

The Society of College, National and University Libraries

Articles of Association

(adopted by special resolution 3 July 2015)

- 1 The company's name is 'The Society of College, National and University Libraries' (and in this document it is called the 'charity').

Interpretation

- 2 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
 - 'the articles' means the charity's articles of association
 - 'the board' means the board of directors
 - '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' has the meaning given in article 60
 - 'co-opted directors' mean the directors co-opted in accordance with article 38
 - 'the directors' means the directors of the charity. The directors are charity trustees as defined by section 177 of the Charities Act 2011
 - 'document' includes, unless otherwise specified, any document sent or supplied in electronic form
 - 'elected directors' means the directors elected in accordance with articles 32-34

- ‘electronic form’ has the meaning given in section 1168 of the Companies Act 2006
- ‘honorary officers’ means the honorary officers (who are also directors) appointed or elected in accordance with articles 31-34
- ‘member’ means an organisation which has been admitted to membership of the charity in accordance with article 10
- ‘the memorandum’ means the charity’s memorandum of association
- ‘officers’ includes the honorary officers and the other directors
- ‘representative’ means an employee of a member nominated by that member to represent its interests in the proceedings of the charity in accordance with article 12
- ‘rules’ mean the rules of the charity made in accordance with article 57 as amended and approved from time to time by a resolution of the charity
- ‘the United Kingdom’ means Great Britain and Northern Ireland; 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.

Liability of members

- 3 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 it is a member or within one year after it ceases to be a member, for:
- (a) payment of the charity’s debts and liabilities incurred before it ceases 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.

Objects

- 4 The charity's objects ('Objects') are specifically restricted to the following:

Generally to promote, maintain and advance the science and practice of librarianship and to improve the overall standards of national and university libraries for the benefit of the public.

Powers

- 5 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 monitor developments in the environment of the higher education sector, assess the implications for libraries and represent the views of higher education and national libraries to policy making bodies
 - 2) to arrange meetings, events and conferences and disseminate the results thereof
 - 3) to provide professional advice and information services to its members and facilitate exchanges of experience and professional developments
 - 4) to publish books, pamphlets, reports, journals, leaflets and other material in whatever form
 - 5) to accept the administration of grants and donations
 - 6) to carry out research
 - 7) to raise funds. In doing so, the charity must not undertake any taxable permanent trading activity and must comply with any relevant statutory regulation
 - 8) to buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use
 - 9) 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.
 - 10) 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

- 11) to co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them
- 12) to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects
- 13) to acquire, merge with or to enter into any partnership or joint venture arrangement with any other charity
- 14) to enter into contracts to provide services to or on behalf of other charitable bodies
- 15) to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves
- 16) to employ and remunerate such staff as are necessary for carrying out the work of the charity. The charity may employ or remunerate a director only to the extent it is permitted to do so by article 7 and provided it complies with the conditions in that article
- 17) 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
- 18) to insure the property of the charity against any foreseeable risk and take out other insurance policies to protect the charity when required
- 19) to provide indemnity insurance for the directors in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011
- 20) 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
- 21) to do anything else within the law which promotes or helps to promote the Objects.

Application of income and property

- 6 The income and the property of the charity whencesoever derived shall be applied solely towards the promotion of its objects as set forth in these articles and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to members of the charity or persons representing such members. No member of the board of the charity shall be appointed to any office of the charity paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the charity.

Benefits and payments to members or directors

- 7 Nothing in article 6 shall prevent the payment in good faith by the charity
- (a) of reasonable and proper remuneration to any member, or person representing a member of the charity, or to any officer or employee of the charity (not being a member of its board) for any services actually rendered to the charity
 - (b) of interest on money lent by any member of the charity or its board at a rate per annum not exceeding 2 per cent less than the minimum lending rate for the time being prescribed by the charity's bankers, or at the rate per annum of 3 per cent, whichever is the greater
 - (c) of reasonable and proper rent for premises demised or let by any member of the charity any representative of such a member or a member of its board
 - (d) of reasonable out-of-pocket expenses to any members of the charity or any representative of such a member or a member of its board
 - (e) of reasonable and proper premiums in respect of indemnity insurance effected in accordance with article 5 (19) above.

