

**BYE-LAWS
OF
Bermuda Sea Cadet Association**

Adopted 28 November 2007

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INTERPRETATION

1. Definitions

1.1 In these Bye-laws, the following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:

Act	the Bermuda Sea Cadet Association Act 1965 as amended from time to time;
Area Officer	the Royal Navy officer appointed from time to time to oversee the affairs of the Bermuda Sea Cadet Corps;
Auditor	includes an individual or partnership;
Dues	the amount payable annually by each Member to the Association as a condition of that Member's membership in the Association, such amounts to be payable in accordance with these Bye-laws;
Executive Committee	the Executive Committee of Executive Members appointed or elected pursuant to these Bye-laws and acting by resolution in accordance with the Act and these Bye-laws or the Executive Members present at a meeting of Executive Members at which there is a quorum;
Association	the Bermuda Sea Cadet Association, for which these Bye-laws are approved and confirmed;
Executive Member	a Executive Member of the Association, which, unless the contrary may be expressed herein, shall for all purposes include Unit Members;
Member	the person registered in the Register of Members as a Member of the Association;
notice	written notice as further provided in these Bye-laws unless otherwise specifically stated;
Officer	any person appointed by the Executive Committee to hold an office in the Association;
Register of Executive Members	the register of Executive Members and Officers referred to in these Bye-laws;
Register of Members	the register of Members referred to in these Bye-laws;
Secretary	the person appointed to perform any or all of the duties of secretary of the Association and includes any deputy or

	assistant secretary and any person appointed by the Executive Committee to perform any of the duties of the Secretary; and
Treasurer	the person appointed to perform any or all of the duties of treasurer of the Association and includes any deputy or assistant treasurer and any person appointed by the Executive Committee to perform any of the duties of the Treasurer;
Unit Management Committee	the committee of individuals appointed by the members of each active Sea Cadet unit in Bermuda from time to time, which committee has responsibility for the general management and affairs of the Sea Cadet unit in respect of which it is appointed;
Unit Member	a representative appointed by each active Unit Management Committee to serve on the Executive Committee in accordance with these Bye-laws.

1.2 In these Bye-laws, where not inconsistent with the context:

- (a) words denoting the plural number include the singular number and vice versa;
- (b) words denoting the masculine gender include the feminine and neuter genders;
- (c) words importing persons include companies, associations or bodies of persons whether corporate or not;
- (d) the words:
 - (i) "may" shall be construed as permissive; and
 - (ii) "shall" shall be construed as imperative; and
- (e) unless otherwise provided herein, words or expressions defined in the Act shall bear the same meaning in these Bye-laws.

1.3 In these Bye-laws expressions referring to writing or its cognates shall, unless the contrary intention appears, include facsimile, printing, lithography, photography, electronic mail and other modes of representing words in visible form.

1.4 Headings used in these Bye-laws are for convenience only and are not to be used or relied upon in the construction hereof.

MEMBERSHIP

2. Applications for Membership

Subject to these Bye-laws and to any resolution of the Members to the contrary the Executive Committee shall have the power to accept applications for Membership of the Association on such terms and conditions as it may determine.

3. Rights Attaching to Membership

Subject to any resolution of the Members to the contrary the Membership of the Association shall be divided into a single class of Members which shall, subject to the provisions of these Bye-laws:

- (a) be entitled to one vote per Member; and
- (b) generally be entitled to enjoy all of the rights attaching to Membership of the Association.

4. Membership Dues

The Executive Committee may require the payment of Dues by the Members, with the amount payable in respect of such Dues to be determined from time to time by the Members in general meeting.

5. Forfeiture of Membership

If any Member fails to pay, on the day appointed for payment thereof, any call in respect of any Dues payable by such Member, the Executive Committee may, at any time thereafter during such time as the call remains unpaid, direct the Secretary to forward such Member a notice in writing in the form, or as near thereto as circumstances admit, of the following:

Notice of Liability to Forfeiture for Non-Payment of Dues
Bermuda Sea Cadet Association (the "Association")

You have failed to pay the call of [amount of Dues] made on the [] day of [], 200[], in respect of your membership of the Association, as set out in the Register of Members of the Association. You are hereby notified that unless you pay all such Dues on or before the [] day of []. 20[], your membership will be liable to be cancelled.

