

Companies Act 2006

Company limited by guarantee and not having a share capital

Articles of Association for a Charitable Company

Articles of Association of

Community Rail Network

1. NAME

The charity's name is Community Rail Network, or subject to obtaining any necessary consent from OSCR, such other name as the trustees by simple majority may from time to time decide.

2. INTERPRETATION

In the articles:

'address' means a postal address or, for the purposes of electronic communication, a fax number, an e-mail or postal address or a telephone number for receiving text messages in each case registered with the charity;

'authorised representative' means an individual who is authorised by a member organisation to act on its behalf at meetings of the charity and whose name is given to the secretary;

'the articles' means the charity's articles of association;

'CCNI' means the Charity Commission for Northern Ireland;

'chair' means the chair of the trustees;

'the charity' means the company intended to be regulated by the articles;

'clear days' in relation to the period of a notice means a period excluding:

- the day when the notice is given or deemed to be given; and
- the day for which it is given or on which it is to take effect;

'the Commission' means the Charity Commission for England and Wales;

'Companies Acts' means the Companies Acts (as defined in section 2 of the Companies Act 2006) insofar as they apply to the charity;

‘connected person’ means

- (1) a child, step-child, parent, grandchild, grandparent, brother or sister of the trustee;
- (2) the spouse or civil partner of the trustee or of any person falling within sub-clause (1) above;
- (3) a person carrying on business in partnership with the trustee or with any person falling within sub-clause (1) or (2) above;
- (4) an institution which is controlled (whether directly or through one or more nominees)–
 - (a) by the trustee or any connected person falling within sub-clause (1), (2), (3) or (5) ; or
 - (b) by two or more persons falling within sub-clause 4(a), when taken together
- (5) a body corporate in which –
 - (a) the trustee or any connected person falling within sub- clauses (1) to (4) or (6) has a substantial interest; or
 - (b) two or more persons falling within sub-clause (5)(a) who, when taken together, have a substantial interest.
 - (c) Sections 350 – 352 of the Charities Act 2011 apply for the purposes of interpreting the terms used in this article.
- (6) a Scottish partnership in which one or more of the partners is a trustee, or a person falling within (1) or (2)

‘document’ includes, unless otherwise specified, any document sent or supplied in electronic form;

‘electronic form’ has the meaning given in section 1168 of the Companies Act 2006;

‘member’ and ‘membership’ refer to membership of the charity;

‘officers’ includes the trustees and the secretary (if any);

‘OSCR’ means the Office of the Scottish Charity Regulator;

‘present’ means, for the purposes of a meeting of the charity or its trustees, includes present in person, by proxy or by electronic means in a format in which all participants may communicate with all the other participants simultaneously (including but not limited to telephone calls with or without video conferencing facilities);

‘the seal’ means the common seal of the charity if it has one;

‘secretary’ means any person appointed to perform the duties of a company secretary of the charity, regardless of whether they have been formally appointed as such;

‘the trustees’ means the trustees of the charity (and, for the avoidance of doubt, does not include any employee of the charity whose job title includes the word ‘director’). The trustees are charity trustees as defined by section 177 of the Charities Act 2011;

‘the United Kingdom’ means Great Britain and Northern Ireland;

‘writing’ means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise; and

words importing one gender shall include all genders, and the singular includes the plural and vice versa.

Unless the context otherwise requires words or expressions contained in the articles have the same meaning as in the Companies Acts but excluding any statutory modification not in force when this constitution becomes binding on the charity.

Apart from the exception mentioned in the previous paragraph a reference to an Act of Parliament includes any statutory modification or re-enactment of it for the time being in force.

3. LIABILITY OF MEMBERS

The liability of the members is limited to a sum not exceeding £1, being the amount that each member undertakes to contribute to the assets of the charity in the event of its being wound up while they are a member or within one year after they cease to be a member, for:

- a) payment of the charity’s debts and liabilities incurred before they ceased to be a member;
- b) payment of the costs, charges and expenses of winding up; and
- c) adjustment of the rights of the contributories among themselves.

4. OBJECTS

The charity’s objects (‘Objects’) are specifically restricted to such purposes which are exclusively charitable under the laws of England and Wales as the trustees shall in their absolute discretion determine, including (but not limited to):

- (1) advancing the education of the public in community rail, the rail network generally, and socio-economic and environmental matters relating to railways;
- (2) the advancement of citizenship and community development, and the improvement of conditions of life, in particular in socially and economically disadvantaged communities, through the promotion of volunteering, learning, and training and

- development;
- (3) preserving or assisting in the preservation of railway heritage, including by supporting and promoting community groups to maintain railway buildings;
 - (4) promoting the conservation, protection and improvement of the physical and natural environment by promoting sustainable transport, increased access to sustainable transport and biodiversity enhancement;
 - (5) promoting the efficiency and effectiveness of Voluntary Organisations, the effective use of charitable resources and the Voluntary Sector generally.

