

## COYLUMBRIDGE HIGHLAND LODGES CLUB

### CONSTITUTION AND RULES

(This version adopted 16 July 2020)

#### 1. Name

Coylumbridge Highland Lodges Club is an unincorporated association with its principal office at Coylumbridge Resort, Aviemore, Inverness-shire, PH22 1QN.

#### 2. Interpretation

In this Constitution:

“Club” means the Coylumbridge Highland Lodges Club.

“Committee” means the committee appointed under this Constitution

“Member” means a member of the Club admitted under this Constitution.

References to Articles are to numbered paragraphs of this Constitution and the masculine shall include the feminine and vice versa.

This Constitution replaces all existing versions of the constitution of the Club and restates definitively the rights and obligations of the Members.

#### 3. Objects

The objects of the Club, which under Article 6.6 shall be carried out by the Committee subject to such restrictions as are set out in this Constitution or are imposed by resolution of the Members from time to time, are:

- 3.1. To secure for the Members rights of common ownership of specific residential units (“the Lodges”) within land adjacent to the Coylumbridge Hotel, Aviemore, Inverness-Shire PH22 1QN (“the Hotel”) and also individual rights of occupation of the Lodges for specified periods in each year;
- 3.2. To improve, manage, develop or procure the improvement, management and development of the Lodges and the land on which the Lodges are situated (the Lodges and relative ground being referred to as “the heritable property” which heritable property is outlined in red on the plan annexed to this Constitution) and to purchase, provide, procure, supply and dispose to Members, services in connection with the Lodges and the heritable property and the management thereof;
- 3.3. To appoint a Management Company for the management of the Lodges, the ancillary facilities and the heritable property generally and to delegate to the Management Company the powers necessary to perform its functions;
- 3.4. To enter into and comply with a Deed of Trust between the Founder Member, the Club and the Trustee relating to the heritable property;

- 3.5. To acquire, purchase, take over and manage the assets (including heritable property) of the Club;
- 3.6. To purchase, take on lease or in exchange, hire or otherwise acquire and hold any heritable or moveable property of any kind necessary or convenient for the purposes of or in connection with the Club's objects;
- 3.7. To borrow or raise or secure the payment of money in such manner as the Club shall think fit for the purpose or in connection with the Club's objects;
- 3.8. For the purpose of or in connection with the objects of the Club to mortgage and charge the assets (including heritable property) of the Club;
- 3.9. To sell, exchange, let or rent, grant licences and other rights over and in any other manner deal with or dispose of the assets (including the heritable property) of the Club for such consideration as the Club shall think fit, including without limitation Holiday Certificates in respect of which a surrender has been accepted by the Club or which have been deemed to be surrendered by Members who have been expelled;
- 3.10. To enter into any partnership or arrangement for sharing profits, union of interests, reciprocal concession or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this Club or which is capable of being carried on so as directly or indirectly to benefit this Club.

#### **4. Founder Member and Holiday Certificates**

- 4.1. The Founder Member of the Club was The Reo Stakis Organisation Limited, incorporated under the Companies Acts (SC022163) and having its registered office at 4 Cadogan Square, Glasgow G2 7PH. The Founder Member had power to nominate another entity to assume this role and the current Founder Member is Hilton Grand Vacations UK Limited incorporated under the Companies Acts (08336462) and having its registered office at 25 Canada Square, Level 37, London, England, E14 5LQ.
- 4.2. The Founder Member arranged for erection of the Lodges on land adjacent to the Hotel complete with such amenities, services, fixtures or fittings or equipment, furnishings, plenishings and utensils as were appropriate.
- 4.3. After each of the Lodges was completed and was determined by the Founder Member to be ready for occupation, a Schedule was drawn up by the Founder Member detailing the state and condition of the Lodge and specifying the whole fixtures, fittings, equipment, furnishings, plenishings and utensils in the Lodge or pertaining thereto ("the contents").
- 4.4. The Founder Member appointed itself as the first Management Company for the purposes set out in this Constitution. The Schedule referred to in Article 4.3 shall be updated and revised from time to time by the Management Company which failing by the Committee. The current Founder Member (Hilton Grand Vacations UK Limited) is the current Management Company.
- 4.5. The Founder Member arranged for legal title to the ground and the Lodges erected thereon to be assigned to an independent Trustee which now holds the same for behoof of the Members from time to time. The current Trustee is Campbell Riddell Trustees Limited, incorporated under the Companies Acts (SC146077) and having its registered office at 229 Fenwick Road, Giffnock, Glasgow, Scotland, G46 6JQ.

