) Membership of the Company shall be open to any persons having an interest in tourism in Cumbria. Any such individual or organisation wishing to become a Member of the Company must submit an application in the form that the Executive Board may from time to time require to the Managing Director.
 - (b) No person shall be admitted to be a Member of the Company unless he is approved by the Executive Board, who may, in their absolute discretion, and without assigning any reason, therefore decline to approve such applicant for membership

CATEGORIES OF MEMBERSHIP

4. Categories of membership shall be as designated by the Company and may be changed as necessary to suit the needs of the organisation.

REPRESENTATIVES

5. A Firm or other unincorporated association may as such become a Member of the Company, but, if any such firm or any other unincorporated association shall desire to obtain the advantages of membership, it may nominate one of its members to act as its representative, to apply in its name for membership, and to sign the application form as its representative, and exercise the rights of membership on its behalf. Every person so applying for membership shall be subject to the same rules and regulations concerning admission as any person not so nominated, and shall, if so admitted to membership, have the same rights, and be subject to the same liabilities and incidents as any person not so nominated, subject, however, to the provisions of Article 24. However a representative cannot be a representative of more than one Member

The firm or other unincorporated association shall deposit with the Executive Board the nomination of such applicant for membership, and shall give all information that may be reasonably required by the Executive Board regarding such firm or other unincorporated association with such applicant.

6. Each Member shall be entitled, in the case of an individual, to attend at, and, in the case of a corporate body, unincorporated associations, statutory undertaking, or other organisation, to be represented by one person at, General Meetings of the Company.
7. Subject to Article 33(c) and Article 5, anybody in membership may, in the absence of their appointed representative, nominate a substitute who shall be entitled to attend meetings.
8. Anybody which has nominated a representative may revoke such nomination and, subject to the consent of the Executive Board, nominate another representative in his place.

PRESIDENT

- 9.
- (a) The President of the Company shall be such person (whether or not a Member of the Company) as may from time to time accept that office after nomination and election at the Annual General Meeting
 - (b) The President shall hold office for a term of three years, and shall be eligible for re-election.
 - (c) The President shall be an Honorary Member of the Company

CHAIRMAN AND VICE-CHAIRMAN

- 10.
- (a) The Chairman and Vice Chairman of the Company shall be such persons (whether or not a Member of the Company) as may from time to time accept that office after nomination and election by a majority vote of the Executive Board.
 - (b) The Chairman and Vice Chairman shall be elected by the Executive Board at its first meeting following the Annual General Meeting.
 - (c) The person elected to the position of Chairman and Vice Chairman, shall serve in this capacity for a period of one year commencing from the date of their appointment and shall be eligible for re-election.

REGISTER OF MEMBERS

11. The Company shall keep a Register of Members containing the name and address of every Member of the Company. Every Member shall sign a written consent to become a Member, and notify the Secretary of any changes in names or addresses.

VOTING RIGHTS

12. Subject to Article 20(a), voting rights at General Meetings of the Company shall be allocated as follows:

(a) Subject to the provisions of Article 12(b) each member shall be entitled to one vote.

(b) Ex-officio Members shall have no voting rights.

Where an unincorporated association has appointed a representative to be a Member of the Company, then that representative shall be entitled to one vote as if the body on whose behalf the representative acts were a Member of the Company.

VOTING AT GENERAL MEETINGS OF THE COMPANY

13.

(a) Any question concerning the replacing, altering, or amending of the Memorandum or Articles of Association shall not be validly passed unless at least three-fourths of the Members present and voting voted in favour of the resolution.

(b) On any other question, each Member shall be entitled to vote in accordance with Article 12, and the question shall be decided by a simple majority of those entitled to vote, present and voting.

(c) At any General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is, before or upon the declaration of the result of the show of hands, demanded by the Chairman or by at least three Members present. Unless a poll be so demanded, a declaration by the Chairman of the meeting that a resolution has, on a show of hands, been carried or carried unanimously or carried by a particular majority, or lost or not carried by a particular majority, and an entry to that effect in the Minute Book of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution. Any demand for a poll may be withdrawn.

(d) Subject to the provisions of Article 13(e), if a poll be demanded in manner aforesaid, it shall be taken at such time and place and in such manner as the Chairman of the meeting shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

(e) No poll shall be demanded on the election of a Chairman of a meeting or on any question of adjournment.

