

10/03/24

Resolution tabled by by General Committee

For AGM on 30/03/24 on the need to limit indemnity of General Committee and the Trustees as per Article 18

It is proposed to delete Article 18, of the Club constitution on Trustees and replace same with a new Article 18.

Rationale

Presently the Trustees and the General Committee members are indemnified irrespective whether the Trustees and General Committee members have acted in good faith or not. Hence, this anomaly has been corrected limiting the indemnification, only to instances where the Trustee or General Committee Member has acted in good faith but hold them accountable when reasonably believed to have acted where the Trustee and/or Committee Member, has acted in bad faith or in a fraudulent manner

The proposed new article 18 to read as follows,

18. Indemnity to Trustees and to Committee Members

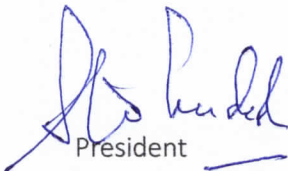
It is expressly declared and understood that the Trustees as a body and each Trustee as an individual and the General Committee as a body and each General Committee Member as an individual, shall at all times be indemnified from and out of the funds, property and assets of the Club:

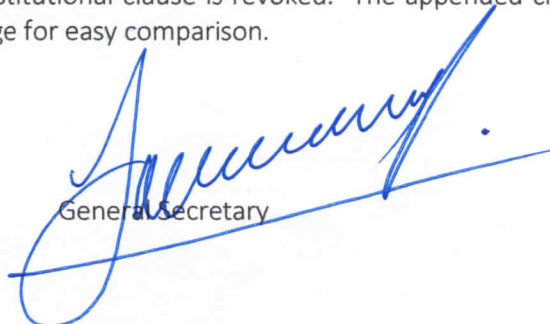
- (i) against the consequences of any act, deed matter or thing done or committed to be done by the Trustees in respect of in connection with the Business of the Club; or
- (ii) any contract entered into on behalf of the Club, and by the General Committee or by any Committee Member in respect of or in claims preferred against them or the Club.

Such indemnification shall be, irrespective of whether covered by Insurance or not and in the event of such funds, property and assets not being full and sufficient indemnity for the purpose, then all Members of the Club, shall be responsible to the Trustees and each Trustee and to the General Committee and to each Committee Member for and be liable to make good any deficiency that may be ascertained.

However, such indemnifications rights set forth in this Article, shall not be available where the Trustee and/or Committee Member, has acted in in bad faith or in a fraudulent manner .

It is proposed that the existing constitutional clause is revoked. The appended chart shows the existing clause and the recommended change for easy comparison.


President


General Secretary

Item #	Original Version	Suggested Amendment	Comments
1	<p><u>18. Indemnity to Trustees and to Committee</u></p> <p>It is expressly declared and understood that the Trustees as a body and each Trustee as an individual and the General Committee as a body and each Committee Members as an individual shall at all times be indemnified from and out of the funds, property and assets of the Club against the consequences of any act, deed, matter or thing done or omitted to be done by the Trustees in respect of or in connection with the business of the Club or of any contract entered into on behalf of the Club and by the Committee or by any Committee Members in respect of or in connection with the business of the Club and in respect of any claims preferred against them or the Club as is mentioned in Rule 17 whether covered by insurance or not, and that in the event of such funds, property and assets not being full and sufficient indemnity for the purpose, then all Members of the Club shall be responsible to the Trustees and to each Trustee and to the General Committee and to each Committee Member for, and shall be liable to make good, any deficiency that may be ascertained. Such deficiency (if any) shall be paid by the adult Members of the Club as far as possible in proportion to the amount of their subscriptions for the then current year but this provision shall not effect or be deemed to affect the obligations in law of the adult Members to indemnify the Trustees and the Committee as aforesaid.</p>	<p><u>18. Indemnity to Trustees and to Committee Members</u></p> <p>It is expressly declared and understood that the Trustees as a body and each Trustee as an individual and the General Committee as a body and each General Committee Member as an individual, shall at all times be indemnified from and out of the funds, property and assets of the Club:</p> <p>(i) against the consequences of any act, deed matter or thing done or committed to be done by the Trustees in respect of in connection with the Business of the Club; or</p> <p>(ii) any contract entered into on behalf of the Club, and by the General Committee or by any Committee Member in respect of or in claims preferred against them or the Club.</p> <p>Such indemnification shall be, irrespective of whether covered by Insurance or not and in the event of such funds, property and assets not being full and sufficient indemnity for the purpose, then all Members of the Club, shall be responsible to the Trustees and each Trustee and to the General Committee and to each Committee Member for and be liable to make good any deficiency that may be ascertained.</p> <p>However, such indemnifications rights set forth in this Article, shall not be available for where the Trustee or a Committee Member, has acted in bad faith and/or in a fraudulent manner, which is detrimental to the best interest of the club</p>	<p>Presently the Trustees and the General Committee members are indemnified irrespective whether the Trustees and General Committee members have acted in good faith or not. Hence, this anomaly has been corrected limiting the indemnification, only to instances where the Trustee or General Committee Member has acted in good faith.</p> <p>It is proposed to delete Article 18, Trustees and replace same with a new Article 18.</p>