‘Voluntary Sector’ means Voluntary Organisations and Charities; and, for the purpose of this definition:

- a) ‘Voluntary Organisations’ are independent organisations, which are established for purposes that add value to the community as a whole, or a significant section of the community, and which are not permitted by their constitution to make a profit for private distribution. Voluntary Organisations do not include local government or other statutory authorities;
- b) and ‘Charities’ are organisations which are established for exclusively charitable purposes in accordance with the law of England and Wales; and

Nothing in the Articles shall authorise an application of the property of the Charity for purposes which are not charitable in accordance with section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and/or section 2 of the Charities Act (Northern Ireland) 2008.

5. POWERS

The charity has power to do anything which is calculated to further its Object(s) or is conducive or incidental to doing so. In particular, the charity has power:

- (1) to provide advice and support to members of local community rail groups;
- (2) to run conferences, seminars and provide information and publications;
- (3) to raise funds. In doing so, the charity must not undertake any taxable permanent trading activity and must comply with any relevant statutory regulations;
- (4) to buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;
 - (5) to sell, lease or otherwise dispose of all or any part of the property belonging to the charity. In exercising this power, the charity must comply as appropriate with sections 117 and 122 of the Charities Act 2011.
 - (6) to borrow money and to charge the whole or any part of the property belonging to the charity as security for repayment of the money borrowed or as security for a grant or the discharge of an obligation. The charity must comply as appropriate with sections 124 - 126 of the Charities Act 2011 if it wishes to mortgage land;

- (7) to co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them;
- (8) to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects;
- (9) subject to obtaining any necessary consent from OSCR, to acquire, merge with or to enter into any partnership or joint venture arrangement with any other charity;
- (10) to enter into contracts to provide services to or on behalf of other bodies;
- (11) to establish or acquire companies and/or other bodies to assist, or act as agents for, the charity;
- (12) to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;
- (13) to employ and remunerate such staff as are necessary for carrying out the work of the charity. The charity may employ or remunerate a trustee only to the extent it is permitted to do so by article 7 and provided it complies with the conditions in that article;
- (14) to:
 - (a) deposit or invest funds;
 - (b) employ a professional fund-manager; and
 - (c) arrange for the investments or other property of the charity to be held in the name of a nominee;

in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000;

- (15) to provide indemnity insurance for the trustees in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011;
- (16) to pay out of the funds of the charity the costs of forming and registering the charity both as a company and as a charity.

6. APPLICATION OF INCOME AND PROPERTY

- (1) The income and property of the charity shall be applied solely towards the promotion of the Objects.
- (2) (a) A trustee is entitled to be reimbursed from the property of the charity or may pay out of such property reasonable expenses properly incurred by the trustee when acting on behalf of the charity.

(b) A trustee may benefit from trustee indemnity insurance cover purchased at the charity's expense in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011.

(c) A trustee may receive an indemnity from the charity in the circumstances specified in article 55.

(d) A trustee may not receive any other benefit or payment unless it is authorised by article 7.

(3) Subject to article 7, none of the income or property of the charity may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member of the charity. This does not prevent a member who is not also a trustee receiving:

(a) a benefit from the charity in the capacity of a beneficiary of the charity;

(b) reasonable and proper remuneration for any goods or services supplied to the charity.

7. BENEFITS AND PAYMENTS TO CHARITY TRUSTEES AND CONNECTED PERSONS

(1) General provisions

No trustee or connected person may:

(a) buy any goods or services from the charity on terms preferential to those applicable to members of the public;

(b) sell goods, services, or any interest in land to the charity;

(c) be employed by, or receive any remuneration from, the charity;

(d) receive any other financial benefit from the charity;

unless the payment is permitted by sub-clause (2) of this article, or authorised by the court or the prior written consent of the Charity Commission has been obtained.

In this article a 'financial benefit' means a benefit, direct or indirect, which is either money or has a monetary value.

(2) Scope and powers permitting trustees' or connected persons' benefits

(a) A trustee or connected person may receive a benefit from the charity as a beneficiary provided that it is generally available to the beneficiaries of the charity.