Dated this [] day of [], 200[]

[Signature of Secretary] By Order of the Executive Committee

REGISTRATION OF MEMBERSHIP

6. Register of Members

6.1 The Executive Committee shall cause to be kept in one or more books a Register of Members and shall enter therein the particulars required by these Bye-laws, being:

- (a) The name, postal address and principal telephone number of each Member;

- (b) The date upon which that person became a Member;
- (c) Any amounts remaining unpaid in respect of any Dues payable by that Member; and
- (d) Any other information as the Secretary may deem reasonably necessary.

6.2 The Register of Members shall be open to inspection at the principal office of the Association on every business day, subject to such reasonable restrictions as the Executive Committee may impose, so that not less than two hours in each business day be allowed for inspection. The Register of Members may, after notice has been given in accordance with the Act, be closed for any time or times not exceeding in the whole thirty days in each year.

MEETINGS OF MEMBERS

7. Annual General Meetings

The annual general meeting of the Association shall be held in each calendar year at such time and place as the President or the Chairman or any two Executive Members or any Executive Member and the Secretary or the Executive Committee shall appoint, PROVIDED THAT the annual general meeting shall not be held later than 30 May in any given calendar year.

8. Special General Meetings

The President or the Chairman or any two Executive Members or any Executive Member and the Secretary or the Executive Committee may convene a special general meeting of the Association whenever in their judgment such a meeting is necessary.

9. Requisitioned General Meetings

The Executive Committee shall, on the requisition of not less than five Members being at the date of the deposit of the requisition Members whose Dues are fully paid up, as evidenced by the Register of Members, forthwith proceed to convene a special general meeting of the Association and the provisions of these Bye-laws shall apply.

10. Notice

10.1 At least twenty-one days' notice of an annual general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held, that the election of Executive Members will take place thereat, and as far as practicable, the other business to be conducted at the meeting.

10.2 At least two days' notice of a special general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, time, place and the general nature of the business to be considered at the meeting.

10.3 The Executive Committee may fix any date as the record date for determining the Members entitled to receive notice of and to vote at any general meeting of the Association.

10.4 A general meeting of the Association shall, notwithstanding that it is called on shorter notice than that specified in these Bye-laws, be deemed to have been properly called if it is so agreed by (i) at least two thirds of all the Members entitled to attend and vote thereat in the case of an annual general meeting; and (ii) by a majority in number of the Members having the right to attend and vote at the meeting in the case of a special general meeting.

10.5 The accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

11. Giving Notice

11.1 A notice may be given by the Association to any Member either by:

- (a) delivering it to such Member in person or by sending it to such Member's address in the Register of Members or to such other address given for the purpose; or
- (b) by posting notice of the general meeting in the general notices section of the Royal Gazette or such other daily newspaper as may be in general circulation in Bermuda from time to time, such notice to appear on at least five separate dates, the first such date to be not less than twenty-one days prior to the date of the meeting and the last such date being the last business day immediately prior to the date upon which the meeting is to be held.

For the purposes of this Bye-law, a notice may be sent by letter mail, courier service, cable, telex, telecopier, facsimile, electronic mail or other mode of representing words in a legible form.

11.2 Any notice shall be deemed to have been served at the time when the same would be delivered in the ordinary course of transmission and, in proving such service, it shall be sufficient to prove that the notice was properly addressed and prepaid, if posted, and the time when it was posted, delivered to the courier or to the cable company or transmitted by telex, facsimile, electronic mail, or such other method as the case may be.

12. Postponement of General Meeting

The Secretary may postpone any general meeting called in accordance with the provisions of these Bye-laws (other than a meeting requisitioned under these Bye-laws) provided that notice of postponement is given to each Member before the time for such meeting. Fresh notice of the date, time and place for the postponed meeting shall be given to each Member in accordance with the provisions of these Bye-laws.