Declaration of directors' interests

- 8 A director must declare the nature and extent of any interest, direct or indirect, which he or she, or a connected person, has 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 director must absent himself or herself from any discussions of the charity directors in which it is possible that a conflict will arise between his or her duty to act solely in the interests of the charity and any personal interest (including but not limited to any personal financial interest).

Authorisation of conflicts of interests and conflicts of loyalties

- 9 (1) Where the duty of a director to avoid a situation in which he has or can have a direct or indirect interest or duty that conflicts or possibly may conflict with the interests of the charity including a wish or duty to exploit any property, information or opportunity (as specified by section 175 (1) of the Companies Act

2006) would otherwise be infringed in relation to a particular situation, transaction or arrangement, the duty is not infringed if the procedure set out below is followed:

- (a) the matter in relation to which that duty exists has been proposed to the board at a meeting of the board and has been authorised by them; and
 - (b) any requirement as to the quorum of such meeting is met without counting the director in question, or any other interested director, subject to sub-clauses (2) and (3) below, and
 - (c) the matter was agreed to without any such director voting, or would have been agreed to if the vote of any such director had not been counted, subject to sub-clauses (2) and (3) below.
- (2) In such a conflict of interest situation (including any authorisation of non-disclosure of information), where there are insufficient unconflicted directors present at the meeting to constitute a quorum, the unconflicted director present shall be deemed to constitute a quorum for the purposes of authorising the conflict under sub-clause (2) above and the manner of dealing with the conflict, provided that:
 - (a) they may only give such authorisation where they are satisfied that the conflicted director or directors will not receive any direct or indirect benefit other than one permitted by these Articles; and
 - (b) the total number of directors at the board meeting (whether conflicted or unconflicted) is equal to or higher than the quorum of the meeting.
- (3) In the event that all of the directors present at the board meeting are conflicted in respect of a particular conflict of interest situation, the conflicted directors present at a meeting may authorise the conflict and the manner of dealing with the conflict and shall constitute a quorum for the purposes of such authorisation, provided that they satisfy the requirements set out in sub-clauses (2) (a) and (2) (b) above.
- (4) The duty to deal with conflicts referred to in sub-clause (2) above applies in the case of the exploitation of property, information or opportunity even if the charity is not taking, or could not take, advantage of the opportunity.
- (5) The director shall observe the other duties and rules in the Companies Act, and such other rules as the board adopts, as to the management of conflicts of duty or interest.
- (6) The board may by resolution passed in the manner set out in this Article, authorise a director not to disclose to the board confidential information relating

to a conflict of interest provided that it may not authorise the withholding of information relating to a direct or indirect personal benefit for the director.

- (7) Nothing contained in this article shall authorise a director to receive any benefit not permitted elsewhere in these Articles.

Members

- 10 (1) The membership of the charity shall be open to organisations (but not individuals) which fulfil the membership criteria set out in the rules as amended and approved from time to time by a resolution of the charity.
- (2) Membership is open to organisations which:
- (a) apply to the charity in the form required by the directors; and
 - (b) are approved by the directors and subsequently ratified by a resolution of the charity.
- (3) (a) The directors may only refuse an application for membership if, acting reasonably and properly, they consider it to be in the best interests of the charity to refuse the application.
- (b) The directors must inform the applicant in writing of the reasons for the refusal within twenty-one days of the decision.
- (c) The directors must consider any written representations the applicant may make about the decision. The directors' decision following any written representations must be notified to the applicant in writing but shall be final.
- (4) The directors may establish classes of membership with different rights and obligations and shall record the rights and obligations in the register of members.
- (5) Membership is not transferable.
- (6) The directors must keep a register of names and addresses of the members.