- 4.6. The Founder Member arranged for ownership of the original contents of the Lodges to be assigned to the Club for behoof of the Members of the Club from time to time.
- 4.7. It is a condition of the legal title to the Lodges that they shall be used and maintained only as holiday Lodges, that no other development shall take place on the heritable property and that a right of pre-emption is reserved to the Proprietor of the Coylumbridge Hotel to the effect that it shall not be in the power of the Club to sell or dispose of the heritable property or any part thereof to a third party without first offering the same to the proprietor of the Coylumbridge Hotel at the price and on the conditions at and on which the Club shall be willing to sell the same or such part to a third party and the proprietor for the time of the Coylumbridge Hotel shall be bound to intimate in writing acceptance or rejection within 21 clear days after such offer shall have been received.
- 4.8. In respect of each Lodge there are 50 certificates of title ("Holiday Certificates") which were issued on terms and subject to conditions determined by the Founder Member, two weeks in each period of 52 being retained by the Founder Member and available for maintenance.
- 4.9. Each Holiday Certificate entitles the registered holder to occupy the Lodge to which the Holiday Certificate relates in perpetuity for the period in each year stated on the face of the Holiday Certificate. The day and time of commencement and the day and time of conclusion of such period is stated on the face of the holiday Certificate, so that the day on which each period ends is the seventh day after the day on which each such period commenced. The periods are numbered 01 to 52 corresponding with consecutive weeks of each year with the exception of the Christmas and New Year periods and week 53 where allocated.
- 4.10. In respect that in every year there are 52 periods there shall in every cycle of 28 years be seven days unallocated to weekly periods. The unallocated days belong to the Founder Member which shall be entitled to deal with them in any manner which it considers in its sole discretion to be appropriate.
- 4.11. Where a Holiday Certificate is issued to more than one person, those persons shall be jointly and severally liable as joint Members for all obligations incumbent on the holder of that Holiday Certificate under this Constitution, including without limitation the payment of any sums due by such a holder.

## **5. Membership**

- 5.1. A Member of the Club shall be either a natural person or a legal person (such as a company). A person shall become a Member of the Club upon the issue to that person of a Holiday Certificate and the entry of that person's name in the Register of Members kept by the Committee when that person shall become bound by and subject to the provisions of this Constitution and of any rules, regulations or bye-laws laid down by the Management Company or the Committee. Where a Holiday Certificate is issued to more than one person under Article 4.11, those persons shall be joint Members. Subject always to the provisions which follow, membership shall cease only upon the name of a Member or joint Members being removed from the Register of Members and, upon such removal and cessation, a Member or joint Members shall cease to have any interest of any kind in the property of the Club.