(f) In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote.

- (g) The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business, other than the question on which a poll has been demanded.

GENERAL MEETINGS

- 14.
- (a) Each Member shall be entitled to attend all General Meetings of the Company.
 - (b) The Company shall hold an Annual General Meeting in every calendar year at such time and place as may be determined by the Executive Board.
 - (c) All General Meetings, other than Annual General Meetings, shall be Extraordinary General Meetings.
 - (d) Extraordinary General Meetings may be called by the Chairman of the Company, and shall be called by the Chairman at the written request of a majority of the Executive Board.
- 15.
- (a) At least twenty-one days' written notice shall be required for every Annual General Meeting.
 - (b) At least fourteen days' written notice shall be required for every Extraordinary General Meeting of the Company.
 - (c) Every notice required to be given to each Member shall specify the time, place, date and nature of the business to be transacted.
 - (d) The accidental omission to give notice of a meeting to, or the non-receipt of such notice by, any person entitled to receive notice thereof, shall not invalidate any resolution passed, or proceedings, at any meeting.
16. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Forty Members of the Company present shall be a quorum.
17. If, within half an hour after the time appointed for the holding of a General Meeting, a quorum is not present, the meeting shall stand adjourned to the same day in the next week at the same time and place, or at such other place as the Executive Board may

determine, and, if at such adjourned meeting a quorum is not present within half an hour of the time appointed for the holding of the meeting, the Members present, whatever their number, shall constitute a quorum.

18. The Chairman shall preside at every General Meeting, but, if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for the holding of the same, or shall be unwilling to preside, then the Vice-Chairman shall preside. If the Vice-Chairman is unable or unwilling to act, then the Members present shall choose some member of the Executive Board, or, if all members of the Executive Board present decline to take the Chair, they shall choose some Member of the Company who shall be present to preside as Chairman of the meeting.
19. The Chairman may, with the consent of any meeting at which a quorum is present, (and shall if so directed by the meeting), adjourn the meeting. Whenever a meeting is adjourned, notice of the adjourned meeting shall be given in the same manner as of an original meeting.
20.
 - (a) Subject to Article 20(b), no Member other than a Member duly registered, who shall have paid every subscription and other sum (if any) which shall be due and payable to the Company in respect of his membership, shall be entitled to vote on any question at any General Meeting.
 - (b) All members of the Executive Board shall be entitled to vote at any General Meeting of the Company, but any member of any sub-committee who is not a Member of the Company shall be entitled to attend any General Meeting of the Company as an observer, but shall not be entitled to vote.

SUBSCRIPTIONS AND CONTRIBUTIONS

21. The Local Authority Members shall be consulted about their contributions prior to the approval of the annual estimates of income and expenditure of the Company for the following period of account.
22. Members shall pay an annual subscription, which shall be such sum as the Executive Board shall from time to time determine, and may vary as between classes and types of Members.

23. The Executive Board shall use its reasonable endeavours to augment the funds of the Company by contributions other than the contributions and annual subscriptions provided for herein.

CHANGES IN CONSITUTION OF A MEMBER

24. Any significant change in the constitution or nature of a firm or other unincorporated association, or in the status of any of its Members, shall be immediately notified in writing to the Executive Board who, if they do not approve such change, shall be entitled (without prejudice to the provisions hereinafter contained) to give notice in writing to the Member representing such firm or association, terminating his membership. If the Executive Board shall give such notice, they shall return a due proportion of the relevant Member's subscription having regard to the unexpired period for which it is paid, and thereupon such representative shall cease to act or be entitled or recognised as a Member, and such firm or other unincorporated association as aforesaid shall have no further right to nominate a Member to act as its representative.

CONDUCT OF MEMBERS

25. The Members shall in all respects observe the Code of Conduct (see Appendix One) and the Executive Board shall have absolute discretion to remove any Member from the Company for non-compliance with that Code of Conduct.

TERMINATION OF MEMBERSHIP

26. Subject to Article 27 below, the rights and privileges of a Member of the Company are not transferable without the prior written consent of the Executive Board, and any attempt to transfer such rights to a third party shall be automatically invalid.

27. Article 26 shall not apply to any reorganisation of a Local Authority Member as a consequence of local government reorganisation in the future, any successor authorities, which have, in whole or in part, within their boundaries any part of Cumbria, shall if they so wish be admitted to membership of the Company.