(b) A trustee or connected person may enter into a contract for the supply of services

and/ or of goods, to the charity where that is permitted in accordance with, and subject to the conditions in, sections 185 and 186 of the Charities Act 2011.

- (c) A trustee or connected person may receive interest on money lent to the charity at a reasonable and proper rate which must be not more than the Bank of England bank rate (also known as the base rate).
- (d) A trustee or connected person may receive rent for premises let by the trustee or connected person to the charity. The amount of the rent and the other terms of the lease must be reasonable and proper. The trustee concerned must withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.
- (e) A trustee or connected person may take part in the normal trading and fundraising activities of the charity on the same terms as members of the public.

(3) Payment for supply of goods and/or services

The charity and its trustees may only rely upon the authority provided by sub-clause (2)(b) of this article if each of the following conditions is satisfied:

- (a) The amount or maximum amount of the payment for the goods and/or services is set out in an agreement in writing between the charity and the trustee(s) or connected person(s) supplying the goods and/or services ('the supplier') under which the supplier is to supply the goods and/or services in question to or on behalf of the charity.
- (b) Before entering into the agreement in writing, the trustees are satisfied that:
 - the goods and/or services are actually required by the charity;
 - the amount or maximum amount of the payment for the goods and/or services does not exceed what is reasonable in the circumstances for the supply of the goods and/or services in question;
 - it is in the best interests of the charity to enter into the agreement in writing with the supplier rather than with someone who is not a trustee or connected person. In reaching that decision the trustees must balance the advantage of contracting with a trustee or connected person against the disadvantages of doing so;
 - the maximum amount of the remuneration is reasonable in the circumstances;
- (c) The supplier is absent from the part of any meeting at which there is discussion of the proposal to enter into a contract or arrangement with the supplier with regard to the supply of goods and/or services to the charity.
- (d) The supplier does not vote on any such matter and is not to be counted when calculating whether a quorum of trustees is present at the meeting.
- (e) The reason for their decision is recorded by the trustees in the minute book.

- (f) no more than a minority of the trustees are interested in such a contract in any financial year, otherwise remunerated by the Charity, or connected with someone who is interested in such a contract, or otherwise so remunerated.
- (4) In sub-clauses (2) and (3) of this article:
- (a) 'charity' includes any company in which the charity:
 - (i) holds more than 50% of the shares; or
 - (ii) controls more than 50% of the voting rights attached to the shares; or
 - (iii) has the right to appoint one or more trustees to charity.
 - (b) 'connected person' includes any person within the definition in article 2 'Interpretation'.

8. DECLARATION OF TRUSTEES' INTERESTS

A trustee must declare the nature and extent of any interest, direct or indirect, which they have in a proposed transaction or arrangement with the charity or in any transaction or arrangement entered into by the charity which has not previously been declared. A trustee must absent themselves from any discussions of the charity trustees in which it is possible that a conflict will arise between their duty to act solely in the interests of the charity and any personal interest (including but not limited to any personal financial interest).

9. CONFLICTS OF INTERESTS AND CONFLICTS OF LOYALTIES

- (1) If a conflict of interest arises for a trustee because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in the articles, the unconflicted trustees may authorise such a conflict of interests where the following conditions apply:
- (a) the conflicted trustee is absent from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person;
 - (b) the conflicted trustee does not vote on any such matter and is not to be counted when considering whether a quorum of trustees is present at the meeting; and
 - (c) the unconflicted trustees consider it is in the interests of the charity to authorise the conflict of interests in the circumstances applying.
- (2) In this article a conflict of interest arising because of a duty of loyalty owed to another organisation or person only refers to such a conflict which does not involve a direct or indirect benefit of any nature to a trustee or to a connected person.

10. MEMBERS

- (1) Membership is open to individuals or organisations who:
 - (a) support the charity's objects, and who live, work, and/or operate in an associated field of activity to the charity;
 - (b) have paid or agreed to pay any subscription or other sum due in respect of membership; and
 - (c) apply to the charity in the form required by the trustees.
- (2) An unincorporated body, firm, partnership or corporate body which is a member shall, by resolution of its governing body, appoint a representative who has attained the age of 16. The representative may, during the continuance of their appointment, be entitled to exercise all such rights and powers as the unincorporated body, firm, partnership or corporate body would exercise if it were a natural person. Each member organisation shall supply written notification to the charity of its choice of representative.
- (3) Membership is not transferable.
- (4) The trustees must keep a register of names and addresses of the members (in the case of a corporate body the registered office address), and the dates on which they became a member and ceased to be a member. A member shall notify the charity within seven days of any change to their name or address.