- 5.2. A Member may at any time transfer (by way of sale or gift) a Holiday Certificate of which the Member is the registered holder to a third party or to another Member by delivering to the Committee the relevant Holiday Certificate with a duly executed Deed of Transfer in such form as may be prescribed from time to time by the Committee. On receipt of the Holiday Certificate and duly executed Deed of Transfer, the Committee shall register the transferee as the holder of the Holiday Certificate and as a Member (if such person is not already a Member) and shall endorse the Holiday Certificate and return it to the transferee together with the Deed of Transfer, provided always that such transfer procedure shall not be completed unless and until all sums due and owing to the Club by the transferor have been fully paid.
- 5.3. Where a Holiday Certificate is registered in the name of more than one Member, no transfer of a Holiday Certificate shall be completed unless such transfer is executed by all of the joint Members, provided however that in the event of the death of one or more joint holders the interest of the deceased joint holder shall be deemed to accrue to the surviving joint holder or holders without the requirement of confirmation or further procedure other than the production of a death certificate. In such an event, the surviving joint holder or holders will remain jointly and severally liable for any sums due to the Club by the deceased joint holder.
- 5.4. Any Member wishing to surrender a Holiday Certificate (as an alternative to selling or transferring a Holiday Certificate under Article 5.2):
  - 5.4.1. may inform the Founder Member, which may accept a transfer from the Member holding the Holiday Certificate subject to such conditions as may be agreed between the Founder Member and the Committee, which shall have absolute discretion to agree a variation of the obligations of membership in relation to such Holiday Certificate for so long as it is registered in the name of the Founder Member, and the Founder Member shall be entitled to deal with the week or weeks to which such Holiday Certificate relates for its benefit in such manner as it shall determine in its sole discretion;
  - 5.4.2. where the Founder Member is not willing to accept a transfer under Article 5.4.1, the Member may give notice to the Club which may accept the surrender of the Holiday Certificate but only on such terms and conditions as the Committee shall decide in its absolute discretion and the Member shall remain a Member of the Club with all the related obligations until such surrender has been accepted and such conditions have been documented and agreed.
- 5.5. Where a Holiday Certificate is registered in the name of more than one Member, any notice under Article 5.4 shall be competent only if signed by all joint Members.
- 5.6. For the avoidance of doubt the obligations of a Member shall continue notwithstanding the death of the Member (other than in the case of the death of one of two or more joint Members when Article 5.3 shall apply). Except where Article 5.3 applies, the executors or personal representatives of a deceased Member shall have the same rights and obligations as the deceased Member had had under Article 5.2 or Article 5.4 upon exhibiting to the Club their legal title to the deceased Member's estate.
- 5.7. Where the Committee considers that the conduct of a Member (or of joint Members) is injurious to the character or detrimental to the interests of the Club, the Committee shall have power to issue a warning notice to such Member (or joint Members) and, failing a suitable improvement in the conduct of the Member to the satisfaction of the

Committee within 28 days, to suspend or expel such Member (or joint Members) from membership of the Club and such decisions of the Committee shall be final and binding.

- 5.8. Where the Committee considers that a Member has (or joint Members have) committed a breach of the rules of membership which can be remedied (including without limitation a failure to make payment of any sums due under this Constitution), the Committee shall have power to issue a warning notice to such Member (or joint Members) and, if such breach is not remedied within 28 days, to suspend or expel such Member (or joint Members) from membership of the Club and such decisions of the Committee shall be final and binding.
- 5.9. During any period of suspension under Article 5.7 or Article 5.8, the suspended Member or joint Members:
  - 5.9.1. shall not be permitted to occupy any Lodge in respect of which a Holiday Certificate is held;
  - 5.9.2. shall remain in membership of the Club;
  - 5.9.3. shall continue to be liable for all obligations incumbent on the holder of such Holiday Certificate; and
  - 5.9.4. shall have no vote at any General Meeting.
- 5.10. In the event that the Committee decides to expel a Member or joint Members under Article 5.7 or Article 5.8:
  - 5.10.1. such Member or joint Members shall cease to be in membership from the date on which the Committee issues written notice of expulsion and their name is removed from the Register of Members;
  - 5.10.2. the expelled Member or joint Members shall continue to be liable for the continuing financial obligations in respect of the Holiday Certificate or Holiday Certificates which they had held, but restricted to a period of 60 months from the date of such cessation of membership in consideration of their deemed surrender of rights and interests in all Club property;
  - 5.10.3. such expelled Member or joint Members shall be deemed to have surrendered their entire rights and interest in the property of the Club and in the Holiday Certificate or Holiday Certificates of which they were the registered holders and
  - 5.10.4. the Committee shall be entitled to deal with the week or weeks to which such Holiday Certificate or Holiday Certificates relate in such manner as they shall determine in their sole discretion for the benefit of the Club and the Members which may include a transfer to the Founder Member on such terms and conditions as the Committee shall decide in its absolute discretion.
- 5.11. Without prejudice to the other rights open to the Committee in terms of this Constitution or implied by law, the Committee may, in the name and on behalf of the Club, institute court proceedings for recovery of all sums due to the Club and for any loss or damage caused to Club property against any Member or Members.