28. A Member of the Company shall cease to be a Member:

- (a) If the Member fails to pay the annual subscription, or any monies due to the Company after being given a reasonable opportunity, in the opinion of the Executive Board, to pay.
- (b) If the Member enters into liquidation, bankruptcy, or is wound up.
- (c) If the Member has given three months' written notice to the Executive Board of his intention to resign.
- (d) If the Member's membership is terminated under Article 25.
- (e) If a resolution is passed in accordance with Article 29.

29.

- (a) The Executive Board, in their absolute discretion, may serve a written notice upon any Member, specifying the conduct or behaviour of such Member (or of the body or unincorporated association which he represents), which is considered to be such as to justify the termination of his membership. Such notice shall also specify the date, time, and place of a meeting of the Executive Board specially convened for the purpose, being not less than fourteen days and not more than twenty-eight days after the service of such notice, at which the Member concerned shall be given a reasonable opportunity to be heard. After the Member concerned shall have been heard, or if he fails to appear within thirty minutes after the time for which the meeting is convened, the Executive Board may, by resolution passed by not less than two-thirds of the persons entitled to vote and voting thereon, forthwith terminate the membership of the Member concerned, who shall not vote on such resolution. No part of the annual membership fee paid for the then current period by a Member whose membership is terminated as aforesaid shall be refunded.
- (b) In the event that the Executive Board receives information which indicates that a Member has been in breach of Article 25, he may, after making appropriate enquiries, serve upon that Member a notice terminating the membership of that Member on a date to be specified in the notice, not being less than twenty-eight days from the date on which the notice is served. The

Member on whom the notice is served may, before the date of the expiry of the notice, request in writing that the matter be considered by the Executive Board, and in that event the notice of termination shall be of no effect unless it is confirmed by the Executive Board after giving the Member the opportunity to make representations, accompanied, if so desired, by one adviser or friend.

30. The resignation or expulsion of a Member will not enable that Member to evade any liability in respect of costs or sums due which arose prior to resignation or expulsion.

31. The Executive Board, in their absolute discretion, may repay to any Member who resigns (as contrasted with expelled) a proportion of that Member's subscription, having regard to the unexpired period for which that Member will cease to be a Member of the Company.

32. Upon expulsion or resignation, the Member's name shall be removed from the Register of Members.

THE EXECUTIVE BOARD

- 33.
- (a) Executive Board private sector areas of expertise listed are for basic guidance only. Most importantly private sector Board members must reflect the diversity, geography and focus of the membership.
- (i) The Managing Director
 - (ii) A member representing a large operator
 - (iii) A member representing a small operator
 - (iv) A member representing a professional services or supplier
 - (v) A member with recognised expertise in finance
 - (vi) A member with recognised expertise in public relations and communications
 - (vii) A member with recognised expertise in digital marketing
 - (viii) A member with recognised expertise in brand and strategic marketing

- (ix) A County Council representative or in the absence of a County Council representative an additional representative of a District Council
 - (x) A District Council representative
 - (xi) A Lake District National Park Authority representative
- (b) The Directors of the Executive Board as of the date hereof shall be entitled to remain as Directors of the Executive Board until the 2017 AGM
- (c) Where the position of an Executive Board Member becomes vacant under Article 44(a), the Executive Board may appoint a nominee to fill that vacant position in accordance with these Articles.
- (d) In the event that a member of the Executive Board is unable to attend any meeting, they may, upon giving prior notification in writing to the Chairman of the Executive Board, appoint a substitute to attend that meeting to act as an observer only.
- (e) Executive Board Members who fail to attend meetings and/or arrange a suitably qualified substitute to attend in non-voting capacity may be required to resign and a replacement Board Member will be appointed.
- (f) A record of attendance of all Executive Board Members will be kept and published annually on the Cumbria Tourism industry website.
- (g) The Managing Director shall not participate in any decision concerning their appointment, salary and conditions of service.
- (h) The membership and functions of the Executive Board may be varied by the Company in General Meeting.
- (i) From the 2017 AGM, the maximum number of directors is 12 and the minimum number is 9. The maximum and minimum number of directors may be changed from time to time by the Company in a general meeting.
- (j) The Board may offer observer status at Board Meetings to appropriate organisations (e.g. Cumbria LEP, University of Cumbria etc)

ELECTION OF EXECUTIVE BOARD DIRECTORS

Private Sector Executive Board Members

The Private Sector Executive Board Members shall be those members set out in article 33 (a) (ii) – (vii).

