

The Ladies' Golf Union
Proposal for the Reorganisation of The Ladies' Golf Union

1. Executive Summary

- 1.1 LGU Championships Limited ("LGUCL") has been incorporated in Scotland as a company limited by shares.
- 1.2 All the activities, assets (including investments, cash and bank balances), debts, obligations and liabilities of The Ladies' Golf Union ("the LGU") other than:-
- (i) the golfing memorabilia and trophies owned by the LGU; and
 - (ii) the office premises at The Scores, St Andrews and the flat in St Andrews owned by the LGU
- will be transferred to LGUCL for no consideration other than the indemnity referred to in paragraph 1.3 below.
- 1.3 LGUCL will indemnify the LGU against all debts, obligations and liabilities which the LGU has or may have, other than the debts, obligations and liabilities of the LGU in respect of the golfing memorabilia and trophies owned by the LGU and the office premises and flat owned by the LGU.
- 1.4 The LGU will be financed by the subscriptions paid to the LGU by the members of the LGU, and may be financed by management charges and dividends paid by LGUCL to the LGU. LGUCL will be financed by loans or capital provided by the LGU to LGUCL and from the commercial activities of LGUCL.
- 1.5 With effect from the reorganisation of the LGU, the only members of the LGU will be the four National Organisations, namely:-
- (i) English Women's Golf Association Limited;
 - (ii) Irish Ladies' Golf Union Limited;
 - (iii) Scottish Ladies' Golfing Association Limited; and
 - (iv) Golf Union of Wales Limited.
- 1.6 LGUCL will be wholly owned by the LGU and the LGU will be the sole member of LGUCL.
- 1.7 The LGU will continue in existence as the owner of:-
- (i) the golfing memorabilia and trophies owned by the LGU;
 - (ii) the office premises and flat owned by the LGU; and
 - (iii) the entire issued share capital of LGUCL.

- 1.8 The objects of the LGU will be:-
- (i) to advance and safeguard the interests of ladies' golf;
 - (ii) together and working with the National Organisations, to provide a collective strong voice for, and to represent the interests of, ladies' and girls' golf;
 - (iii) to influence actively and drive equality in golf;
 - (iv) to preserve and maintain the collection of golfing memorabilia and trophies owned by the LGU; and
 - (v) to be the sole member of LGUCL.
- 1.9 The objects of LGUCL will be:-
- (i) to employ the funds of LGUCL in such a manner as shall be deemed best for the interests of ladies' golf;
 - (ii) to promote, maintain and regulate international golf events, golf championships and golf competitions and to promote the interests of Great Britain and Ireland in ladies' international golf;
 - (iii) to provide women and girls with the opportunity to participate in highest standard elite golf competitions;
 - (iv) to achieve international success for Great Britain and Ireland women and girl golfers and teams;
 - (v) to increase awareness and raise the profile of women and girls through the Women's British Open and other golfing events; and
 - (vi) to promote the Rules of Golf.
- 1.10 Neither the LGU nor LGUCL will have any regulatory, disciplinary or dispute resolution function.
- 1.11 The membership of the LGU will be reorganised so that:-
- (i) each of the four National Organisations will be an Ordinary Member of the LGU (with the four National Organisations being the only members of the LGU);
 - (ii) there can be no other Ordinary Member of the LGU unless each National Organisation which is an Ordinary Member of the LGU has agreed in writing; and
 - (iii) there may be Overseas Members of the LGU.
- 1.12 With effect from the reorganisation of the LGU, only bodies may be members of the LGU and no individual may be a member of the LGU.