## 6. Committee

- 6.1. The business and affairs of the Club shall be under the management of a Committee of five persons consisting of two persons nominated by the Founder Member and three persons (each being a Member) elected by the Members in Annual General Meeting. The Committee is authorised to take any action which can be taken by the Club under this Constitution.
- 6.2. The Committee shall meet regularly for the conduct of business at least three times each year or at such shorter intervals as they may decide and shall keep proper minutes of the proceedings of the Committee and of the proceedings of all Sub-Committees.
- 6.3. Three members of the Committee shall be a quorum. The Committee may meet in person or by teleconference provided that each member of the Committee can communicate to the other members any information or opinions he has on any particular item of the business of the meeting. If all the members of the Committee participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.
- 6.4. At the first meeting of the Committee following each Annual General Meeting, the members of the Committee shall appoint as Chairman of the Club one of the members of the Committee elected by the Members. The Chairman shall preside over all meetings of the Committee and if absent a member of the Committee shall be elected by the meeting to preside at that meeting. The Chairman or the person so presiding shall have a vote in his own right as well as a casting vote in the event of an equality of votes.
- 6.5. The Committee shall have power to fill any casual vacancies in the Committee. A member of the Committee so appointed shall only hold office until the next Annual General Meeting at which time such member may offer themselves for re-election.
- 6.6. The Committee shall have power to do all things it may deem necessary for the carrying out of the objects of the Club and its management and administration, including without limitation, acting in the name and on behalf of the Club, to institute court proceedings against third parties for losses caused to the Club and its Members. The Committee shall at all times exercise its powers for the benefit of the Members as a whole.
- 6.7. The Committee may make rules and bye-laws for the management and protection of the Members' interests, provided that such rules and bye-laws shall not be in conflict with this Constitution and in the event of conflict or inconsistency the provisions of this Constitution shall have precedence. Any such rules and bye-laws made by the Committee between General Meetings shall be binding on Members until the next General Meeting. If ratified by the Members at such General Meeting they shall be binding on Members but if not ratified they shall lapse.
- 6.8. The Committee may appoint one of their number or any other person as Secretary of the Club at such remuneration and on such terms as it considers appropriate from time to time. The Secretary so appointed shall hold office until such appointment, and the remuneration and terms upon which it has been made, are ratified by the Members at the Annual General Meeting following the appointment.
- 6.9. The Club shall keep a Register of Members which shall be conclusive evidence of membership of the Club for all purposes under this Constitution.

- 6.10. The three members of the Committee who are not appointed by the Founder Member shall be elected by the Members at Annual General Meetings for a term of three years and shall retire upon completion of that term but be eligible for re-election save that a member of the Committee shall not be eligible for re-election in the event that he or she has been a member of the Committee for three terms immediately preceding the Annual General Meeting at which he or she is standing for re-election.
- 6.11. A Member intending to stand for election to the Committee shall advise the Club of his intention to do so by the date notified to Members by the Club from time to time. He or she shall then provide to the Club a Candidate's Statement to be circulated to Members with the papers for the Annual General Meeting. This statement will provide such information as to the candidate's qualifications, experience and circumstances as will allow Members to make an informed decision as to his suitability for election to the Committee.
- 6.12. The Committee shall not have power to commit the Club to borrow sums exceeding £200,000 in aggregate at any one time, or to sell, exchange, let for rent, grant licenses, grant securities or charges or any other rights over and in any property (including heritable property) of the Club without the approval of the members in General Meeting where the value of such transaction exceeds £200,000.00.
- 6.13. The honoraria and basis of expenses of members of the Committee and of the Secretary shall be fixed by the Committee subject (a) to approval and ratification of the Members in Annual General Meeting and (b) to detailed reporting on an individual basis in the accounts presented at Annual General Meeting.
- 6.14. In the event that at any time the Committee cannot meet for lack of a quorum, then until it is again quorate, the Founder Member shall be authorized to exercise the role and responsibilities of the Committee.
- 6.15. Without prejudice to the general powers conferred under Article 6.1, the Committee shall have power to enter into a Management Contract with the Founder Member or any experienced third party to whom the Club may delegate any of the management and other responsibilities of the Committee under this constitution provided that the Founder Member or such third party:
- 6.15.1. is suitably experienced in the operation and management of timeshare complexes and
- 6.15.2. can offer or arrange exchange facilities on an international basis.

## **7. Financial Year, Accounts and Auditors**

- 7.1. The financial year of the Club shall end on 31<sup>st</sup> December in each year or such other date as the Committee may decide from time to time. The Committee shall be responsible for ensuring that correct accounts and books are kept showing the financial affairs and intromissions of the Club.
- 7.2. The Club is a members' organization which shall appoint at the Annual General Meeting a qualified Chartered Accountant or firm of Chartered Accountants to be the Auditor of the Club.
- 7.3. In the event that the Auditor resigns between Annual General Meetings the Committee shall have power to fill such vacancy until the next Annual General Meeting.