11. CLASSES OF MEMBERSHIP

- (1) The trustees may establish classes of membership (including informal membership) with different rights, obligations and subscriptions.

12. TERMINATION OF MEMBERSHIP

Membership is terminated if:

- (1) The member ceases to meet the criteria for membership;
- (2) the member dies or, if it is an organisation, ceases to exist;
- (3) the member resigns by written notice to the charity;
- (4) any sum due from the member to the charity is not paid in full within six months of it falling due;
- (5) the member is removed from membership by a resolution of the trustees that it is in the best interests of the charity that their membership is terminated. A resolution to remove a member from membership may only be passed if:

- (a) the member has been given at least twenty-one days' notice in writing of the meeting of the trustees at which the resolution will be proposed and the reasons why it is to be proposed;
- (b) the member or, at the option of the member, the member's representative (who need not be a member of the charity) has been allowed to make representations to the meeting.

13. GENERAL MEETINGS

- (1) The charity shall in each calendar year hold a general meeting of the members as its Annual General Meeting ('AGM') and shall specify the meeting as such in the notices calling it.
- (2) An AGM must be held in each year and not more than fifteen months may elapse between successive annual general meetings.
- (3) The business of an AGM shall comprise, where appropriate:
 - (a) Consideration of accounts and balance sheets;
 - (b) Consideration of trustees' and auditor's reports;
 - (c) Accepting the retirement of trustees and electing new trustees; and
 - (d) Appointing and agreeing the remuneration of the auditor (or their equivalent);
 - (e) Any issues of policy or any other business put before the meeting by the trustees.

14. The trustees may call a general meeting at any time.

15. NOTICE OF GENERAL MEETINGS

- (1) The minimum periods of notice required to hold a general meeting of the charity are:
 - (a) twenty-one clear days for an AGM or a general meeting called for the passing of a special resolution;
 - (b) fourteen clear days for all other general meetings.
- (2) A general meeting may be called by shorter notice if it is so agreed by a majority in number of members having a right to attend and vote at the meeting, being a majority who together hold not less than 90 percent of the total voting rights.
- (3) The notice must specify the date, time and place of the meeting and the general nature of the business to be transacted. If the meeting is to be an AGM, the notice must say so. The notice must also contain a statement setting out the right of members to appoint a proxy under section 324 of the Companies Act 2006 and article

22.

- (4) The notice must be given to all the members and to the trustees and auditors.
16. The proceedings at a meeting shall not be invalidated because a person who was entitled to receive notice of the meeting did not receive it because of an accidental omission by the charity.

17. PROCEEDINGS AT GENERAL MEETINGS

- (1) No business shall be transacted at any general meeting unless a quorum is present.
- (2) A quorum is 20 members present in person or by proxy and entitled to vote upon the business to be conducted at the meeting.
- (3) The authorised representative of a member organisation shall be counted in the quorum.
18. (1) If:
- (a) a quorum is not present within half an hour from the time appointed for the meeting;
or
 - (b) during a meeting a quorum ceases to be present; or
 - (c) the chair of the meeting finds it necessary to adjourn the meeting (while a quorum is present) to protect the safety of any persons attending the meeting, or to ensure that the business of the meeting is conducted in an orderly manner;

the meeting shall be adjourned to such time and place as the trustees shall determine.

- (2) The trustees must reconvene the meeting and must give at least seven clear days' notice of the reconvened meeting stating the date, time and place of the meeting.
 - (3) If no quorum is present at the reconvened meeting within fifteen minutes of the time specified for the start of the meeting the members present in person or by proxy at that time shall constitute the quorum for that meeting.
19. (1) General meetings shall be chaired by the person who has been appointed to chair meetings of the trustees.
- (2) If there is no such person or they are not present within fifteen minutes of the time appointed for the meeting a trustee nominated by the trustees shall chair the meeting.
 - (3) If there is only one trustee present and willing to act, they shall chair the meeting.
 - (4) If no trustee is present and willing to chair the meeting within fifteen minutes after the time appointed for holding it, the members present in person or by proxy and entitled to vote must choose one of their number to chair the meeting.