- 1.13 Each National Organisation will be responsible to its own members for the mandate which that National Organisation, as a member of the LGU, has from that National Organisation's own members.
- 1.14 It will be in the discretion of the Executive Council of the LGU whether or not to admit any body as an Overseas Member of the LGU. Initially there will be no Overseas Members of the LGU. There will be no limit on the number of Overseas Members of the LGU.
- 1.15 Each Ordinary Member of the LGU shall be entitled:-
- (i) to receive notice of each general meeting of the LGU;
 - (ii) on any resolution put to any general meeting of the LGU to that number of votes specified or referred to in paragraph 1.19 below;
 - (iii) to appoint a representative of that Ordinary Member to attend, speak and vote on behalf of that Ordinary Member at any general meeting of the LGU;
 - (iv) to appoint a substitute representative of that Ordinary Member to attend, speak and vote on behalf of that Ordinary Member at any general meeting of the LGU at which the representative appointed by that Ordinary Member is not present;
 - (v) to appoint a member of the Executive Council of the LGU and to remove/replace the member of the Executive Council of the LGU appointed by that Ordinary Member; and
 - (vi) to appoint a deputy member of the Executive Council of the LGU and to remove/replace the deputy member of the Executive Council of the LGU appointed by that Ordinary Member.
- 1.16 An Ordinary Member will be entitled to resign as a member of the LGU.
- 1.17 Subject to paragraph 1.18 below, the rights, privileges and benefits of the Overseas Members of the LGU shall be determined from time to time by the Executive Council of the LGU.
- 1.18 Each Overseas Member of the LGU shall be entitled:-
- (i) to receive notice of each general meeting of the LGU;
 - (ii) to appoint a representative of that Overseas Member to attend and speak on behalf of that Overseas Member at any general meeting of the LGU; and
 - (iii) to appoint an Overseas Vice President of the LGU
- but an Overseas Member of the LGU shall not be entitled:-
- (i) to vote at any general meeting of the LGU (and the representative of an Overseas Member shall not be entitled to vote at any general meeting of the LGU);

- (ii) to vote on any written resolution of the LGU; or
 - (iii) to appoint any member of the Executive Council of the LGU.
- 1.19 At a general meeting of the LGU:-
- (i) English Women's Golf Association Limited shall, whilst it is an Ordinary Member of the LGU, be entitled to nine votes;
 - (ii) Irish Ladies' Golf Union Limited shall, whilst it is an Ordinary Member of the LGU, be entitled to four votes;
 - (iii) Scottish Ladies' Golfing Association Limited shall, whilst it is an Ordinary Member of the LGU, be entitled to two votes;
 - (iv) Golf Union of Wales Limited shall, whilst it is an Ordinary Member of the LGU, be entitled to one vote; and
 - (v) each member of the Executive Council of the LGU shall be entitled to two votes.
- 1.20 If there is ever any Ordinary Member of the LGU which is not a National Organisation the number of votes to which that Ordinary Member is entitled shall be agreed in writing, when that Ordinary Member becomes a member of the LGU, by those National Organisations which are then Ordinary Members of the LGU.
- 1.21 No Overseas Member and no other person shall be entitled to vote at a general meeting of the LGU.
- 1.22 An annual subscription shall in respect of each calendar year be payable to the LGU by an Ordinary Member of the LGU (i.e. by the four National Organisations) of such an amount or calculated at such rate or calculated according to such scale or calculated on such basis as shall from time to time be agreed by the Executive Council of the LGU with each National Organisation which is an Ordinary Member of the LGU.
- 1.23 An annual subscription shall in respect of each calendar year be payable to the LGU by an Overseas Member of the LGU of such an amount or calculated at such rate or calculated according to such scale or calculated on such basis as shall be fixed from time to time by the Executive Council of the LGU.
- 1.24 The annual subscription payable to the LGU by a member of the LGU in respect of any calendar year shall (unless otherwise agreed in writing between the LGU and that member of the LGU) be payable to the LGU by that member in four instalments with an instalment of that annual subscription being payable in each of the quarters ending on 31 March, 30 June, 30 September and 31 December in that calendar year.

- 1.25 The Executive Council of the LGU may terminate the membership of the LGU of an Overseas Member if:-
- (i) the annual subscription (or any instalment of any annual subscription) or other sum payable to the LGU by that Overseas Member is 90 days or more overdue; or
 - (ii) the Executive Council of the LGU is satisfied that that Overseas Member does not satisfy the criteria and requirements for admission of a body to membership of the LGU as an Overseas Member; or
 - (iii) the Executive Council of the LGU is satisfied that that Overseas Member is not a fit and proper body to be an Overseas Member of the LGU.
- 1.26 An Overseas Member will be entitled to resign as a member of the LGU.
- 1.27 There will be no provision in the Rules of the LGU for the termination of the membership of the LGU or any Ordinary Member of the LGU other than on the resignation of that Ordinary Member from membership of the LGU.
- 1.28 The President of the LGU is to be elected by the Executive Council of the LGU and may serve as President for two years. A member (or deputy member) of the Executive Council of the LGU will not be eligible to be elected as the President of the LGU.
- 1.29 The Executive Council is to appoint not less than four and not more than 12 Honorary Vice Presidents of the LGU.
- 1.30 Each Overseas Member of the LGU is to be entitled to appoint and remove/replace an Overseas Vice President of the LGU.
- 1.31 The Chairman of the LGU is to be elected by the Executive Council of the LGU. The Chairman of the LGU may serve for six years subject to re-election after three years. A member of the Executive Council of the LGU will not be eligible to be elected as the Chairman of the LGU.
- 1.32 There will be no Vice Chairman or Honorary Treasurer of the LGU.
- 1.33 The Executive Council of the LGU will be reorganised to comprise:-
- (i) ex officio the Chairman of the LGU;
 - (ii) four members of the Executive Council, appointed one each by the Ordinary Members (i.e. the four National Organisations) of the LGU (with an Ordinary Member also having the right to appoint a deputy member of the Executive Council); and
 - (iii) up to two additional members of the Executive Council co-opted by the Executive Council.