All members will be contacted 3 months before the AGM to inform them of forthcoming Private Sector vacancies arising on the Executive Board. Applications for appointment to the Executive Board must be submitted to the Managing Director 21 days before the AGM.

The appointment of the private sector Executive Board members shall be undertaken by selection panel made of the Chairman, Managing Director and all of the incumbent private sector Executive Board members (excluding co-opted members). Should the selection panel decide for whatever reason that a vacant directorship is unable to be filled, the Panel reserves the right to co-opt an appropriately qualified person for a pre-determined period.

The full membership (and their representative status) of the Executive Board will be reported at the AGM.

Appointed private sector Directors of the Executive Board shall hold office for a term of four years and shall then retire and be eligible for re-election for a maximum of 3 terms (12 years).

Appointments will be made on a 2-year rolling election cycle beginning 2021, encouraging continuity of Board expertise and knowledge.

To enable the above framework to be put in place the Board may temporarily extend the current term of existing Directors by one year.

Public Sector Executive Board Members

Representatives of public sector organisations will be invited via the Cumbria Leaders and Chief Executives Group. Appointed public sector Directors of the Executive Board (which may be members or officers) shall hold office for a term of three years and shall then retire and be eligible for re-election for a maximum of 3 terms (9 years).

POWERS AND DUTIES OF EXECUTIVE BOARD

34. The business of the Company shall be managed and conducted by the Executive Board who may exercise all such powers of the Company as may be exercised by the Company and done by the Company, subject to any statute, the Memorandum and Articles of Association of the Company, and any motion passed by Members at a General Meeting, and in particular shall abide by the Board Rules as follows:

- (a) Provide guidance to the Managing Director in early stages of the planning/budgeting cycle.
- (b) Debate, refine and agree plans and budgets including the Tourism Strategy for Cumbria.
- (c) Monitor progress and performance against plans and budgets, agreeing with the Managing Director any areas for action.
- (d) Provide specialist and general collective guidance to the Managing Director on major strategic and managerial issues.
- (e) Agree public posture on major issues and support the Managing Director and his team in relationships with sponsoring organisations as appropriate.
- (f) Approve subscriptions to be paid by Members.

- (g) Review the work of the advisory panels set up under Article 36
- (h) Provide and maintain such office accommodation and other premises as may be required.
- (i) Consider and approve the Company's Annual Report and Accounts for adoption at Annual General Meeting
- (j) Pay reasonable and proper remuneration to any Member, officer, or servant of the Company for services rendered to the Company, and may pay interest on money lent at an interest rate which is reasonable in the light of the general level of interest rates prevailing at the time the money was lent, and proper rent for premises demised or let by any Member of the Company. Save as aforesaid, no portion of the income or property of the Company shall be paid or transferred, directly or indirectly, by way of dividend, bonus, or otherwise howsoever, by way of profit to the Members of the Company.
- (k) No member of the Executive Board shall vote in respect of any such payment as aforesaid in which he is in any way, whether directly or indirectly, interested, nor shall he be counted in the quorum present at the meeting, but, provided that he shall have declared the nature of his interest at a meeting of the Executive Board in accordance with Section 177 and 182-187 of the Act, he shall not be liable to account to the Company for any profit realised by such payment by reason of his holding office as a member of the Board of Directors, or by reason of the fiduciary relationship thereby established.

OFFICERS

35.

- (a) The Executive Board shall appoint a Managing Director of the Company to perform such duties, and to hold office, for such term, at such remuneration, and upon such conditions, as the Executive Board may think fit.

(b) The Executive Board may appoint such other officers from time to time as it sees fit, for such term, at such remuneration, and upon such conditions, as the Executive Board may think fit.

(c) The Executive Board may delegate power to the Managing Director and other officers as it sees fit.

SUB-COMMITTEES AND ADVISORY PANELS

36.

(a) The Executive Board may appoint such sub-committees and advisory panels from time to time as it sees fit and necessary in order to assist the Company in attaining the Objects stated in its Memorandum of Association.