20. (1) A member is able to exercise the right to speak at a general meeting and is deemed to be present when that member is in a position to communicate to all those attending the meeting. The trustees may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it including by electronic means. In determining attendance at a general meeting, it is immaterial whether any two or more members attending are in the same place as each other.
- (2) The chair of the meeting may permit other persons who are not members of the charity to attend and speak at general meetings, without granting any voting rights.
21. (1) The members present at a meeting may resolve by ordinary resolution that the meeting shall be adjourned.
- (2) The person who is chairing the meeting must decide the date, time and place at which the meeting is to be reconvened unless those details are specified in the resolution.
- (3) No business shall be conducted at a reconvened meeting unless it could properly have been conducted at the meeting had the adjournment not taken place.
- (4) If a meeting is adjourned by a resolution of the members for more than seven days, at least seven clear days' notice shall be given of the reconvened meeting stating the date, time and place of the meeting.
22. (1) Any vote at a meeting shall be decided by a show of hands (in person and online), unless before, or on the declaration of the result of, the show of hands a poll is demanded:
- (a) by the person chairing the meeting; or
 - (b) by at least two members present in person or by proxy and having the right to vote at the meeting; or
 - (c) by a member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - (d) by the trustees when specifying the notice of the meeting (and the trustees may specify how the poll is to be taken).
- (2) (a) The declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded.
- (b) The result of the vote must be recorded in the minutes of the charity but the number or proportion of votes cast need not be recorded.
- (3) (a) A demand for a poll may be withdrawn, before the poll is taken, but only with the consent of the person who is chairing the meeting.
- (b) If the demand for a poll is withdrawn the demand shall not invalidate the result of a show of hands declared before the demand was made.

- (4)
 - (a) Subject to article 22(1)(d), a poll must be taken as the person who is chairing the meeting directs, who may appoint scrutineers (who need not be members) and who may fix a time and place for declaring the results of the poll.
 - (b) The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.
- (5)
 - (a) A poll demanded on the election of a person to chair a meeting or on a question of adjournment must be taken immediately.
 - (b) A poll demanded on any other question must be taken either immediately or at such time and place as the person who is chairing the meeting directs.
 - (c) The poll must be taken within thirty days after it has been demanded.
 - (d) If the poll is not taken immediately at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
 - (e) If a poll is demanded the meeting may continue to deal with any other business that may be conducted at the meeting.

23. CONTENT OF PROXY VOTES

- (1) Proxies may only validly be appointed by a notice in writing (a 'proxy notice') which -
 - (a) states the name and address of the member appointing the proxy;
 - (b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
 - (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the trustees may determine; and
 - (d) is delivered to the charity in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The charity may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- (4) Unless a proxy notice indicates otherwise, it must be treated as -
 - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and

- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

23A. DELIVERY OF PROXY NOTICES

- (1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the charity by or on behalf of that person.
- (2) An appointment under a proxy notice may be revoked by delivering to the charity a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

24. RESOLUTIONS

- (1) Decisions at general meetings shall be made by passing resolutions:
 - (a) The following decisions must be made by special resolution:
 - i. Decisions involving an alteration to the Articles of Association of the charity;
 - ii. The decision to wind up the charity;
 - iii. Other decisions which are required so by statute.
 - (b) All other decisions shall be made by ordinary resolution.
- (2) Resolutions may be passed at general meetings or by written resolution.
- (3) A special resolution is one passed by a majority of not less than 75% of votes cast at a general meeting and an ordinary resolution is one passed by a simple majority (51%) of votes cast.
- (4) A written resolution passed by members shall be effective if it has been passed in accordance with the requirements of the Companies Acts which includes sending a copy of the proposed resolution to every member. Written resolutions may comprise several copies to which one or more members have signified their agreement.

- (5) A written resolution shall be deemed to have been passed if, within 28 days of the written resolution's circulation date:
- (a) Written approval has been received from at least 75% of the Members where the resolution is a special resolution;
 - (b) Written approval has been received from at least 51% of the Members where the resolution is an ordinary resolution.
- (6) In the case of a member that is an organisation, its authorised representative may signify its agreement.
- (7) In accordance with the Companies Acts, resolutions to remove a Director or Auditor (or their equivalent) of the Company before the end of his/her period of office shall not be passed by written resolution.

25. VOTES OF MEMBERS

Subject to article 11, every member, whether an individual or an organisation, shall have one vote.

- (1) A resolution put to the vote at a general meeting shall be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.
 - (2) Issues are decided by a majority of the votes cast (majority for ordinary resolutions, 75% majority for special resolutions).
 - (3) In the case of an equality of votes, whether on a show of hands or a poll, the chair shall not have a second or casting vote and the resolution shall be deemed to have been lost.
26. Any objection to the qualification of any voter must be raised at the meeting at which the vote is tendered and the decision of the person who is chairing the meeting shall be final.
27. (1) Any organisation that is a member of the charity may nominate any person from the membership organisation to act as its representative at any meeting of the charity.
- (2) The organisation must give written notice to the charity of the name of its representative. The representative shall not be entitled to represent the organisation at any meeting unless the notice has been received by the charity. The representative may continue to represent the organisation until written notice to the contrary is received by the charity.
 - (3) Any notice given to the charity will be conclusive evidence that the representative is entitled to represent the organisation or that the representative's authority has been revoked. The charity shall not be required to consider whether the representative has been properly appointed by the organisation.