- 1.34 The President of the LGU will ex officio be the President of LGUCL, each Honorary Vice President of the LGU will ex officio be an Honorary Vice President of LGUCL, each Overseas Vice President of the LGU will ex officio be an Overseas Vice President of LGUCL, the Chairman of the LGU will ex officio be the Chairman of LGUCL, the members of the Executive Council of the LGU will ex officio be the directors of LGUCL and the deputy members of the Executive Council of the LGU will ex officio be alternate directors of LGUCL.
- 1.35 There will be no director of LGUCL other than the ex officio directors of LGUCL.

2. General Meetings of the LGU

- 2.1 An annual general meeting of the LGU must be held in each calendar year, with not more than 15 months to elapse between the date of one annual general meeting of the LGU and that of the next annual general meeting of the LGU.
- 2.2 The business to be transacted at each annual general meeting of the LGU shall include:-
- (i) the consideration of reports on the LGU's activities and financial position, and of the audited financial statements of the LGU, to be presented to the annual general meeting; and
 - (ii) the appointment and fixing of (or the authorisation of the Executive Council of the LGU to fix) the remuneration of the auditors of the LGU.
- 2.3 The Executive Council of the LGU may convene a general meeting of the LGU whenever the Executive Council thinks fit, and a general meeting of the LGU may also be convened on the requisition of any Ordinary Member of the LGU.
- 2.4 21 clear days notice at least is to be given of any general meeting of the LGU.
- 2.5 Notice of a general meeting of the LGU is to be given to:-
- (i) the Ordinary Members of the LGU;
 - (ii) the Overseas Members of the LGU;
 - (iii) the President of the LGU;
 - (iv) the Honorary Vice Presidents of the LGU;
 - (v) the Overseas Vice Presidents of the LGU;
 - (vi) the members of the Executive Council of the LGU;
 - (vii) the deputy members of the Executive Council of the LGU; and
 - (viii) the auditors of the LGU.

- 2.6 The representatives of three Ordinary Members shall be a quorum for the transaction of business at any general meeting of the LGU. No business may be transacted at any general meeting of the LGU unless a quorum is present at the time when the general meeting proceeds to business.
- 2.7 At any general meeting of the LGU a resolution put to the vote of the general meeting shall be decided on a show of hands, and a resolution put to the vote of a general meeting of the LGU shall not be passed unless 75 per cent or more of the votes cast on the resolution are in favour of the resolution.
- 2.8 On a show of hands at any general meeting of the LGU:-
- (i) the vote of the representative, or the substitute representative, of English Women's Golf Association Limited shall, whilst English Women's Golf Association Limited is an Ordinary Member of the LGU, count as nine votes;
 - (ii) the vote of the representative, or the substitute representative, of Irish Ladies' Golf Union Limited shall, whilst Irish Ladies' Golf Union Limited is an Ordinary Member of the LGU, count as four votes;
 - (iii) the vote of the representative, or substitute representative, of Scottish Ladies' Golfing Association Limited shall, whilst Scottish Ladies' Golfing Association Limited is an Ordinary Member of the LGU, count as two votes;
 - (iv) the vote of the representative, or substitute representative, of Golf Union of Wales Limited shall, whilst Golf Union of Wales Limited is an Ordinary Member of the LGU, count as one vote;
 - (v) the vote of the representative, or substitute representative, of each Ordinary Member of the LGU which is not a National Organisation shall count as the number of votes agreed in writing, when that Ordinary Member became a member of the LGU, by whose National Organisations which were then Ordinary Members of the LGU; and
 - (vi) the vote of each member of the Executive Council shall count as two votes.
- 2.9 In the case of an equality of votes on any resolution put to a general meeting of the LGU, the chairman of the general meeting shall not be entitled to a casting vote.
- 2.10 Each member of the Executive Council of the LGU shall be entitled to attend, speak and vote at each general meeting of the LGU.
- 2.11 The President of the LGU, each Honorary Vice President of the LGU, each Overseas Vice President of the LGU, each deputy of a member of the Executive Council of the LGU and the

auditors of the LGU shall be entitled to attend and speak, but not to vote, at each general meeting of the LGU.