13. Participating in Meetings by Telephone

Members may participate in any general meeting by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

14. Quorum at General Meetings

- 14.1** At any general meeting of the Association two or more persons present in person and representing in person or by proxy at least ten (10) Members throughout the meeting shall form a quorum for the transaction of business, provided that if the Association shall at any time have fewer than twenty (20) Members, two or more persons present in person and representing in person or by proxy at least 50% of the Members then existing shall form a quorum for the transaction of business at any general meeting of the Association held during such time.
- 14.2** If within half an hour from the time appointed for the meeting a quorum is not present, then, in the case of a meeting convened on a requisition, the meeting shall be deemed cancelled and, in any other case, the meeting shall stand adjourned to the same day one week later, at the same time and place or to such other day, time or place as the Secretary may determine. If the meeting shall be adjourned, fresh notice of the resumption of the meeting shall be given to each Member entitled to attend and vote thereat in accordance with the provisions of these Bye-laws, provided that the requirements for a notice to be published in accordance with Bye-law 11 may, at the discretion of the Secretary, be modified such that the notice be published on not less than two separate dates, the first date of publication of the notice to be not less than five days from the date of the resumed meeting.

15. Chairman to Preside

Unless otherwise agreed by a majority of those attending and entitled to vote thereat, the Chairman, if there be one, and if not the President, shall act as chairman at all meetings of the Members at which such person is present. In their absence, the Deputy Chairman or Vice President, if present, shall act as chairman and in the absence of all of them a chairman shall be appointed or elected by those present at the meeting and entitled to vote.

16. Voting on Resolutions

- 16.1** Subject to the provisions of the Act and these Bye-laws, any question proposed for the consideration of the Members at any general meeting shall be decided by the affirmative votes of a majority of the votes cast in accordance with the provisions of these Bye-laws and in the case of an equality of votes the resolution shall fail.
- 16.2** No Member shall be entitled to vote at a general meeting unless such Member has paid all the Dues owed by such Member, as evidenced by the Register of Members.
- 16.3** At any general meeting a resolution put to the vote of the meeting shall, at the discretion of the chairman of the meeting, be voted upon by a show of hands and every Member present in person shall be entitled to one vote, and every person holding a valid proxy or proxies at such meeting shall be entitled to one vote for each proxy held and shall cast such vote by raising his or her hand.
- 16.4** At any general meeting if an amendment shall be proposed to any resolution under consideration and the chairman of the meeting shall rule on whether the proposed amendment is out of order, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.
- 16.5** At any general meeting a declaration by the chairman of the meeting that a question proposed for consideration has, on a show of hands, been carried, or carried unanimously, or by a particular

majority, or lost, and an entry to that effect in a book containing the minutes of the proceedings of the Association shall, subject to the provisions of these Bye-laws, be conclusive evidence of that fact.

17. Power to Demand a Vote by Secret Ballot

17.1 Notwithstanding the foregoing, a secret ballot may be demanded by any of the following persons:

- (a) the chairman of such meeting; or
- (b) at least three Members present in person or represented by proxy.

17.2 Where a secret ballot is demanded, every Member present in person at such meeting shall have one vote, and every person holding a valid proxy or proxies at such meeting shall have one vote for each proxy so held and such vote shall be counted by ballot as described herein, or in the case of a general meeting at which one or more Members are present by telephone, in such manner as the chairman of the meeting may direct and the result of such secret ballot shall be deemed to be the resolution of the meeting at which the secret ballot was demanded. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

17.3 A secret ballot demanded for the purpose of electing a chairman of the meeting or on a question of adjournment shall be taken forthwith and a secret ballot demanded on any other question shall be taken in such manner and at such time and place at such meeting as the chairman (or acting chairman) of the meeting may direct and any business other than that upon which a secret ballot has been demanded may be proceeded with pending the taking of the secret ballot.

17.4 Where a vote is taken by secret ballot, each person present and entitled to vote shall be furnished with a ballot paper on which such person shall record his vote in such manner as shall be determined at the meeting having regard to the nature of the question on which the vote is taken, and each ballot paper shall be signed or initialed or otherwise marked so as to identify the voter and the registered Member in the case of a proxy. At the conclusion of the poll, the ballot papers shall be examined and counted by a committee of not less than two Members or proxy holders appointed by the chairman for the purpose and the result of the poll shall be declared by the chairman.