(b) The Executive Board shall appoint such members of the sub-committees and advisory panels as it sees fit, and delegate such responsibilities as it thinks appropriate.

(c) In forming such sub-committees or advisory panels, the Executive Board shall set the terms of reference, powers, and responsibilities of any such committee or panel. The Executive Board shall, in addition, be empowered to remove any member of such a committee or panel, or disband the committee or panel, as it thinks fit.

(d) No member of any sub-committee or advisory panel shall vote in respect of any matter in which he has in any way, whether directly or indirectly a financial interest.

(e) The Executive Board shall appoint the Chairman of each sub-committee and advisory panel.

CALLING OF EXECUTIVE BOARD MEETING

37. The Chairman, or any two members of the Executive Board, may request the Chairman at any time to summon a meeting of the Executive Board by notice served upon every member of the Executive Board. A member of the Executive Board who is absent from the United Kingdom shall not be entitled to notice of a meeting.

PROCEEDINGS OF THE EXECUTIVE BOARD

- 38.
- (a) The Executive Board may meet together for the despatch of business, adjourn, and otherwise regulate their meetings as they think fit. At least seven days' notice in writing must be given for any intended Executive Board meeting to every member of the Executive Board.
 - (b) The quorum for any meeting of the Executive Board shall be six members present.
 - (c) Each Executive Board member shall be entitled to one vote. Questions arising at any meeting shall be decided by a simple majority of votes. In case of an equality of votes, the Chairman shall have a second or casting vote.
 - (d) A member of the Executive Board shall not vote in respect of any matter in which he has a direct or indirect financial interest, nor shall he be counted in the quorum present at any meeting of the Company.
 - (e) The Executive Board shall meet no fewer than three times per year.
39. The Executive Board shall have power to invite such persons as it thinks fit to attend at meetings of the Executive Board. Any such persons invited to attend shall not be entitled to vote.

- 40.
- (a) If at any meeting the Chairman or Vice Chairman are not present within five minutes after the time appointed for holding the meeting and willing to preside, the members of the Executive Board present shall choose one of their number to be Chairman of the meeting.
 - (b) A meeting of the Executive Board at which a quorum is present shall be competent to exercise all the authorities, powers, and discretions by or under the regulations of the Company for the time being vested in the Executive Board generally.
41. All acts bona fide done by any meeting of the Executive Board, or of any committee of the Executive Board, or by any person acting as a member of the Executive Board shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such member or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a member of the Executive Board.
42. The Executive Board shall cause proper minutes to be made of the proceedings of all meetings of the Company, and of the Executive Board, and of committees of the Executive Board, and all business transacted at such meetings, and any Minutes of any meeting, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be sufficient evidence, without any further proof, of the facts therein stated.
43. A resolution in writing, signed by all members for the time being of the Executive Board, or of any committee of the Executive Board, who are entitled to receive notice of a meeting of the Executive Board, or of such committee, shall be as valid and effectual as if it had been passed at a meeting of the Executive Board or of such committee duly convened and constituted.

REMOVAL/DISQUALIFICATION OF MEMBERS OF THE EXECUTIVE BOARD

- 44.
- (a) The office of a member of the Executive Board shall be vacated if the member:
 - (i) becomes bankrupt or make any arrangements or composition with his creditors generally; or
 - (ii) becomes prohibited from being a member of the Executive Board by reason of any disqualification order made under the Act; or

- (iii) becomes incapable, by reason of mental disorder, illness, or injury, or managing and administering his property and affairs; or
 - (iv) resigns his office by notice in writing to the Company; or
 - (v) if he or the body by whom he is nominated is a Member of the Company and ceases to be a Member of the Company; or
 - (vi) being a representative of an Agency or Local Authority he ceases to be a Member of that Agency or Local Authority; or
 - (vii) is directly or indirectly interested in any contract with the Company and fails to declare the nature of his interest in manner required by Section 177 & 182-187 of the Act.
 - (viii) ceases for whatever reason to be the Nominated Member of the Member of the Company by whom he was previously nominated.
 - (ix) is guilty of conduct which has or is likely to have a serious adverse effect on the Company or bring the Company or any or all of the Members and Executive Board Members into disrepute
- (b) Nothing in this Article shall affect the rights (if any) of a Member of the Company to replace any representative (or substitute) as a member of the Executive Board should this Article apply to that person.
- (c) Any member of the Executive Board removed according to this Article will not cease to be liable (whether jointly or solely) for any acts for which he had responsibility in law for before being removed as a member.
- (d) Notwithstanding the aforementioned, members of the Executive Board who reach the age of 70 shall not be disqualified from holding office.