- 2.12 The Executive Council may invite or allow any person or persons to attend and speak, but not to vote, at any general meeting or general meetings of the LGU.

3. President of the LGU

- 3.1 The President of the LGU is to be elected by the Executive Council of the LGU.
- 3.2 A member of the Executive Council of the LGU and a deputy member of the Executive Council of the LGU will not be eligible for election as the President of the LGU.
- 3.3 The President can serve as President for two years. A former President cannot be re-elected as President until five years have elapsed after he or she ceased to be President.
- 3.4 The President of the LGU may resign as the President of the LGU.
- 3.5 The President of the LGU may be removed from office as the President by a resolution passed at a duly convened and held meeting of the Executive Council of the LGU if not less than two thirds in aggregate of those members of the Executive Council who are present at the meeting vote in favour of the resolution.
- 3.6 The President shall not be a member of the Executive Council of the LGU, but the President shall be entitled to receive notice of and to attend and speak, but not to vote, at any general meeting of the LGU and at any meeting of the Executive Council of the LGU.
- 3.7 Any period of office as President of the LGU prior to the reorganisation of the LGU shall count as office as President for the purposes of the two years referred to in paragraph 3.3 above.

4. Honorary Vice Presidents

- 4.1 There shall from time to time and for the time being be not less than four, and not more than 12, Honorary Vice Presidents of the LGU elected by the Executive Council.
- 4.2 Subject to the minimum and maximum number of Honorary Vice Presidents to be elected by the Executive Council and subject to paragraph 4.4 below, the Executive Council shall elect such persons as the Executive Council sees fit as Honorary Vice Presidents of the LGU.
- 4.3 If at any time there are less than four Honorary Vice Presidents of the LGU elected by the Executive Council, the Executive Council shall, subject to paragraph 4.4 below, elect such person to be an Honorary Vice President of the LGU or such persons to be Honorary Vice

Presidents of the LGU so that the number of Honorary Vice Presidents of the LGU elected by the Executive Council is not less than four.

- 4.4 Of the Honorary Vice Presidents of the LGU from time to time and for the time being elected by the Executive Council:-
- (i) at least one shall be or have been the president or the chairman of, or a vice president or a director (or equivalent) of, The English Women's Golf Association or its predecessor;
 - (ii) at least one shall be or have been the president or the chairman of, or a vice president or a director (or equivalent) of, Irish Ladies' Golf Union Limited or its predecessor;
 - (iii) at least one shall be or have been the president or the chairman of, or a vice president or a director (or equivalent) of, Scottish Ladies' Golfing Association Limited or its predecessor; and
 - (iv) at least one shall be or have been the president or the chairman of, or a vice president or a director (or equivalent) of, Golf Union of Wales Limited or its predecessor.
- 4.5 An Honorary Vice President of the LGU may resign as an Honorary Vice President by notice to the LGU.
- 4.6 An Honorary Vice President of the LGU may be removed from office as an Honorary Vice President of the LGU by a resolution passed at a duly convened and held meeting of the Executive Council if (a) that Honorary Vice President has been given not less than 28 days notice of that meeting of the Executive Council, (b) that Honorary Vice President is entitled to attend and speak, but not to vote, at that meeting of the Executive Council and (c) not less than two thirds in aggregate of those members of the Executive Council who are present at the meeting vote in favour of the resolution.
- 4.7 An Honorary Vice President shall be entitled to receive notice of and to attend and speak, but not to vote, at any general meeting of the LGU.
- 4.8 An Honorary Vice President shall not be a member of the Executive Council.
- 4.9 Subject as mentioned in paragraph 4.6 above, an Honorary Vice President shall not be entitled to receive notice of, or to attend, speak or vote at, any meeting of the Executive Council, but an Honorary Vice President may be invited or allowed by the Executive Council to attend and speak, but not to vote, at any meeting of the Executive Council.