28. TRUSTEES

- (1) A trustee must be a natural person aged 18 years or older.

- (2) Trustees shall be elected by the charity's members at the AGM in line with any requirements prescribed by the board from time to time. Such persons must be proposed and seconded by members of the charity.
 - (3) No one may be elected or appointed a trustee if they would be disqualified from acting under the provisions of article 39.
29. Subject to article 37, the minimum number of trustees shall be three persons and the maximum number of trustees shall be twelve persons.
30. A trustee may not appoint an alternate trustee or anyone to act on their behalf at meetings of the trustees.

31. POWER OF TRUSTEES

- (1) The trustees shall manage the business of the charity and may exercise all the powers of the charity unless they are subject to any restrictions imposed by the Companies Acts, the articles or any special resolution.
- (2) No alteration of the articles or any special resolution shall have retrospective effect to invalidate any prior act of the trustees.
- (3) Any meeting of trustees at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the trustees.
- (4) The trustees have the following powers in the administration of the charity:
 - (a) To appoint (and remove) any person (who may or may not be a trustee or employee) to act as company secretary to the charity in accordance with the Companies Acts;
 - (b) To appoint (and remove) a chair, vice-chair(s), treasurer and other honorary officers from among their number;
 - (c) (Subject to article 56) to make rules consistent with these articles and the Companies Acts to govern proceedings at their meetings and at meetings of committees;
 - (d) To make regulations consistent with these articles and the Companies Acts to govern the administration of the charity and the use of its seal (if any).
 - (e) to delegate any of their functions to committees consisting of two or more individuals appointed by them (and must record such delegation). At least two members of every committee must be a trustee and all proceedings of committees must be reported promptly to the trustees in accordance with any rules made in accordance with article 31(3)(c);
 - (f) To establish procedures to assist the resolution of disputes within the charity.
 - (g) To exercise any powers of the charity which are not reserved to a general meeting.

32. RETIREMENT OF TRUSTEES

At each annual general meeting one-third of the trustees or, if their number is not three or a multiple of three, the number nearest to one-third, must retire from office. If there is only one trustee they must retire.

33. The elected trustees to retire by rotation shall be those who have been longest in office since their last appointment. If any trustees became or were appointed trustees on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring trustee shall be eligible for re-election for a maximum of three consecutive terms.

34. Co-opted trustees shall retire at the AGM following their appointment but shall be eligible for:

- (a) further co-option, subject to the discretion of the trustees; or
- (b) subject to meeting the requirements of article 36, election by the members.

35. APPOINTMENT OF TRUSTEES

The charity may by ordinary resolution in a general meeting elect a person who is willing to act to be a trustee.

36. No person other than a trustee retiring by rotation may be elected as a trustee at any general meeting unless:

- (1) they are recommended for re-election by the trustees; or
- (2) they complete the application process, as determined by the trustees from time to time.

37. The trustees may at any time co-opt any person duly qualified to be appointed as a trustee to fill a vacancy in their number or as an additional trustee, providing that on the relevant appointment number of co-opted trustees shall not exceed more than one third of the number of elected trustees from time to time. A co-opted trustee holds office only until the next general meeting. Such co-opted trustees may, but need not, be members of the charity.

38. The election or appointment of a trustee, whether by the charity in general meeting or by the other trustees, must not cause the number of trustees to exceed any number fixed as the maximum number of trustees.

39. DISQUALIFICATION AND REMOVAL OF TRUSTEES

A trustee shall cease to hold office if they:

- (1) cease to be a trustee by virtue of any provision in the Companies Acts or are prohibited by law from being a trustee;
- (2) are disqualified from acting as a trustee by virtue of sections 178 and 179 of the Charities

Act 2011 (or any statutory re-enactment or modification of those provisions);

- (3) cease to be a representative of an organisation that is a member of the charity;
- (4) are, in the reasonable opinion of the other trustees, at any time incapable, whether mentally or physically, of managing their own affairs;
- (5) resign as a trustee by notice to the charity (but only if at least three trustees will remain in office when the notice of resignation is to take effect);
- (6) are absent without the permission of the trustees from three meetings held within a period of twelve consecutive months and the trustees resolve that their office be vacated;
- (7) fail to declare their interest in any contract referred to in these articles; or
- (8) are removed by resolution of the members present and voting at a general meeting stating that it is in the best interests of the charity that their office is terminated (but only if at least three trustees will remain in office). A resolution to remove a trustee from office may only be passed if:
 - (a) the trustee has been given at least 21 days' notice in writing of the general meeting at which the resolution to remove them from office will be proposed and the reasons why it is to be proposed; and
 - (b) they, or their representative (who need not be a member of the charity), has been allowed to make representations to the general meeting.