THE SEAL

45. The Seal of the Company shall not be affixed to any instrument except by the authority or a resolution of the Executive Board or the Company in General Meeting, and in the presence of the Managing Director or a person designated by him. The Executive Board shall provide for the safe custody of the Seal.

ACCOUNTS

46. The Executive Board shall cause accounting records to be kept in accordance with the requirement of Sections 386-390 of the Act. Such records shall be the property of the Executive Board.

47. The books of account shall be kept at the office, or, subject to the provisions of Section 388-389 of the Act, at such other place or places as the Executive Board shall see fit, and shall always be open to the inspection of the officers of the Executive Board.

48. The Executive Board shall, from time to time, determine whether, and to what extent, and at what times and places, and under what conditions or regulations, the accounts and books of the Executive Board or any of them shall be open to the inspection of Members of the Company.

49. The Executive Board shall, from time to time, in accordance with Sections 399 – 407 (inclusive) of the Act where applicable, prepare and lay before the Company in General Meeting, such profit and loss accounts, balance sheets, group accounts (if any), and reports, as are referred to in those Sections.

50. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting, together with a copy of the accountant's assurance report, and the Executive Board's report, shall, not less than twenty-one days before the date of the meeting, be made available to every Member of the Company via the Company website.

51. In accordance with the provisions of the Act, once at least in every year the accounts of the Company shall be examined, and the correctness of the income and expenditure account and balance sheet ascertained by one or more properly qualified Accountant or Accountants.

52. Accountants shall be appointed at the Annual General Meeting of the Company, and their duties regulated in accordance with the provisions of Sections 444, 474, 853, 1173, 236, 237, 262, of the Act, where applicable, the members of the Executive Board being treated as the directors mentioned in those provisions.

SERVICES PROVIDED FOR MEMBERS

53. Where the Company performs any service for any of its Members, or for anybody which such Members represent, the Executive Board shall be entitled to require that such persons pay to the Company a reasonable fee therefor.

NOTICES

54. A notice may be served upon any Member, either personally or by sending it through the post in a prepaid letter, addressed to such Member at his registered address as appearing in the Register of Members or by e-mail to the last notified address.

55. Any Member described in the Register of Members by an address not within the United Kingdom, who shall from time to time give the Company an address within the United Kingdom at which notices may be served upon him, shall be entitled to have notices served upon him at such address, but, save as aforesaid and as provided by the Act, only those Members who are described in the Register of Members by an address within the United Kingdom shall be entitled to receive notices from the Company.

56. Any notice, if served by post, shall be deemed to have been served on the day following that on which the letter containing the same is put into the post, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office as a prepaid letter.

DISSOLUTION

57. Clause 7 of the Memorandum of Association relating to the winding up and dissolution of the Board shall have effect as if the provisions thereof were repeated in these Articles.

INDEMNITY

58. Every Member of the Company, or member of the Executive Board, or Secretary, and other officer for the time being of the Company, shall be indemnified out of the assets of the Company against any losses or liabilities incurred by him/her in or about the execution or discharge of the duties of his office, subject to the provisions of Section 532-533 of the Act, except to the extent that such losses or liabilities shall be attributable to:

- (a) fraud or other matter in respect of which the Member concerned shall be convicted of a criminal offence; or
- (b) actions knowingly beyond the scope of a specific authority or limit thereon on the part of the person in question.

Appendix One**Code of Conduct**

All Members of Cumbria Tourism ('the Company') agree to abide by the following conditions:

1. It shall be at the sole discretion of the Executive Board to approve any application for membership of the Company.
2. Any unsuccessful applicants may appeal to the Managing Director of the Company. In such circumstances, the Managing Director will make a formal report to the Executive Board of the Company.
3. Members must at all times maintain the highest possible standards of courtesy, friendliness and service appropriate to their business or type of establishment.
4. Members at all times must provide accurate information to all visitors or other users of the facilities, amenities and/or other services provided by the establishment or business at all times, whether by advertisement, brochure, word of mouth or other means. In the case of accommodation, members must allow visitors to inspect the facilities, if requested before booking and to advise when accommodation is offered which is outside the main establishment (for example an annexe not attached to the main building or by boarding out) and to

indicate the location of such accommodation and any difference in comfort of the amenities from accommodation in the main establishment.