5. Overseas Vice Presidents

- 5.1 Each Overseas Member shall be entitled to appoint an Overseas Vice President of the LGU, and to remove/replace any Overseas Vice President of the LGU appointed by that Overseas Member.
- 5.2 An Overseas Vice President of the LGU may resign as an Overseas Vice President by notice to the LGU.
- 5.3 An Overseas Vice President of the LGU may be removed from office as an Overseas Vice President by a resolution passed at a duly convened and held general meeting of the LGU or by a resolution in writing signed by or on behalf of all of the Ordinary Members. Any person who is so removed as an Overseas Vice President of the LGU shall not be eligible to be appointed as an Overseas Vice President of the LGU unless a resolution that such person is eligible to be appointed as an Overseas Vice President of the LGU is passed at a duly convened and held general meeting of the LGU or a resolution in writing that such person is eligible to be appointed as an Overseas Vice President of the LGU is signed by or on behalf of all of the Ordinary Members.
- 5.4 An Overseas Vice President shall be entitled to receive notice of and to attend and speak, but not to vote, at any general meeting of the LGU.
- 5.5 An Overseas Vice President shall not be a member of the Executive Council.
- 5.6 An Overseas Vice President shall not be entitled to receive notice of, or to attend, speak or vote at, any meeting of the Executive Council, but an Overseas Vice President may be invited or allowed by the Executive Council to attend and speak, but not to vote, at any meeting of the Executive Council.

6. The Chairman

- 6.1 The Chairman of the LGU is to be elected by the Executive Council of the LGU.
- 6.2 A member of the Executive Council of the LGU and a deputy member of the Executive Council of the LGU will not be eligible to be elected as the Chairman of the LGU.
- 6.3 The Chairman of the LGU shall ex officio be a member of the Executive Council of the LGU.
- 6.4 The Chairman must retire as Chairman once the Chairman has served three years as Chairman.

- 6.5 The Chairman shall be eligible for re-election as Chairman for a second term of three years after the Chairman's first three years as Chairman.
- 6.6 The Chairman must stand down as Chairman after six years as Chairman.
- 6.7 The Chairman may resign as Chairman.
- 6.8 The Chairman may be removed from office as Chairman by a resolution passed at a duly convened and held meeting of the Executive Council of the LGU if not less than two thirds in aggregate of those members of the Executive Council who are present at the meeting vote in favour of the resolution.
- 6.9 A former Chairman cannot be re-elected as Chairman until a year has elapsed after he or she ceased to be Chairman (unless the Chairman is re-elected as Chairman at the end of the Chairman's first three years as Chairman), and a former Chairman cannot be appointed or co-opted as a member of the Executive Council and cannot be appointed as a deputy member of the Executive Council until a year has elapsed after he or she ceased to be Chairman.
- 6.10 Any period of office as Chairman of the LGU prior to the reorganisation of the LGU shall count as office as Chairman for the purposes of the three years referred to in paragraph 6.4 above and for the purposes of the six years referred to in paragraph 6.6 above.

7. The Executive Council of the LGU

- 7.1 The business and affairs of the LGU shall be managed by the Executive Council of the LGU.
- 7.2 The Executive Council of the LGU shall consist of:-
- (i) the Chairman as an ex officio member of the Executive Council;
 - (ii) the members of the Executive Council appointed by the National Organisations (with each National Organisation being entitled to appoint one member of the Executive Council); and
 - (iii) up to two members of the Executive Council co-opted by the Executive Council.
- 7.3 Each Ordinary Member (i.e. each of the four National Organisations) shall be entitled to appoint a member of the Executive Council of the LGU, and to remove/replace the member of the Executive Council appointed by that Ordinary Member. The member of the Executive Council appointed by an Ordinary Member may not be an employee of that Ordinary Member.
- 7.4 Each Ordinary Member (i.e. each of the four National Organisations) shall also be entitled to appoint a deputy member of the Executive Council of the LGU and to remove/replace the

deputy appointed by that Ordinary Member. The deputy member of the Executive Council appointed by an Ordinary Member may not be an employee of that Ordinary Member.