Subscriptions

- 11 (1) Each member will pay an annual subscription.
- (2) The subscription for each year will be due on 1 January in that year.
- (3) The directors will propose to members the basis on which subscriptions are to be calculated for the following year, by

- (a) notifying all members of the proposed changes in advance of the annual general meeting, or twenty-eight days in advance of a written resolution of the charity, and
 - (b) putting forward a resolution detailing the proposed changes for approval by the members, either at the annual general meeting or by a written resolution of the charity .
- (4) If the resolution is not passed, the subscription for the following year will continue unchanged from the current year.

Representatives of members

12. (1) Each member shall nominate one of its employees (who should normally be the librarian or the principal officer in charge of the member's information services) to be its representative.
- (2) The member must give written notice to the charity of the name of its representative. The representative shall not be entitled to represent the member at any meeting unless the notice has been received by the charity. The representative may continue to represent the member 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 member or that his or her authority has been revoked. The charity shall not be required to consider whether the representative has been properly appointed by the member.
- (4) The termination or resignation of membership of a member pursuant to article 13 of the articles shall automatically terminate the appointment of any representative appointed by such member.

Termination of membership

- 13 Membership is terminated if:
- (1) the member ceases to exist;
 - (2) the member resigns by written notice to the charity unless, after the resignation, there would be less than two members;
 - (3) any sum due from the member to the charity is not paid in full within six months of it falling due;

- (4) the member is removed from membership by a resolution of the directors that it is in the best interests of the charity that his or her or its 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 directors at which the resolution will be proposed and the reasons why it is to be proposed
 - (b) that member's representative has been allowed to make representations to the meeting.

General meetings

- 14 The charity must hold an annual general meeting in every year and not more than fifteen months may elapse between successive annual general meetings.
- 15 The directors may call a general meeting at any time.

Notice of general meetings

- 16 (1) The minimum periods of notice required to hold a general meeting of the charity are:
 - (a) twenty-one clear days for an annual general meeting 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 including any special business. If the meeting is to be an annual general meeting, the notice must say so. If a special resolution is to be proposed the notice must include the text of the proposed special resolution.
- (4) The notice must also contain a statement setting out the right of the representatives of members to appoint a proxy under article 23.
- (5) The notice must be given to all the members and to the directors and auditors.

- 17 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.

Proceedings at general meetings

- 18 (1) No business shall be transacted at any general meeting unless a quorum is present.
- (2) A quorum is one third of the representatives present in person or by proxy and entitled to vote upon the business to be conducted at the meeting.
- 19 (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;
- the meeting shall be adjourned to such time and place as the directors shall determine.
- (2) The directors 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 representatives present in person or by proxy at that time shall constitute the quorum for that meeting.
- 20 (1) General meetings shall be chaired by the person who has been appointed to chair meetings of the directors.
- (2) If there is no such person or he or she is not present within fifteen minutes of the time appointed for the meeting a director nominated by the directors shall chair the meeting.
- (3) If there is only one director present and willing to act, he or she shall chair the meeting.
- (4) If no director is present and willing to chair the meeting within fifteen minutes after the time appointed for holding it, the representatives present in person or by proxy and entitled to vote must choose one of their number to chair the meeting.
- 21 (1) The representatives present in person or by proxy 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 representatives present in person or by proxy 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 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 representatives present in person or by proxy and having the right to vote at the meeting; or
 - (c) by a representative or representatives 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.
 - (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) A poll must be taken as the person who is chairing the meeting directs, who may appoint scrutineers (who need not be representatives) 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.

Content of proxy notices

- 23 (1) Proxies may only validly be appointed by a representative by a notice in writing (a 'proxy notice') which:
- (a) states the name and address of the representative appointing the proxy
 - (b) identifies the person appointed to be that representative's proxy and the general meeting in relation to which that person is appointed
 - (c) is signed by or on behalf of the representative appointing the proxy, or is authenticated in such manner as the directors 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.

