



THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION
OF
METHODIST MINISTERS' HOUSING SOCIETY

Company Number: 11929754
Charity Number: 1186758
Amended by special resolutions
passed on 4 April
2023 and 18 November 2023

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1. Interpretation

1.1 In these Articles, unless the context otherwise requires:

Act: means the Companies Act 2006;

Articles: means the Society's articles of association for the time being in force;

Business Day: means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

Chair: means the individual appointed pursuant to article 21.1 to chair the meetings of the Trustees;

Charities Act: means the Charities Act 2011;

Society: means Methodist Ministers' Housing Society, which is a charitable company regulated by the Articles;

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

Circulation Date: in relation to a written resolution, has the meaning given to it in the Act;

Clear Days: in relation to a period of notice means a period of days not including the day on which notice was given or deemed to be given and the day for which it is given or on which it is to take effect;

Conference of the Methodist Church: shall mean the annual Conference of the Methodist Church constituted in accordance with the provisions of the Methodist Church Act 1976 and the Deed of Union dated 20 September 1932;

Connected Person: means any person falling within one of the following categories:

- (a) any spouse, civil partner, parent, child, brother, sister, grandparent or grandchild of a Trustee; or
- (b) the spouse or civil partner of any person in (a); or
- (c) any person who carries on business in partnership with a Trustee or with any person in (a) or (b); or
- (d) an institution which is controlled by either a Trustee, any person in (a), (b) or (c), or a Trustee and any person in (a), (b) or (c), taken together;
- (e) a corporate body in which a Trustee or any person in (a), (b) or (c) has a substantial interest, or two or more such persons, taken together, have a substantial interest.

Sections 350 to 352 of the Charities Act apply for the purposes of interpreting the terms used in this Article;

Trustee: means a director of the Society. The Trustees are charity trustees as defined in the Charities Act;

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

electronic form and electronic means: have the meaning given to such terms in section 1168 of the Act;

Financial Expert: means a person who is reasonably believed by the Trustees to be qualified to give advice on investments by reason of their ability in and practical experience of financial and other matters relating to investments;

Member: means a person who is a subscriber to the Memorandum or who is admitted to membership in accordance with the Articles;

Model Articles: means the model articles for private companies limited by guarantee contained in Schedule 2 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229);

Objects: means the objects of the Society as stated in article 2;

OSCR: means the Office of the Scottish Charity Regulator;

Scottish Charities Act: the Charities and Trustee (Scotland) Act 2005;

Special Resolution: has the meaning given in section 283 of the Act;

tenants of the Society: means beneficiaries of the Society pursuant to the Objects who are in occupation of housing provided by the Society whether or not there is an equity sharing agreement or lease in place between such persons and the Society;

United Kingdom: means Great Britain and Northern Ireland;

Vice Chair: means the individual appointed pursuant to article 21.2 as vice chair of the meetings of the Trustees; and

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.

- 1.2 Unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an article is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
 - (a) any subordinate legislation from time to time made under it; and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 Any phrase introduced by the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

1.7 The Model Articles shall not apply to the Society.

2. Objects

2.1 The Society's objects are restricted specifically, in each case only for the public benefit:

- (a) to carry on the business of providing, within the United Kingdom, Isle of Man and the Channel Islands, housing, or financial assistance towards the housing needs of, and any associated amenities upon terms appropriate to their means, for:
 - (i) Methodist presbyters and deacons (formerly referred to as ministers and deacons) who are in receipt of their full Methodist Church pension entitlement and their widows, widowers or dependants;
 - (ii) Methodist presbyters and deacons who have retired prior to reaching full retirement age with the consent of the Conference of the Methodist Church on health or compassionate grounds and the widows, widowers or dependants thereof;
 - (iii) widows, widowers or dependants of Methodist presbyters and deacons who have died in active service;

in each case such presbyters and deacons, widows, widowers or dependants being of limited means and for those in receipt of such provision, the further provision of, or assistance with the costs of, services or facilities calculated to reduce their conditions of need (whether age, ill-health, disability or financial), also upon terms appropriate to their means;

- (b) such other charitable purposes as the Trustees shall from time to time determine.

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

3. Powers

3.1 In pursuance of the Objects, but not further or otherwise, the Society has the power to:

- (a) accept (or disclaim) any gift of money, legacy or other property;
- (b) raise funds by way of subscription, donation or otherwise;
- (c) trade in the course of carrying out the Objects and carry out any other trade which is not expected to give rise to taxable profits;
- (d) establish or purchase companies to carry on any trade;
- (e) sell, lease or otherwise dispose of all or any part of the Society's real or personal property and any and all rights of the Society, subject to such consents as may be required by law;
- (f) enter into equity sharing agreements with individuals who are beneficiaries of the charity pursuant to the Objects for the purposes of the purchase or lease of any property or land that will not be held subject to exclusively charitable trusts and in which the Society will only have a part interest, provided that the Trustees are satisfied that the terms of any such equity sharing agreement are in the best interests of the Society;
- (g) borrow or raise money and to give security for money borrowed or grants or other obligations by mortgage, charge, lien or other security on the Society's property and assets, subject to such consents as may be required by law and provided that the

amount for the time being remaining undischarged of moneys borrowed shall not exceed £10,000,000 (ten million pounds);