- 7.5 A deputy shall not be a member of the Executive Council of the LGU, but a deputy shall be entitled to receive notice of each meeting of the Executive Council. If the member of the Executive Council of the LGU appointed by an Ordinary Member of the LGU cannot attend a meeting of the Executive Council, then the deputy member of the Executive Council appointed by that Ordinary Member may attend, speak and vote at that meeting of the Executive Council in place of the absent member of the Executive Council.
- 7.6 A member of the Executive Council of the LGU appointed by an Ordinary Member may not be a member of the Executive Council for longer than four years, and upon a member of the Executive Council appointed by an Ordinary Member having been a member of the Executive Council for four years that member of the Executive Council shall cease to be a member of the Executive Council (without prejudice to the right of that Ordinary Member to appoint another person as a member of the Executive Council). Any period of office prior to the reorganisation of the LGU as a member of Executive Council of the LGU shall count towards the four years limit referred to in this paragraph 7.6.
- 7.7 A member of the Executive Council may resign as a member of the Executive Council.
- 7.8 A deputy member of the Executive Council may not be such a deputy for longer than four years, and upon a deputy having been a deputy for four years that deputy shall cease to be a deputy (without prejudice to the right of the Ordinary Member who appointed that deputy to appoint a replacement deputy). Any period of office prior to the reorganisation of the LGU as a deputy member of the Executive Council shall count towards the four years limit referred to in this paragraph 7.8.
- 7.9 A deputy member of the Executive Council may resign as such a deputy.
- 7.10 A deputy member of the Executive Council may, upon that deputy ceasing to be a deputy, be appointed as a member of the Executive Council.
- 7.11 The Executive Council of the LGU may co-opt additional members of the Executive Council, provided always that (a) there are not at any time more than two co-opted members of the Executive Council and (b) a co-opted member of the Executive Council cannot be a member of the Executive Council for more than four years. Any period of office prior to the reorganisation of the LGU as a member of the Executive Council shall count towards the four years limit referred to in this paragraph 7.11.

- 7.12 A co-opted member of the Executive Council of the LGU may be removed from office as a member of the Executive Council by a resolution passed at a duly convened and held general meeting of the members of the LGU.
- 7.13 A former member of the Executive Council (including both former appointed and former co-opted members of the Executive Council) will not be eligible to hold office as a member of the Executive Council or to be a deputy member of the Executive Council until a year has elapsed after he or she ceased to be a member of the Executive Council.
- 7.14 A former deputy member of the Executive Council will not be eligible to be reappointed as such a deputy until a year has elapsed after he or she ceased to be such a deputy.
- 7.15 The Executive Council of the LGU is to meet not less than four times in each calendar year. The quorum for the transaction of business at a meeting of the Executive Council of the LGU shall be four members (or their respective deputies) of the Executive Council.
- 7.16 Each member of the Executive Council of the LGU, and each deputy member of the Executive Council attending in place of a member of the Executive Council, will have one vote. The chairman of a meeting of the Executive Council of the LGU will not have a second or casting vote at that meeting of the Executive Council.

8. Committees of the Executive Council of the LGU

The Executive Council of the LGU may delegate any of the Executive Council's powers to a committee or committees consisting of such persons (whether or not being members of the Executive Council of the LGU) as the Executive Council shall determine.

9. Accounts and Audit

- 9.1 The Executive Council shall cause to be kept by the LGU accounting records which are sufficient to show and explain the LGU's transactions and which are sufficient to disclose with reasonable accuracy at any time the financial position of the LGU at that time.
- 9.2 The accounting records of the LGU shall in particular contain:-
- (i) entries of all sums of money received and expended by the LGU, and of the matters in respect of which the receipt and expenditure takes place;
 - (ii) a record of all purchases and sales of goods by the LGU and of all purchases and supplies of services by the LGU; and
 - (iii) a record of the assets and liabilities of the LGU.

- 9.3 The financial year of the LGU shall be 1 November to 31 October.
- 9.4 The Executive Council shall cause to be prepared and to be laid before the LGU in general meeting the audited financial statements of the LGU for each financial year of the LGU.
- 9.5 The financial statements of the LGU for each financial year of the LGU shall be audited by auditors qualified to audit the accounts of a company incorporated in the United Kingdom.
- 9.6 The directors of LGUCL shall cause to be kept by LGUCL accounting records which are sufficient to show and explain LGUCL's transactions and which are sufficient to disclose with reasonable accuracy at any time the financial position of LGUCL at that time.
- 9.7 The accounting records of LGUCL shall in particular contain:-
- (i) entries of all sums of money received and expended by LGUCL, and of the matters in respect of which the receipt and expenditure takes place;
 - (ii) a record of all purchases and sales of goods by LGUCL and of all purchases and supplies of services by LGUCL; and
 - (iii) a record of the assets and liabilities of LGUCL.
- 9.8 The financial year of LGUCL shall be 1 November to 31 October.
- 9.9 The directors of LGUCL shall cause to be prepared and to be laid before LGUCL in general meeting the audited financial statements of LGUCL for each financial year of LGUCL.
- 9.10 The financial statements of LGUCL for each financial year of LGUCL shall be audited by auditors qualified to audit the accounts of a company incorporated in the United Kingdom.