- 7.4. The Committee shall present to each Annual General Meeting of the Club for consideration by the Members and their approval an income and expenditure account and balance sheet of the Club (“the Accounts”), together with a report by the Auditor thereon. Members shall be entitled to full and complete information on all matters contained in the accounting records of the Club.
- 7.5. In the event that the Members do not approve the Accounts at the Annual General Meeting, any questions or issues raised will be recorded and submitted by the Committee to the Auditor who will report directly to the Members with his responses.

## **8. General Meetings**

- 8.1. General meetings of the Club shall comprise Annual General Meetings and Special General Meetings (together referred to as “General Meetings”).
- 8.2. The Committee shall give to each Member not less than 28 days’ notice (exclusive of the day on which the notice is sent but inclusive of the day for which the notice is given) specifying the place, day and hour of any General Meeting and the business to be considered.
- 8.3. Notice of a General Meeting may be given (a) in hard copy form (b) in electronic form or (c) by means of a website or partly by one such means and partly by another. Any inadvertent failure to send notice to one or more Members shall not invalidate the notice to other Members (or the General Meeting).
- 8.4. An Annual General Meeting shall be held once in each year at such time on such date and at such place as the Committee may appoint but not more than 15 months after the last Annual General Meeting.
- 8.5. Special General Meetings of the Club shall be convened by the Committee (A) on its own initiative or (B) at the request of the Founder Member or (C) on a requisition signed by not less than 10% of the Members. Any requisition must state the objects of the proposed meeting and may consist of several documents in like form each signed by one or more requisitionists. A Special General Meeting convened following requisition shall be held within 42 days of receipt of the requisition at such time on such date and at such place as the Committee may appoint.
- 8.6. Notice of a Special General Meeting must contain (a) an explanation of why it was convened under Article 8.5 (b) the business to be conducted and (c) the text of any resolutions to be considered and voted upon.
- 8.7. The quorum for a General Meeting shall be:
  - 8.7.1. four members personally present PLUS
  - 8.7.2. a further 16 Members who either (A) are either personally present or (B) have submitted valid postal votes in terms of this Constitution (and for this purpose a valid postal vote must indicate an instruction to vote either for or against each resolution set out on the postal voting form.



- 8.8. The Constitution of the Club may be amended only by a majority of not less than three-quarters of the votes cast (in person or by postal vote) at a General Meeting of which valid notice has been given under this Constitution.
- 8.9. The Chairman for the time being of the Committee whom failing such person as may be elected by those Members present and entitled to vote at any General Meeting shall be Chairman of the General Meeting.
- 8.10. Except during any period of suspension under Article 5.9, a Member shall be entitled to one vote in respect of each Holiday Certificate held and where a Holiday Certificate is held in joint names the Member first named on the Register of Members shall be entitled to exercise the vote.
- 8.11. A Member may exercise his vote at a General Meeting by post on such terms, in such form and by such method as is prescribed by the Committee from time to time. The Committee may make arrangements for Members to exercise a postal vote electronically.
- 8.12. In the case of an equality of votes the Chairman of the General Meeting shall be entitled to a second or casting vote.

**9. Members' Annual Contributions to Running Costs**

- 9.1. Subject to Article 9.3 the Members shall contribute in proportion to the number of issued Holiday Certificates held by them respectively to the whole capital and operating costs incurred by the Club whether incurred before or after the adoption of this Constitution.
- 9.2. The whole capital and operating costs shall include without limitation the costs of the following:
  - 9.2.1. Maintenance, repair, re-decoration (where appropriate), cleansing and when necessary renewal of the structure, exterior and interior of the Lodges, and the whole services, roadways and amenity areas, whether exclusive, common, mutual or otherwise.
  - 9.2.2. Maintenance, repair and when necessary replacement of the whole furniture, furnishings, plenishings, fittings and fixtures in, on, about or pertaining to the Lodges.
  - 9.2.3. Insurance of the Club's property both heritable and moveable for the full reinstatement value thereof plus consultants' fees and demolition costs and any other insurances which the Committee shall consider necessary and appropriate from time to time.
  - 9.2.4. The whole outgoings incurred in respect of the Club's property including rates or any other council or other local taxes substituted therefore, feu duties and other charges or impositions, whether of an annual or recurring nature or otherwise.
  - 9.2.5. The routine maintenance, cleaning and tidying of the interior and exterior of the Lodges and the amenity ground and others pertaining thereto.
  - 9.2.6. All works and others which shall be required to be done to comply with any statutory provision or the directions or notices of any statutory authority.