Delivery of proxy notices

- 24 (1) A representative 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 representative.

- (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 representative 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 representative 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.

Written resolutions

- 25 (1) A resolution in writing agreed by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of the members whose representatives would have been entitled to vote upon it had it been proposed at a general meeting shall be effective provided that:
 - (a) a copy of the proposed resolution has been sent to every eligible member
 - (b) a simple majority (or in the case of a special resolution a majority of not less than 75%) of members has signified agreement to the resolution; and
 - (c) it is contained in an authenticated document which has been received at the registered office within the period of twenty-eight days beginning with the circulation date.
- (2) A resolution in writing may comprise several copies to which one or more members have signified their agreement.
- (3) A member's representative may signify the member's agreement to the written resolution.

Votes of members

- 26 Subject to the payment of the relevant member's subscription in accordance with article 11, every member or the representative of that member shall have one vote.
- 27 Any objection to the qualification of a representative 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.

Directors

- 28 The directors as the charity trustees have control of the charity and its property and funds and are responsible for the management of the administration of the charity.
- (1) A director must be a natural person aged 16 years or older.
 - (2) No one may be appointed a director if he or she would be disqualified from acting under the provisions of article 39
- 29 The minimum number of directors is eight but (unless otherwise determined by a resolution of the charity) their number shall not be subject to any maximum.
- 30 (1) The directors consist of:
- (a) the Chair appointed in accordance with article 31 (1);
 - (b) the Vice-Chair elected in accordance with articles 31 (2) and 32-34
 - (c) the Honorary Treasurer elected in accordance with articles 31 (3) and 32-34
 - (d) a number of elected directors elected in accordance with articles 32 - 34 ;
and
 - (e) up to four co-opted directors appointed by the directors in accordance with article 38.
- (2) Every director after election or re-election must sign a declaration of willingness to act as a director of the charity before he or she may act as a director.
 - (3) A director may not appoint an alternate director or anyone to act on his or her behalf at meetings of the directors.
 - (4) No alteration of the articles or any special resolution shall have retrospective effect to invalidate any prior act of the directors.
 - (5) Any meeting of directors at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the directors.

Honorary officers

- 31 (1) The individual who held office as the Vice-Chair for the previous two years shall be appointed as the Chair of the charity at an annual general meeting provided he or she remains a representative. The Chair shall hold office for two years at the end of which he or she shall not be capable of re-election as a director or Vice-Chair under these articles for a minimum period of one year from such retirement.

- (2) The Vice-Chair of the charity must be a representative who is elected at an annual general meeting for a term of two years at the end of which he or she shall be appointed as the Chair at an annual general meeting.
- (3) The Honorary Treasurer of the charity must be a representative who is elected at an annual general meeting for a term of three years. A retiring Honorary Treasurer who remains qualified may be re-elected for one further term of three years at the end of which he or she shall not be capable of re-election under these articles for a minimum period of one year from such retirement.
- (4) The Chair, Vice-Chair and Honorary Treasurer shall be directors for the period that they hold office.
- (5) The respective terms of office of the Chair, Vice-Chair and Honorary Treasurer shall take effect from the conclusion of the annual general meeting at which he or she is elected.
- (6) The process of the election of the Vice-Chair and the Honorary Treasurer shall be in accordance with articles 32-34.