10. Alteration of the Rules of the LGU

The Rules of the LGU may be altered, amended or replaced with the agreement in writing of each of the National Organisations which is an Ordinary Member, provided that no alteration or amendment to the Rules of the LGU may be made, and the Rules of the LGU may not be replaced, unless the alteration or amendment to, or replacement of, the Rules of the LGU has been approved by a resolution passed at a general meeting of the LGU (and for the resolution to be passed 75 per cent or more of the votes on the resolution must be in favour of the resolution – see paragraph 2.7 above).

11. Winding up or Dissolution of the LGU

- 11.1 The LGU may be wound up or dissolved (and may only be wound up or dissolved) with the agreement in writing of each of the National Organisations.
- 11.2 If upon the winding up or dissolution of the LGU there remains, after the satisfaction of the debts and liabilities of the LGU, any property whatsoever (and the debts and liabilities of the LGU shall be satisfied first out of assets of the LGU other than the golfing memorabilia and trophies owned by the LGU), such property shall not be paid to or distributed among the members of the LGU but:-
- (i) the golfing memorabilia and trophies owned by the LGU shall be given or transferred to the Women Golfers' Museum; and
 - (ii) all other remaining property of the LGU shall be given, transferred or distributed to such person or persons and in such amounts or proportions as the National Organisations which are Ordinary Members of the LGU shall unanimously agree in writing.

12. LGUCL

- 12.1 The President of the LGU shall ex officio be the President of LGUCL.
- 12.2 The President of LGUCL shall not be a director of LGUCL, but the President of LGUCL shall be entitled to receive notice of and to attend and speak, but not to vote, at any general meeting of LGUCL and at any meeting of the Board of Directors of LGUCL.
- 12.3 Each Honorary Vice President of the LGU shall ex officio be an Honorary Vice President of LGUCL.
- 12.4 An Honorary Vice President of LGUCL shall be entitled to receive notice of and to attend and speak, but not to vote, at any general meeting of LGUCL.
- 12.5 An Honorary Vice President of LGUCL shall not be a director of LGUCL.
- 12.6 An Honorary Vice President of LGUCL shall not be entitled to receive notice of, or to attend, speak or vote at, any meeting of the Board of Directors of LGUCL.
- 12.7 Each Overseas Vice President of the LGU shall ex officio be an Overseas Vice President of LGUCL.
- 12.8 An Overseas Vice President of LGUCL shall be entitled to receive notice of and to attend and speak, but not to vote, at any general meeting of LGUCL.
- 12.9 An Overseas Vice President of LGUCL shall not be a director of LGUCL.

- 12.10 An Overseas Vice President of LGUCL shall not be entitled to receive notice of, or to attend, speak or vote at, any meeting of the Board of Directors of LGUCL.
- 12.11 The Chairman of the LGU shall ex officio be the Chairman of LGUCL.
- 12.12 The members of the Executive Council of the LGU shall ex officio be the directors of LGUCL.
- 12.13 The deputy members of the Executive Council of the LGU shall ex officio be alternate directors of LGUCL.
- 12.14 There shall be no directors of LGUCL other than the members of the Executive Council of the LGU.
- 12.15 If a member of the Executive Council of the LGU appointed by an Ordinary Member of the LGU cannot as a director of LGUCL attend a meeting of the Board of Directors of LGUCL, then the deputy member of the Executive Council of the LGU appointed by that Ordinary Member can (as an alternate director of LGUCL) attend, speak and vote at that meeting of the Board of Directors of LGUCL in place of the absent director of LGUCL.
- 12.16 LGUCL will be managed by LGUCL's Board of Directors.
- 12.17 The quorum for the transaction of business at a meeting of the Board of Directors of LGUCL shall be four directors (or their respective alternate directors) of LGUCL.
- 12.18 On any resolution put to a meeting of the Board of Directors of LGUCL each director of LGUCL, and each alternate director of LGUCL attending in place of a director of LGUCL, will have one vote. The chairman of any meeting of the Board of Directors of LGUCL will not have a second or casting vote at that meeting.
- 12.19 The directors of LGUCL may delegate any of their powers to a committee or committees consisting of such persons (whether or not being directors of LGUCL) as the directors of LGUCL shall determine. The Chairman of LGUCL shall ex officio be a member of each committee established by the directors of LGUCL.
- 12.20 Unless and until the directors of LGUCL otherwise determine:-
- (i) the registered office of LGUCL will be at The Scores, St Andrews, Fife, KY16 9AT;
 - (ii) the financial year end of LGUCL will (like the financial year end of the LGU) be 31 October; and
 - (iii) the auditors of LGUCL will (like the auditors of the LGU) be Bird Simpson & Co.
- 12.21 If upon the winding up or dissolution of LGUCL there remains, after the satisfaction of all the debts and liabilities of LGUCL, any property whatsoever, such property shall be paid or distributed to the LGU.