- 9.2.7. Any factorial and management charges or any other charges whatsoever which may be incurred in the management of the Club's property and the running of the Club's affairs including the fees and expenses of the Trustee of the Club's heritable property.
- 9.2.8. Contributions to any sinking fund established by the Committee to be applied towards the costs set out in Articles 9.2.1 to 9.2.7 provided that the Committee may not impose a levy in addition to the annual maintenance fee without prior approval from the Members at a General Meeting.
- 9.3. The Committee shall in its sole discretion decide:
  - 9.3.1. what monies should be expended for any of the purposes set out in Article 9.2;
  - 9.3.2. the timing of such expenditure; and
  - 9.3.3. how the total costs expended should be borne by the holders of different Holiday Certificates in respect that the Holiday Certificates may relate to different types of Lodge.

## **10. Obligations of Members**

- 10.1. Members shall be bound and obliged:
  - 10.1.1. subject to Article 10.2, to occupy the Lodge to which their respective Holiday Certificates relate for the appropriate period of time in each year and no longer specified in the respective Holiday Certificates;
  - 10.1.2. to use the Lodge as self-catering holiday accommodation only and not for any profession, trade, occupation, business or commerce or for any other purpose whatsoever;
  - 10.1.3. to do nothing which may in any way constitute or be a nuisance to any other Members or any other person whatsoever, and in particular but without prejudice thereto not to wash or dry clothes anywhere other than in the drying room provided for that purpose, and not to play radios, tape recorders or other and musical instruments, amplifiers or other such equipment for the playing of music on the balconies of Lodges or elsewhere in such a way as to constitute a nuisance to neighbouring Members;
  - 10.1.4. to keep dogs, cats and other pets under control and prevent them from doing anything which might cause any damage to any of the Club's property or might in any way be a nuisance to other Members;
  - 10.1.5. to use the ground belonging to the Club so far as unbuilt on as amenity ground only;
  - 10.1.6. to keep and maintain the Lodge (and the fixtures, fittings, equipment, furnishings, plenishings therein or pertaining thereto) in a reasonable state and condition during the period of occupancy, and to accept liability for any damage, loss, deterioration, breakages or dilapidation, over and above fair wear and tear, which may have taken place during the period of occupancy in relation to which the Club shall be the sole judge, with the exception of damage caused by insured perils excepted unless such insurance is vitiated by the act of the occupying Member;
  - 10.1.7. in the event of any repair or maintenance work requiring to be carried out to the Lodge or its contents during the period to which the Holiday Certificate relates, to allow

tradesmen and others authorised by the Club to have reasonable access to the Lodge to enable such work to be carried out;

- 10.1.8. not to do anything which would make void or voidable the insurance of the Lodge or of its fixtures, fittings, equipment, furnishings and plenishings and other contents;
- 10.1.9. not to make any alterations to the Lodge or to the contents thereof;
- 10.1.10. to pay within one month of the same being demanded or by monthly instalments by Direct Debit from the Member's personal bank account, the annual management charge being the appropriate proportion of all the costs incurred by the Club under this Constitution (including without limitation the management charge payable to the Management Company appointed by the Committee) provided that where payment is made by instalments the full amount due must be paid within 12 months of the date of demand;
- 10.1.11. to pay on demand for all electricity consumed in the Lodge and to pay all telephone charges;
- 10.1.12. to notify the Club forthwith of any change in the holder's permanent address;
- 10.1.13. to observe any further regulations and bye-laws made by the Committee;
- 10.1.14. to pay any charges incurred by the Club to cover the cost of any extraordinary cleaning of the Lodge arising out of occupation of the Lodge by or with the consent of the registered holder.
- 10.2. Without prejudice to the Committee's powers under Article 5.8, in the event of any sum due by a Member under this Constitution remaining unpaid for 30 days after the due date for payment, the Committee shall be entitled to add, and the Member shall be required to pay an administration charge not exceeding 15% of the sum which is unpaid.
- 10.3. The registered holder of a Holiday Certificate (as evidenced by the Register of Members) may permit third parties to occupy the Lodge to which the Holiday Certificate during the period to which the Holiday Certificate relates, provided always that:
  - 10.3.1. the registered holder must give to the Club not less than seven days' prior notice of his intention so to do; and
  - 10.3.2. the registered holder shall continue to be responsible for all obligations imposed under this Constitution as if occupying the Lodge personally and shall be obliged to ensure that possession of the Lodge is given up at the end of such period.