Election of directors and honorary officers

- 32 Each elected director and honorary officer must be a representative who is elected at an annual general meeting from candidates nominated in writing to the board by the members in accordance with article 33.
- 33 No person may be elected as an elected director or honorary officer at any general meeting unless:
 - (1) not less than twenty eight clear days before the date of the annual general meeting, members are provided with notification of vacancies for elected directors and honorary officers of the charity, and
 - (2) not less than less than twenty one clear days before the date of the meeting, the charity is given a notice that:
 - (a) states the member's intention to nominate its representative as a director or honorary officer
 - (b) is signed by the representative who is to be nominated to show his or her willingness to be elected
 - (c) is signed by both a proposer and seconder each of whom are representatives.
- 34 (1) If the number of vacancies is fewer than the number of candidates nominated by members for election as directors or honorary officers:

- (a) a poll will be conducted by secret ballot in advance of the annual general meeting, and the results announced at the annual general meeting, and
 - (b) a resolution will be put to the annual general meeting proposing that those candidates with the most votes become elected directors or honorary officers of the charity as the case may be.
 - (2) If the number of vacancies is greater than, or equal to, the number of candidates for election, a resolution will be put to the annual general meeting proposing that all the candidates become elected directors or honorary officers of the charity as the case may be.
 - (3) In the event of two or more candidates for election receiving an equal number of votes for an elected position, the Chair shall have a casting vote.
- 35 In the event that a vacancy for a director remains unfilled following an election, in order to preserve the efficacy of the board or to meet the minimum number of directors, the charity may by ordinary resolution appoint a person who is willing to be a director from among the representatives, such director to hold office only until the following annual general meeting and not to be treated as an elected director.
- 36 (1) The elected directors shall not retire by rotation but each shall hold office for a term of three years unless his or her appointment is previously terminated in accordance with article 39 or varied in accordance with article 36 (2). Each elected director may stand for re-election for one further consecutive term of three years. An elected director who has served two consecutive three-year terms of office shall retire and shall not be capable of re-election under these articles for a minimum period of one year from such retirement.
- (2) The board shall have the power by a unanimous vote to vary the terms of up to three of its elected directors by one or two years in order to preserve the efficacy of the board.
- 37 Subject to these articles the board may otherwise regulate its proceedings in respect of the nomination, election and appointment of directors and honorary officers as it sees fit.

Co-opted directors

- 38 The directors may appoint up to four co-opted directors in order to ensure that the directors remain broadly representative in terms of geography and the institutional mission of the members. The term of office of a co-opted director shall be such period not exceeding three years as the directors may specify on appointment. A co-opted director may be removed by the directors at any time.

Disqualification and removal of directors

- 39 A director shall cease to hold office if he or she:
- (1) ceases to be a director by virtue of any provision in the Companies Acts or is prohibited by law from being a director
 - (2) is 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) ceases to be a paid employee of a member
 - (4) ceases to be the representative of a member
 - (5) has become physically or mentally incapable of acting as a director and may remain so for more than three months provided that such incapacity is confirmed by the written opinion, given to the charity, of a registered medical practitioner treating that person
 - (6) resigns as a director by notice to the charity (but only if at least two directors will remain in office when the notice of resignation is to take effect), or
 - (7) is absent without the permission of the directors from all their meetings held within a period of twelve consecutive months and the directors resolve that his or her office be vacated.

Remuneration of directors

- 40 The directors must not be paid any remuneration unless it is authorised by article 7.

Proceedings of directors

- 41
- (1) The directors may regulate their proceedings as they think fit, subject to the provisions of the articles.
 - (2) Any director may call a meeting of the directors.
 - (3) The company secretary must call a meeting of the directors if requested to do so by a director.
 - (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 directors in which each participant may communicate with all the other participants.
- 42 (1) No decision may be made by a meeting of the directors unless a quorum is present at the time the decision is purported to be made. 'Present' includes being present by suitable electronic means agreed by the directors in which a participant or participants may communicate with all the other participants.
- (2) The quorum shall be two or the number nearest to one-third of the total number of directors, whichever is the greater, or such larger number as may be decided from time to time by the directors.
- (3) A director shall not be counted in the quorum present when any decision is made about a matter upon which that director is not entitled to vote.
- 43 If the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.
- 44 (1) The Chair or the Vice-Chair, or (if both of them are unable or unwilling to chair the meeting or if neither is present within ten minutes after the time appointed for the meeting) some other member of the board chosen by the directors present, shall chair a meeting of the directors.
- (2) The person appointed to chair meetings of the directors shall have no functions or powers except those conferred by the articles or delegated to him or her by the directors.
- 45 (1) A resolution in writing or in electronic form agreed by all of the directors entitled to receive notice of a meeting of the directors and to vote upon the resolution shall be as valid and effectual as if it had been passed at a meeting of the directors 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 directors has signified their agreement.