5. Members must make it clear to all clients, customers and visitors or other users of the facility, amenity or other services, exactly what is included in all prices quoted, i.e. accommodation, taxes, meals, admission charges, other surcharges, postage, carriage, etc., in accordance with nationally accepted practices in operation at the time. Particularly in the case of attractions or accommodation, details of charges or additional services or facilities should be made clear from the outset.

6. Members who are also members of any national or local trade or professional association or other body recognised by Company, will adhere to the code of conduct laid down for that body.

If a member is not a member of such a recognised trade or professional body, then they will operate so as to fully conform to the spirit of such codes of conduct where appropriate for their business.

7. Members must clearly display a statement of their cancellation policy which should be disclosed either on the website or in written form at the time of any booking, or verbally for a telephone booking.

8. Members should adhere to and not exceed the price quoted at the time of booking for accommodation or other services. If there should be a need to increase the price the customer should be informed immediately and should be given the right to cancel.

9. Members must deal promptly and courteously with all correspondence and other contact from customers, clients, visitors and Company.

10. Members must have a complaints handling procedure. This must be provided in written form on request. Any complaint received must be investigated and dealt with promptly and courteously and any outcome together with information in regard to furthering the complaint to Company must be communicated in writing to the person making the complaint as soon as possible.

11. Any individual or organisation who may be dissatisfied by how their complaint was dealt with may lodge a complaint with the Managing Director or the Chairman of Company. Where the Managing Director feels it is necessary to intervene, the Managing Director or the Chairman of the Company, will endeavour to resolve such complaints upon mutual agreement. If, in the opinion of the Managing Director this does not resolve satisfactorily they will submit a report to the Executive Board which will, at its sole discretion, be at liberty to recommend expulsion from membership. The same will apply if, for any other reason, the Managing Director regards continued membership as inappropriate.

12. If a Member is accused of misconduct or of any act or omission that is considered by the Managing Director to bring Company into disrepute, the member will be notified by the Managing Director of the circumstances at the address shown on the membership record and advised that the matter is to be placed before the Executive Board specifying in writing the day, time and place of the meeting and giving at least fourteen days' notice of the meeting and advising the member of their right to be present to make their representation to the Executive Board in person or in writing. At the meeting the Executive Board after consideration of the facts and evidence submitted shall vote on a resolution for expulsion of the member. The concurring vote of not less than two thirds of the Executive Board Members present shall confirm the expulsion of the member. On expulsion from the membership all membership benefits shall terminate immediately and Company shall not be liable for any loss caused to that person or organisation by the termination. The member shall not be entitled to any refund of membership fees. Any individual or organisation expelled from the membership shall not be re-admitted except by resolution of the Executive Board passing with a concurring vote of two thirds of the Executive Board of Directors present.

13. Where a member for whatever reason ceases to hold membership of Company all relevant display signs and printing must be removed without delay.

14. Members undertake to maintain and operate their businesses and premises in accordance with all statutory requirements that may be in force which may vary. Members must comply with all rules, regulations, legislation and directives imposed either by the Government or by a recognised relevant body.

15. Members must use their best endeavours to ensure that all staff have full knowledge of and participate fully with satisfying this code of conduct.

16. Through continuous training and development members will strive to achieve excellence in all areas and endeavour to exceed customer expectations wherever possible.

17. Should a business change ownership, Company must be notified within fifteen working days of the transfer. The notification must include the name of the individual or organisation, and contact name and details of the new owner, and the date of the transfer.

18. Members should use their best endeavours to ensure that any requirements of any visitors who may have disabilities or special needs are satisfied and where appropriate make suitable provisions.

19. No member will treat any individual or organisation, whether a customer or not, with less favourable treatment or consideration on the grounds of race, colour, religion, nationality, ethnic origin, sexual orientation, gender, age, disability, mental status nor will the individual or organisation be disadvantaged by any treatment that cannot be justified as necessary on operational grounds.

20. Members agree to be bound by this code of conduct which may be varied from time to time.