13. Honoraria and Reimbursement of Expenses

- 13.1 The President and/or the Chairman of the LGU may be paid an honorarium of such amount or at such rate or scale as may be determined by the Executive Council of the LGU, and the President and/or the Chairman of LGUCL may be paid an honorarium of such amount or at such rate or scale as may be determined by the Board of Directors of LGUCL.
- 13.2 The President of the LGU, each member of the Executive Council of the LGU and each deputy member of the Executive Council of the LGU shall, subject to the policy (and at such rate or scale and subject to such maximum) from time to time determined by the Executive Council of the LGU for the reimbursement of expenses by the LGU, be entitled to payment of travelling, hotel and other expenses reasonably and properly incurred by the President of the LGU or, as the case may be, that member of the Executive Council of the LGU or that deputy member of the Executive Council of the LGU in travelling to and from and attending general meetings of the LGU or meetings of the Executive Council of the LGU or of any committee established by the Executive Council of the LGU or otherwise in connection with the business and affairs of the LGU.
- 13.3 The President of LGUCL, each director of LGUCL and each alternate director of LGUCL shall, subject to the policy (and at such rate or scale and subject to such maximum) from time to time determined by the Board of Directors of LGUCL for the reimbursement of expenses by LGUCL, be entitled to payment of travelling, hotel and other expenses reasonably and properly incurred by the President of LGUCL or, as the case may be, that director of LGUCL or that alternate director of LGUCL in travelling to and from and attending general meetings of LGUCL or meetings of the Board of Directors of LGUCL or of any committee established by the Board of Directors of LGUCL or otherwise in connection with the business and affairs of LGUCL.

14. Relevant Interests

- 14.1 Each member of the Executive Council of the LGU and each deputy member of the Executive Council of the LGU is to report to the Chief Executive Officer of the LGU any Relevant Interest of that member or of that deputy so that the record of the Relevant Interests of each member of the Executive Council and of each such deputy is kept up to date, and each director of LGUCL and each alternate director of LGUCL is to report to the Chief Executive Officer of

LGUCL any Relevant Interest of that director or of that alternate director so that the record of the Relevant Interests of each director of LGUCL and of each alternate director of LGUCL is kept up to date.

14.2 A Relevant Interest for this purpose is an interest which conflicts with or may conflict with the interests of the LGU and/or with the interests of LGUCL or of which:-

- (i) in the case of any discussion or meeting of the Executive Council of the LGU, the members of the Executive Council of the LGU should reasonably be aware; and
- (ii) in the case of any discussion or meeting of the Board of Directors of LGUCL, the Board of Directors of LGUCL should reasonably be aware

including any personal interest, any financial interest, any professional interest, any interest in a contract or proposed contract, any interest as a member, officer or employee (or consultant to) any body and any other interest of a type or nature which the Executive Council of the LGU may from time to time and for the time being determine to be a Relevant Interest.

15. Chief Executive Officer

15.1 The Executive Council of the LGU may appoint a Chief Executive Officer of the LGU who shall be an employee of the LGU and the LGU's chief executive and who shall hold office on such terms and conditions and for such remuneration as may be fixed or approved by the Executive Council of the LGU. The Executive Council of the LGU may delegate to the Chief Executive Officer of the LGU such powers and duties, including the appointment, management, supervision and dismissal of employees of the LGU, as the Executive Council of the LGU sees fit.

15.2 The Board of Directors of LGUCL may appoint a Chief Executive Officer of LGUCL who shall be an employee of LGUCL and LGUCL's chief executive and who shall hold office on such terms and conditions and for such remuneration as may be fixed or approved by the Board of Directors of LGUCL. The Board of Directors of LGUCL may delegate to the Chief Executive Officer of LGUCL such powers and duties, including the appointment, management, supervision and dismissal of employees of LGUCL, as the Board of Directors of LGUCL sees fit. It is envisaged that the same person will be both the Chief Executive Officer of the LGU and the Chief Executive Officer of LGUCL.

15.3 The Chief Executive Officer of the LGU shall not be a member of the Executive Council of LGU and the Chief Executive Officer of LGUCL shall not be a director of LGUCL.

15.4 The Chief Executive Officer may be referred to as "the CEO".

16. Staff

The employees of the LGU will automatically by law transfer from the LGU to, and become employees of, LGUCL pursuant to The Transfer of Undertakings (Protection of Employment) Regulations ("TUPE"), on their existing terms and conditions of employment and with continuity of employment.