Delegation to committees

- 46 (1) The directors may delegate any of their powers or functions to a committee of two or more individuals appointed by them. At least one member of every committee must be a director and the terms of any delegation must be recorded in the minutes.
- (2) The directors may impose conditions when delegating, including the conditions that:

- (a) the relevant powers are to be exercised exclusively by the committee to whom they delegate;
 - (b) no expenditure may be incurred on behalf of the charity except in accordance with a budget previously agreed with the directors.
- (3) The directors may revoke or alter a delegation.
- (4) All acts and proceedings of any committees must be fully and promptly reported to the directors.

Validity of directors' decisions

47 (1) Subject to article 47 (2), all acts done by a meeting of directors, or of a committee of directors, shall be valid notwithstanding the participation in any vote of a director:

- (a) who was disqualified from holding office
- (b) who had previously retired or who had been obliged by the constitution 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 director; and
- (e) that director being counted in the quorum;

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

(2) Article 47 (1) does not permit a director or a connected person to keep any benefit that may be conferred upon him or her by a resolution of the directors or of a committee of directors if, but for article 47 (1), the resolution would have been void, or if the director has not complied with article 8.

Minutes

48 The directors must keep minutes of all:

- (1) appointments of officers made by the directors
- (2) proceedings at meetings of the charity
- (3) meetings of the directors and committees of directors including:

- (a) the names of the directors and others present at the meeting
- (b) the decisions made at the meetings; and
- (c) where appropriate the reasons for the decisions.

Accounts

- 49 (1) The directors 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 directors must keep accounting records as required by the Companies Acts.

Annual Report and Return and Register of Charities

- 50 (1) The directors 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) preparation of an Annual Return and its transmission to the Commission.
- (2) The directors must notify the Commission promptly of any changes to the charity's entry on the Central Register of Charities.

Means of communication to be used

- 51 (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 Act 2006 provides for documents or information which are authorised or required by any provision of that Act 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 director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 52 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.
- 53 (1) The charity may give any notice to a member either:
- (a) personally to the representative of the member; or
 - (b) by sending it by post in a prepaid envelope addressed to the member at its 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.
 - (e) by placing the notice on a website and providing the member 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 or the Republic of Ireland shall not be entitled to receive any notice from the charity.
- 54 A member present through its representative 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.
- 55 (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 company 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) Forty-eight hours after the envelope containing it was posted; or
 - (b) in the case of an electronic form of communication, forty-eight hours after it was sent.

Indemnity

- 56 (1) The charity shall indemnify a relevant director 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 director' means any director or former director of the charity.

Rules

- 57 (1) The directors 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 rules 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 directors and/or representatives 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 directors 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 charity in general meeting has the power to alter, add to or repeal the rules or bye laws.
- (4) The directors must adopt such means as they think sufficient to bring the rules and bye laws to the notice of members of the charity.
- (5) The 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.

Disputes

- 58 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 by the chair of a peer organisation as agreed by the directors before resorting to litigation.

Dissolution

59 If upon winding up or dissolution of the charity there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid or distributed among the members of the charity but if and so far as effect can be given to the next provision shall be given or transferred to some other charitable institution or institutions having objects similar to the objects of the charity and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as imposed on the charity under or by virtue of article 6 of these articles, such institution or institutions to be determined by the members of charity at or before the time of dissolution, and if and so far as effect cannot be given to such provisions then to some other charitable object with the approval of the Charity Commission.

Definition of 'connected person'

60 In article 8 and sub-clause (2) of article 47 'connected person' means:

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