18. Instrument of Proxy

18.1 An instrument appointing a proxy shall be in writing or transmitted by electronic mail in substantially the following form or such other form as the chairman of the meeting shall accept:

- Proxy
• (the "Association")

I/We, [insert names here], being a Member of the Association, HEREBY APPOINT [name] of [address] or failing him, [name] of [address] to be my/our proxy to vote for me/us at the meeting of the Members to be held on the [] day of [], 20[] and at any adjournment thereof. (Any restrictions on voting to be inserted here.)

Signed this [] day of [], 200[]

Member(s)

- 18.2 The instrument of proxy shall be signed or, in the case of a transmission by electronic mail, electronically signed in a manner acceptable to the chairman, by the appointor or by the appointor's attorney duly authorised in writing.
- 18.3 The decision of the chairman of any general meeting as to the validity of any appointment of a proxy shall be final.

19. Adjournment of General Meeting

- 19.1 The chairman of a general meeting may, with the consent of the Members at any general meeting at which a quorum is present, and shall if so directed, adjourn the meeting. Unless the meeting is adjourned to a specific date, place and time announced at the meeting being adjourned, fresh notice of the date, place and time for the resumption of the adjourned meeting shall be given to each Member entitled to attend and vote thereat in accordance with the provisions of these Bye-laws, provided that the requirements for a notice to be published in accordance with Bye-law 11 may, at the discretion of the chairman, be modified such that the notice be published on not less than two separate dates, the first date of publication of the notice being not be less than five days from the date of the resumed meeting.

20. Executive Members Attendance at General Meetings

The Executive Members of the Association shall be entitled to receive notice of, attend and be heard at any general meeting.

EXECUTIVE MEMBERS AND OFFICERS

21. Election of Executive Members

- 21.1 The Executive Members shall be elected or appointed, except in the case of a casual vacancy, and except in the case of Unit Members, at the annual general meeting or at any special general meeting called for that purpose.
- 21.2 At any general meeting the Members may authorise the Executive Committee to fill any vacancy in their number left unfilled at a general meeting.
- 21.3 One Unit Member shall be appointed by each active Unit Management Committee to serve on the Executive Committee, such appointment to be made by way of written notice deposited with the Secretary. In the event that any Unit Member is unable to attend any meeting, such Unit Member shall be entitled to appoint any other person to attend that meeting and vote on his/her behalf.
- 21.4 The Area Officer shall be deemed appointed to the Executive Committee *ex officio* and shall for all purposes be deemed an Executive Member, PROVIDED THAT the Area Officer shall not be subject to removal from the Executive Committee in accordance with these Bye-laws.

22. Number of Executive Members

The Executive Committee shall consist of not less than four Executive Members or such number in excess thereof as the Members may determine.

22A. Composition of Executive Committee

The Executive Committee shall be made up of such number of Executive Members and Unit Members as may be appointed from time to time in accordance with these Bye-laws, provided that there shall be at all times not less than two such Executive Members and/or Unit Members in office.

23. Term of Office of Executive Members and Unit Members

23.1 Executive Members shall hold office for such term as the Members may determine or, in the absence of such determination, until the next annual general meeting or until their successors are elected or appointed or their office is otherwise vacated.

23.2 Unit Members shall hold office for such term as their respective appointing Unit Management Committee shall determine or until their successors are elected or appointed by their appointing Unit Management Committee or until their office is otherwise vacated.

24. Removal of Executive Members

24.1 Subject to any provision to the contrary in these Bye-laws, the Members entitled to vote for the election of Executive Members may, at any special general meeting convened and held in accordance with these Bye-laws, remove an Executive Member provided that the notice of any such meeting convened for the purpose of removing an Executive Member shall contain a statement of the intention so to do and be served on such Executive Member not less than 14 days before the meeting and at such meeting the Executive Member shall be entitled to be heard on the motion for such Executive Member's removal.