40. REMUNERATION OF TRUSTEES

The trustees must not be paid any remuneration unless it is authorised by article 7.

41. PROCEEDINGS OF TRUSTEES

- (1) The trustees may regulate their proceedings as they think fit, subject to the provisions of the articles.
- (2) Any trustee may call a meeting of the trustees.
- (3) The secretary (if any) must call a meeting of the trustees if requested to do so by a trustee.
- (4) Questions arising at a meeting shall be decided by a majority of votes.
- (5) In the case of an equality of votes, the person who is chairing the meeting shall have a second or casting vote.
- (6) A meeting may be held by suitable electronic means agreed by the trustees in which each

participant may communicate with all the other participants.

- (7) The trustees may, at their discretion, invite other persons to attend their meetings with or without speaking rights and without voting rights. Such attendees will not count toward the quorum.
- 42 (1) No decision may be made by a meeting of the trustees unless a quorum is present at the time the decision is purported to be made.
- (2) The quorum for meetings shall be three trustees.
- (3) A trustee shall not be counted in the quorum present when any decision is made about a matter upon which that trustee is not entitled to vote.
- 43 If the number of trustees is less than the number fixed as the quorum, the continuing trustees or trustee may act only for the purpose of filling vacancies (subject to article 37) or of calling a general meeting.
- 44 (1) The trustee appointed as chair in accordance with article 31(4)(b) shall chair meetings of the trustees.
- (2) If no-one has been appointed to chair meetings of the trustees or if the person appointed is unwilling to preside or is not present within ten minutes after the time appointed for the meeting, a vice-chair shall preside.
- (3) If a vice-chair is unwilling to preside or is not present those trustees present may appoint one of their number to chair that meeting.
- 45 (1) A resolution in writing or in electronic form agreed by a simple majority (51%) of trustees entitled to receive notice of a meeting of the trustees and to vote upon the resolution shall be as valid and effectual as if it had been passed at a meeting of the trustees duly convened and held.
- (2) The resolution in writing may comprise several documents containing the text of the resolution in like form to each of which one or more trustees has signified their agreement.

46 VALIDITY OF TRUSTEES' DECISIONS

- (1) Subject to article 46(2), all acts done by a meeting of trustees shall be valid notwithstanding the participation in any vote of a trustee:
- (a) who was disqualified from holding office;
- (b) who had previously retired or who had been obliged by the articles to vacate office;

(c) who was not entitled to vote on the matter, whether by reason of a conflict of interests or otherwise;

if without:

(d) the vote of that trustee; and

(e) that trustee being counted in the quorum;

the decision has been made by a majority of the trustees at a quorate meeting.

(2) Article 46(1) does not permit a trustee or a connected person to keep any benefit that may be conferred upon them by a resolution of the trustees or of a committee of trustees if, but for article 46(1), the resolution would have been void, or if the trustee has not complied with article 8.

47 MINUTES

The trustees must keep minutes of all:

- (1) appointments of officers made by the trustees;
- (2) proceedings at meetings of the charity;
- (3) meetings of the trustees and committees of trustees including:
 - (a) the names of the trustees present at the meeting;
 - (b) the decisions made at the meetings; and
 - (c) where appropriate the reasons for the decisions.

48 ACCOUNTS

- (1) The trustees must prepare for each financial year accounts as required by the Companies Acts. The accounts must be prepared to show a true and fair view and follow accounting standards issued or adopted by the Accounting Standards Board or its successors and adhere to the recommendations of applicable Statements of Recommended Practice.
- (2) The trustees must keep accounting records as required by the Companies Act.
- (3) Accounting records relating to the Charity must be made available for inspection by any Trustee at any time during normal office hours.
- (4) A copy of the Charity's latest available statement of account must be supplied on request to any Trustee or Member.

