

Some question have arisen about the effect of the vote that is planned for the EGM on April 21st

It appears that there is some confusion about what effect a vote either way would have.

The following analysis reflects the author's understanding based on the company constitution. It does not cover every possible scenario but possibly the three most likely. In particular, it seems unlikely that the members would vote in favour of one of the resolutions and against the other, so that scenario is not explored further here.

So what could happen:

Scenario 1. The resolutions could "carry" (more YES votes than NO votes)

In this event, the two Directors in question (the Two) would cease to be Directors, and the remainder of the Board could seek to continue until the 2024 AGM when most of them would be required to step down due to having served 6 years.

Of course, the resolutions could "fail" (more NO votes than YES votes)

In this event, it would seem that each member of the Board would have to consider their position. It seems apparent that the Two would decide to continue as Board members, as they have declined the option of resigning thus far. Some or all of the remaining Directors may decide that, in the circumstances, they have no option but to resign.

Scenario 2. If it all others resigned

The Two could

1. Co-opt another to make their number 3 and so reach the minimum number set out in the Constitution (Article 31.1.1) OR
2. Summon an EGM to elect Directors (Article 31.1.2)

It would seem that if they co-opted to reach minimum number, the resulting three Directors could then co-opt to fill any/all of the other vacancies to bring their number up to a maximum of 10, any so co-opted would be obliged to stand down at the 2024 AGM but would be eligible for re-election. (Article 43)

They could also co-opt up to three additional Directors for a three-year term. (Article 42)

Scenario 3. If all others did not resign

The outcome here is less clear.

Perhaps they would continue in their view that the Two are somehow "Suspended" as Directors and seek to continue as a Board without them until the next AGM. It is unclear what position the Two and the various regulatory bodies might take in this event.

Or maybe those who do not resign would decide to work with the Two, co-opt some more Directors and bring us through to the 2024 AGM.

Conclusion

This is an important matter in that it speaks to our commitment to ensuring that we operate a company that respects all relevant laws and regulations while providing a genuinely Scouting organisation that is based on the Scouting Fundamentals contained in our constitution.

It seems that some people are saying that a NO vote would mean the company would have to close. The matter is quite complex and it is impossible to predict all eventualities, however imminent closure seems most unlikely.

The author is not a legal expert and suggests that if Scout Groups remain unclear on the matter, they take legal advice and/or direct specific questions to the Company Secretary.

As in our previous article, the author would urge every member to consider all of the information available now and any further information that emerges, to discuss this important matter within their Scout Group, and to ensure that their Scout Group is represented by a full complement of delegates at the EGM.

NOTE: It seems that today is the closing day for registering Scout Group delegates who would attend and vote at the EGM.