24.2 If an Executive Member is removed from the Executive Committee under the provisions of this Bye-law the Members may fill the vacancy at the meeting at which such Executive Member is removed. In the absence of such election or appointment, the Executive Committee may fill the vacancy.

24.3 Bye-law 24.1 and 24.2 shall not apply to Unit Members. Unit Members may be removed only by their appointing Unit Management Committee, with any such removal to become effective upon the deposit of written notice of such removal with the Secretary.

25. Vacancy in the Office of Executive Member

25.1 The office of Executive Member shall be vacated if the Executive Member:

- (a) is removed from office pursuant to these Bye-laws or is prohibited from being an Executive Member by law;
- (b) is or becomes of unsound mind or dies; or

- (c) resigns his office by notice in writing to the Association.

25.2 The Executive Committee shall have the power to appoint any person as a Executive Member to fill a vacancy on the Executive Committee occurring as a result of the death, disability, disqualification or resignation of any Executive Member.

26. Remuneration of Executive Members

The Executive Members shall not be remunerated by the Association, but may, with the approval of the Executive Committee, be paid all travel, hotel and other expenses properly incurred by them in connection with the business of the Association or their duties as Executive Members generally.

27. Defect in Appointment of Executive Member

All acts done in good faith by the Executive Committee or by a committee of the Executive Committee or by any person acting as an Executive Member shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Executive 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 and was qualified to be an Executive Member.

28. Executive Members to Manage Business

The business of the Association shall be managed and conducted by the Executive Committee. In managing the business of the Association, the Executive Committee may exercise all such powers of the Association as are not, by statute or by these Bye-laws, required to be exercised by the Association in general meeting subject, nevertheless, to these Bye-laws, the provisions of any statute and to such directions as may be prescribed by the Members in general meeting.

29. Powers of the Executive Committee

The Executive Committee may:

- (a) appoint, suspend, or remove any manager, secretary, clerk, agent or employee of the Association and may fix their remuneration and determine their duties;
- (b) exercise all the powers of the Association to borrow money and to mortgage or charge its undertaking, and property, or any part thereof, and may issue debentures whether outright or as security for any debt, liability or obligation of the Association or any third party;
- (c) appoint one or more Executive Members to the office of managing Executive Member or chief executive officer of the Association, who shall, subject to the control of the Executive Committee, supervise and administer all of the general business and affairs of the Association;
- (d) appoint a person to act as manager of the Association's day-to-day business and may entrust to and confer upon such manager such powers and duties as it deems appropriate for the transaction or conduct of such business;

- (e) by power of attorney, appoint any association, firm, person or body of persons, whether nominated directly or indirectly by the Executive Committee, to be an attorney of the Association for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Executive Committee) and for such period and subject to such conditions as it may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Executive Committee may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions so vested in the attorney;
- (f) procure that the Association pays all expenses incurred in promoting and incorporating the Association;
- (g) delegate any of its powers (including the power to sub-delegate) to a committee of one or more persons appointed by the Executive Committee which may consist partly or entirely of non-Executive Members, provided that every such committee shall conform to such directions as the Executive Committee shall impose on them and provided further that the meetings and proceedings of any such committee shall be governed by the provisions of these Bye-laws regulating the meetings and proceedings of the Executive Committee, so far as the same are applicable and are not superseded by directions imposed by the Executive Committee;
- (h) delegate any of its powers (including the power to sub-delegate) to any person on such terms and in such manner as the Executive Committee may see fit;

30. Register of Executive Members and Officers

The Executive Committee shall cause to be kept in one or more books at the registered office of the Association a Register of Executive Members and Officers and shall enter therein the particulars required by these Bye-laws, being:

- (a) the name, postal address and principal telephone number of each Executive Member or Officer;
- (b) the office, if any, held by such Executive Member or Officer;
- (c) the date of appointment of such Executive Member or Officer;
- (d) the date of resignation or removal of such Executive Member or Officer; and
- (e) such other information as the Secretary shall deem reasonably necessary from time to time.