## 11. **Transfer procedure**

- 11.1. Without prejudice to the other provisions of this Constitution, any Member may sell, gift, bequeath or otherwise transfer the rights in and to the Holiday Certificate of which the Member is the registered holder to a third party subject always to such third party being or being admitted as a Member of the Club. Within one month following the date of such sale, gift or transfer, the purchaser, donee or other transferee shall deliver to the Management Company, acting on behalf of the Club, the Holiday Certificate being transferred together with a duly executed Deed of Transfer in such form as may be prescribed by the Management Company from time to time. On receipt of the Holiday

Certificate and duly executed Deed of Transfer, the Management Company shall register the transferee as a Member of the Club and shall endorse the Holiday Certificate and return it to the transferee together with the Deed of Transfer. Provided always that the Management Company shall not be entitled to register a transfer unless and until all sums due and owing to the Club by the transferor have been fully paid.

- 11.2. In the case of joint holders, no transfer of a Holiday Certificate or any rights therein shall be competent unless such a transfer is made by all of the joint holders, provided however that in the event of the death of one or more joint holders the interests of the deceased joint holders in a Holiday Certificate will accrue for the benefit of the surviving joint holders without the requirement of confirmation or further transfer. In such an event, the surviving joint holders will remain jointly and severally liable for any sums due by the deceased joint holders hereunder.
- 11.3. Forthwith upon registration of a Deed of Transfer, the transferee if not already a Member of the Club, shall become a Member of the Club and shall become bound by and subject to the provisions of this Constitution and of any rules, regulations or bye-laws made thereunder from time to time.

## **12. Dissolution**

- 12.1. The Club shall be dissolved upon a Resolution to that effect passed by a majority of those present and voting at a General Meeting of the Club called for the purpose of dissolution.
- 12.2. Following upon the passing of such resolution, and in compliance therewith, the Committee shall take immediate steps to realise all the assets of the Club.
- 12.3. The Committee shall apply the proceeds from the realisation of assets to discharge all debts and liabilities of the Club, including all expenses of realisation and taxation.
- 12.4. Any balance remaining after the discharge of debts and liabilities shall be distributed amongst the Members in accordance with the relative values of the Holiday Certificates held by the Members. For this purpose the relative values of Holiday Certificates shall be finally and conclusively determined by the Committee having taken such professional advice as the Committee in its sole discretion considers necessary.

## **13. Communications**

- 13.1. Where this Constitution provides for notice to be given to the Club, it shall be validly given when:
  - 13.1.1. in the case of a matter relating to the transfer of, or otherwise in relation to title to a Holiday Certificate, it is signed by the registered Member (or by all joint Members in the case of a Holiday Certificate which is held jointly) and sent by first class mail to the principal place of business of the Club and addressed to the Secretary; and
  - 13.1.2. in the case of any other communication relating to the Club, it is sent by ordinary mail or by email to the address or addresses provided by the Club for this purpose from time to time.
- 13.2. Where this Constitution provides for notice to be sent to a Member it shall be validly given when it is sent by recognised mail service to the Member at his last residential address intimated to the Club.

- 13.3. Except where otherwise provided in this Constitution notice shall be deemed to have been given 48 hours after the date of posting.
- 13.4. The attention of Members is drawn to the Club's Privacy Policy which explains how the Club collects, manages and uses personal data. The Privacy Policy can be viewed at: <https://www.coylumbridge.info/privacy-policy/>.

**14. Dispute resolution**

- 14.1. This Constitution shall be governed by and construed according to the law of Scotland and the Scottish courts shall have jurisdiction to hear any dispute or difference arising out of this Constitution.