49 ANNUAL REPORT AND RETURN AND REGISTER OF CHARITIES

- (1) The trustees must comply with the requirements of the Charities Act 2011 with regard to the:
 - (a) transmission of a copy of the statements of account to the Commission;
 - (b) preparation of an annual report and the transmission of a copy of it to the Commission;
 - (c) the audit or independent examination of accounts;
 - (d) preparation of an annual return and its transmission to the Commission.
- (2) The trustees must notify the Commission promptly of any changes to the charity's entry on the Central Register of Charities.

50 MEANS OF COMMUNICATION

- (1) Subject to the articles, anything sent or supplied by or to the charity under the articles may be sent or supplied in any way in which the Companies Acts provide for documents or information which are authorised or required by any provision of the Companies Acts to be sent or supplied by or to the charity.
- (2) Subject to the articles, any notice or document to be sent or supplied to a trustee in connection with the taking of decisions by trustees may also be sent or supplied by the means by which that trustee has asked to be sent or supplied with such notices or documents for the time being.

51 Any notice to be given to or by any person pursuant to the articles:

- (1) must be in writing; or
- (2) must be given in electronic form.

52 (1) The charity may give any notice to a member either:

- (a) personally; or
- (b) by sending it by post in a prepaid envelope addressed to the member at their address; or
- (c) by leaving it at the address of the member; or
- (d) by giving it in electronic form to the member's address supplied for that purpose.
- (e) by placing the notice on a website and providing the person with a notification in writing or in electronic form of the presence of the notice on the website.

The notification must state that it concerns a notice of a company meeting and must specify the place date and time of the meeting.

- (2) A member who does not register an address with the charity or who registers only a postal address that is not within the United Kingdom shall not be entitled to receive any notice from the charity.

53 A member present in person at any meeting of the charity shall be deemed to have received notice of the meeting and of the purposes for which it was called.

54 (1) Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given.

- (2) Proof that an electronic form of notice was given shall be conclusive where the charity can demonstrate that it was properly addressed and sent, in accordance with section 1147 of the Companies Act 2006.

(3) In accordance with section 1147 of the Companies Act 2006 notice shall be deemed to be given:

- (a) 48 hours after the envelope containing it was posted; or
- (b) in the case of an electronic form of communication, 48 hours after it was sent.

55 INDEMNITY

(1) The charity shall indemnify a relevant trustee against any liability incurred in that capacity, to the extent permitted by sections 232 to 234 of the Companies Act 2006.

(2) In this article a 'relevant trustee' means any trustee or former trustee of the charity.

56 RULES

(1) The trustees may from time to time make such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the charity.

(2) The bye laws may regulate the following matters but are not restricted to them:

- (a) the admission of members of the charity (including the admission of organisations to membership) and the rights and privileges of such members, and the entrance fees, subscriptions and other fees or payments to be made by members;
- (b) the conduct of members of the charity in relation to one another, and to the charity's employees and volunteers;

- (c) the setting aside of the whole or any part or parts of the charity's premises at any particular time or times or for any particular purpose or purposes;
 - (d) the procedure at general meetings and meetings of the trustees in so far as such procedure is not regulated by the Companies Acts or by the articles;
 - (e) generally, all such matters as are commonly the subject matter of company rules.
- (3) The trustees must adopt such means as they think sufficient to bring the rules and bye laws to the notice of members of the charity.
- (4) Any rules or bye laws shall be binding on all members of the charity. No rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in, the articles.

57 DISPUTES

If a dispute arises between members of the charity about the validity or propriety of anything done by the members of the charity under these articles, and the dispute cannot be resolved by agreement, the parties to the dispute must first try in good faith to settle the dispute by mediation before resorting to litigation.

58 DISSOLUTION

- (1) Subject to obtaining any necessary consent from OSCRC, the members of the charity may at any time before, and in expectation of, its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the charity be applied or transferred in any of the following ways:
- (a) directly for the Objects; or
 - (b) by transfer to any charity or charities for purposes similar to the Objects; or
 - (c) to any charity or charities for use for particular purposes that fall within the Objects.
- (2) Subject to any such resolution of the members of the charity and any consent which may be required by OSCRC the trustees of the charity may at any time before and in expectation of its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision made for them, shall on or before dissolution of the charity be applied or transferred:
- (a) directly for the Objects; or
 - (b) by transfer to any charity or charities for purposes similar to the Objects; or
 - (c) to any charity or charities for use for particular purposes that fall within the Objects.

- (3) In no circumstances shall the net assets of the charity be paid to or distributed among the members of the charity (except to a member that is itself a charity) and if no resolution in accordance with article 64(1) is passed by the members or the trustees the net assets of the charity shall be applied for charitable purposes as directed by the Court or the Commission.