31. Officers

The Officers shall consist of a President, a Chairman, a Secretary, a Treasurer and such additional Officers as the Executive Committee may determine, all of whom shall be deemed to be Officers for the purposes of these Bye-laws.

32. Duties of Officers

The Officers shall have such powers and perform such duties in the management, business and affairs of the Association as may be delegated to them by the Executive Committee from time to time.

33. Conflicts of Interest

33.1 Any Executive Member, or any Executive Member's firm, partner or any company or association with whom any Executive Member is associated, may act in any capacity for, be employed by or render services to the Association and such Executive Member or such Executive Member's firm, partner, company or association shall be entitled to remuneration as if such Executive Member were not an Executive Member. Nothing herein contained shall authorise an Executive Member or Executive Member's firm, partner, company or association to act as Auditor to the Association.

33.2 An Executive Member who is directly or indirectly interested in a contract or proposed contract or arrangement with the Association shall declare the nature of such interest at the earliest opportunity and in any event at the first meeting of the Executive Committee held at which the contract or proposed contract is discussed.

33.3 Following a declaration being made pursuant to this Bye-law, and unless disqualified by the chairman of the relevant Executive Committee meeting, an Executive Member may vote in respect of any contract or proposed contract or arrangement in which such Executive Member is interested and may be counted in the quorum for such meeting.

34. Indemnification and Exculpation of Executive Members and Officers

34.1 The Executive Members, Secretary and other Officers (such term to include any person appointed to any committee by the Executive Committee) for the time being acting in relation to any of the affairs of the Association, any subsidiary thereof, and the liquidator or trustees (if any) for the time being acting in relation to any of the affairs of the Association, and their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets of the Association from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and none of them shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Association shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Association shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of the said persons. Each Member agrees to waive any claim or right of action such Member might have, whether individually or by or in the right of the Association, against any Executive Member or Officer on account of any action taken by such Executive Member or Officer, or the failure of such Executive Member or Officer to take any action in the performance of his duties with or for the Association or any subsidiary thereof,

PROVIDED THAT such waiver shall not extend to any matter in respect of any fraud or dishonesty which may attach to such Executive Member or Officer.

- 34.2** The Association may purchase and maintain insurance for the benefit of any Executive Member or Officer of the Association against any liability incurred by him in his capacity as a Executive Member or Officer of the Association or indemnifying such Executive Member or Officer in respect of any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the Executive Member or Officer may be guilty in relation to the Association or any subsidiary thereof.

MEETINGS OF THE EXECUTIVE COMMITTEE

35. Executive Committee Meetings

The Executive Committee may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit. A resolution put to the vote at a meeting of the Executive Committee shall be carried by the affirmative votes of a majority of the votes cast and in the case of an equality of votes the resolution shall fail.

36. Notice of Executive Committee Meetings

An Executive Member may, and the Secretary on the requisition of an Executive Member shall, at any time summon a meeting of the Executive Committee. Notice of a meeting of the Executive Committee shall be deemed to be duly given to an Executive Member if it is given to such Executive Member verbally (in person or by telephone) or otherwise communicated or sent to such Executive Member by post, cable, telex, telecopier, facsimile, electronic mail or other mode of representing words in a legible form at such Executive Member's last known address or any other address given by such Executive Member to the Association for this purpose.

37. Participation in Meetings by Telephone

Executive Members may participate in any meeting of the Executive Committee by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

38. Quorum at Executive Committee Meetings

The quorum necessary for the transaction of business at a meeting of the Executive Committee shall be two Executive Members.

39. Executive Committee to Continue in the Event of Vacancy

The Executive Committee may act notwithstanding any vacancy in its number but, if and so long as its number is reduced below the number fixed by these Bye-laws as the quorum necessary for the transaction of business at meetings of the Executive Committee, the continuing Executive Members or

Executive Member may act for the purpose of (i) summoning a general meeting of the Association; or (ii) preserving the assets of the Association.

40. Chairman to Preside

Unless otherwise agreed by a majority of the Executive Members attending, the Chairman, if there be one, and if not, the President shall act as chairman at all meetings of the Executive Committee at which such person is present and in the absence of either of them a chairman shall be appointed or elected by the Executive Members present at the meeting, PROVIDED THAT the Area Officer shall act as chairman at all Executive Committee meetings at which the Area Officer is present.

