



The Members
Amateur Boxing Scotland Limited

30 August 2011

Dear Members,

I would like to thank all those who attended the ABS Annual General Meeting on Sunday 28 August 2011. During the General Meeting, the motion to formally amend our Articles of Association in line with the Companies Act 2006 received a simple majority vote in favour of the proposed amendments.

That being said, the current Articles are ambiguous and do not offer a distinction between an Ordinary Resolution and a Special Resolution. These ambiguities along with other nonsensical points contained therein when coupled by the updates required under the Companies Act were the catalyst for the proposed changes.

Article 21.1 of our current Articles of Association states: *“Any alterations...to the Articles...shall only be made at a General Meeting of the Company, and then only if not less than two thirds of those voting are in favour unless a higher majority is otherwise required.”*

Section 21(1) of the Companies Act requires any amendment to be by *“Special Resolution”*.

Section 283(1) of the Companies Act states *“A special resolution of the members (or of a class of members) of a company means a resolution passed by a majority of not less than 75%”*.

As a result the motion proposed by the Board of Directors was defeated.

I must, however, make it clear for all Members that despite the content of our Constitutional Documentation we are bound by the Companies Act 2006. As such, any provision which requires to be overridden shall be.

Unfortunately, this will undoubtedly involve an increase in our legal fees as it will require ongoing consultations to ensure we are adhering to the Companies Act 2006 and to procure confirmation as to how our current outdated, nonsensical Articles should be interpreted.

The Board of Directors would however like to ensure the Membership that they shall endeavour to keep these additional costs to a minimum. However, this is money that could have been used to further develop the sport.

On a final note, as there may now be an increase in disputes based on the content of our Articles, I must advise that the current Article 23 allows for any dispute regarding the interpretation of the Articles or Bye Laws or any matter not provided for therein to be decided upon by the Board of Directors.

It was the Board's intention to ensure transparency through clear unambiguous Articles of Association. We shall, however, endeavour to ensure compliance with the Companies Act 2006 through the 2008 Articles which shall now remain in force. Legislative changes shall take effect immediately and without further notice.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'R. Thomas', with a long horizontal stroke extending from the 'R' to the 'e'.

Richard Thomas
Chairman
Amateur Boxing Scotland