41. Validity of Prior Acts of the Executive Committee

No regulation or alteration to these Bye-laws made by the Association in general meeting shall invalidate any prior act of the Executive Committee which would have been valid if that regulation or alteration had not been made.

ASSOCIATION RECORDS

42. Minutes

The Executive Committee shall cause minutes to be duly entered in books provided for the purpose:

- (a) of all elections and appointments of Officers;
- (b) of the names of the Executive Members present at each meeting of the Executive Committee and of any committee appointed by the Executive Committee; and
- (c) of all resolutions and proceedings of general meetings of the Members, meetings of the Executive Committee, meetings of managers and meetings of committees appointed by the Executive Committee.

43. Place Where Association Records Kept

Minutes prepared in accordance with these Bye-laws shall be kept by the Secretary at the principal office of the Association.

ACCOUNTS

44. Books of Account

44.1 The Executive Committee shall cause to be kept proper records of account with respect to all transactions of the Association and in particular with respect to:

- (a) all sums of money received and expended by the Association and the matters in respect of which the receipt and expenditure relates;
- (b) all sales and purchases of goods by the Association; and

(c) all assets and liabilities of the Association.

44.2 Such records of account shall be kept at the principal office of the Association, or at such other place as the Executive Committee thinks fit and shall be available for inspection by the Executive Members during normal business hours.

45. Financial Year End

The financial year end of the Association may be determined by resolution of the Executive Committee and failing such resolution shall be 31st December in each year.

AUDITS

46. Annual Audit

The accounts of the Association shall be audited at least once in every year.

47. Appointment of Auditor

47.1 At the annual general meeting or at a subsequent special general meeting in each year, an independent representative of the Members shall be appointed by them as Auditor of the accounts of the Association.

47.2 No Executive Member, Officer or employee of the Association shall, during his continuance in office, be eligible to act as an Auditor of the Association.

48. Remuneration of Auditor

Save in the case of an Auditor appointed pursuant to Bye-law 47, the remuneration of the Auditor shall be fixed by the Association in general meeting or in such manner as the Members may determine. In the case of an Auditor appointed pursuant to Bye-law 53, the remuneration of the Auditor shall be fixed by the Executive Members.

49. Duties of Auditor

49.1 The financial statements provided for by these Bye-laws shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards.

49.2 The generally accepted auditing standards referred to in this Bye-law may be those of a country or jurisdiction other than Bermuda or such other generally accepted auditing standards as may be provided for in the Act. If so, the financial statements and the report of the Auditor shall identify the generally accepted auditing standards used.

50. Access to Records

The Auditor shall at all reasonable times have access to all books kept by the Association and to all accounts and vouchers relating thereto, and the Auditor may call on the Executive Members or Officers

of the Association for any information in their possession relating to the books or affairs of the Association.

51. Financial Statements

51.1 The audited financial statements in respect of any given financial year shall be laid before the Members in general meeting.

51.2 Within six months from the end of the Association's financial year end (as determined in accordance with Bye-law 45), two copies of the audited financial statements for that financial year shall be filed with the Charities Commission of the Bermuda Registry General or such other equivalent body as may be responsible from time to time for the regulation of registered Bermuda charities.

52. Distribution of Auditor's Report

The report of the Auditor shall be submitted to the Members in general meeting.

53. Vacancy in the Office of Auditor

The Executive Committee may fill any casual vacancy in the office of the auditor.

VOLUNTARY WINDING-UP AND DISSOLUTION

54. Winding-Up

If the Association shall be wound up the liquidator may, with the sanction of a resolution of the Members, divide amongst the Members in specie or in kind the whole or any part of the assets of the Association (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any assets whereon there is any liability.

CHANGES TO CONSTITUTION

55. Changes to Bye-laws

No Bye-law shall be rescinded, altered or amended and no new Bye-law shall be made until the same has been approved by a resolution of the Executive Committee and by a resolution of not less than 50% of the Members entitled to vote.