- (h) lend and give credit to, take security for such loans or credit and enter into guarantees or give security for the performance of contracts by any person or company;
- (i) buy, lease, hire or otherwise acquire and deal with any real or personal property and any rights or privileges of any kind over or in respect of any real or personal property and maintain, alter, improve, manage, develop, construct, repair or equip it for use;
- (j) compromise, settle, conduct, enforce or resist either in a court of law or by arbitration any suit, debt, liability or claim by or against the Society;
- (k) set aside funds for particular purposes or as reserves against future expenditure;
- (l) deposit or invest funds with all the powers of a beneficial owner but to invest only after obtaining advice from a Financial Expert, having regard to the suitability of investments and the need for diversification;
- (m) delegate the management of investments to a Financial Expert, but only on terms that:
 - (i) the Society's investment policy is set down in writing by the Trustees for the Financial Expert;
 - (ii) all transactions are reported promptly and regularly to the Trustees;
 - (iii) investment performance is reviewed regularly with the Trustees;
 - (iv) the delegation arrangement may be cancelled by the Trustees at any time;
 - (v) a review of the investment policy and the delegation arrangement shall be carried out at least annually;
 - (vi) all payments due to the Financial Expert fall within a scale or a level which is agreed in advance and are notified promptly to the Trustees on receipt;
 - (vii) the Financial Expert must not do anything outside the powers of the Society;
- (n) arrange for the investments or other property of the Society to be held in the name of a nominee (meaning a corporate body registered or having an established place of business in the United Kingdom) which is either under the control of the Trustees or of a Financial Expert acting on their instructions, and to pay any reasonable fee required;
- (o) co-operate or collaborate with other bodies and to exchange information and advice with them;
- (p) establish or support or aid in the establishment and support of any organisation formed for objects similar to any or all of the Objects;
- (q) enter into partnership or other arrangement with any other body with objects similar to any or all of the Objects;
- (r) acquire, amalgamate or merge with, or undertake all or any of the property, liabilities and engagements of any body with objects similar to any or all of the Objects;
- (s) enter into contracts to provide services to or on behalf of other bodies;
- (t) provide or procure the provision of advice;
- (u) publish and distribute books, pamphlets, reports, leaflets, journals, films, tapes, instructional matter and any other form of information in or on any media;
- (v) promote, undertake and commission research, surveys, studies or other work and to disseminate the useful results;

- (w) subject to article 4.2:
 - (i) employ and remunerate any person or persons as necessary for the proper pursuit of the Objects; and
 - (ii) make reasonable provision for the payment of pensions for employees and their dependents;
- (x) take out such insurance policies as are necessary to protect the Society;
- (y) provide indemnity insurance for the Trustees or any other officer of the Society in accordance with and subject to the conditions in section 189 of the Charities Act and section 68A of the Scottish Charities Act;
- (z) open and operate bank accounts and other facilities for banking and draw, accept, endorse, issue or execute promissory notes, bills of exchange, cheques and other instruments;
- (aa) organise and assist in the provision of conferences, courses of instruction, exhibitions, lectures and other educational activities;
- (bb) provide and assist in the provision of money, materials or other aid;
- (cc) act as trustee and to undertake and execute charitable trusts;
- (dd) amalgamate or merge with or acquire or undertake all or any of the property, liabilities and engagements of any body having objects similar to the Objects;
- (ee) pay out of the funds of the Society the costs incurred in connection with the formation and registration of the Society as a company and as a charity; and
- (ff) do anything lawful which is calculated to further the Objects or is conducive or incidental to doing so.

4. Application of income and property

4.1 The income and property of the Society shall only be applied to promote the Objects.

4.2 Except as provided below, no part of the income or property of the Society may be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to any Member of the Society. This shall not prevent any payment in good faith by the Society of:

- (a) a benefit to any Member in the capacity of a beneficiary of the Society;
- (b) reasonable and proper remuneration to any Member for any goods or services supplied to the Society, provided that article 5 applies if such a Member is a Trustee;
- (c) interest on money lent by a Member to the Society at a reasonable and proper rate;
- (d) reasonable and proper rent for premises demised or let by a Member to the Society; and
- (e) any payment to a Member who is also a Trustee which is permitted under article 5.

5. Benefits and payments to Trustees and Connected Persons

5.1 A Trustee:

- (a) is entitled to be reimbursed reasonable out-of-pocket expenses properly incurred when acting on behalf of the Society;
- (b) may benefit from trustee indemnity insurance purchased by the Society in accordance with section 189 of the Charities Act and section 68A of the Scottish Charities Act;
- (c) may receive payment under an indemnity from the Society in the circumstances set out in article 32;

- (d) may not receive any other benefit or payment from the Society unless it is authorised by this article 5.
- 5.2 Unless the benefit or payment is permitted under article 5.3, no Trustee (including a Member who is also a Trustee) or Connected Person may:
- (a) buy any goods or services from the Society on terms preferential to those applicable to members of the public;
 - (b) sell goods, services, or any interest in land to the Society;
 - (c) be employed by, or receive any remuneration from the Society; or
 - (d) receive any other financial benefit from the Society.
- 5.3 A Trustee or a Connected Person may:
- (a) receive a benefit from the Society in the capacity of a beneficiary of the Society provided that a majority of the Trustees do not benefit in this way;
 - (b) enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the Society where that is permitted in accordance with, and subject to the conditions in, sections 185 and 186 of the Charities Act and sections 67 and 68 of the of the Scottish Charities Act;
 - (c) subject to article 5.4, enter into a contract for the supply of goods to the Society that are not supplied in connection with services provided to the Society by the Trustee or Connected Person;
 - (d) receive reasonable and proper rent for premises let to the Society;
 - (e) receive interest at a reasonable and proper rate on money lent to the Society;
 - (f) take part in the normal trading and fund-raising activities of the Society on the same terms as members of the public; and
 - (g) receive or retain any payment for which prior written authorisation has been obtained from the Charity Commission.
- 5.4 The Society and its Trustees may only rely on the authority provided by article 5.3(c) if each of the following conditions is satisfied:
- (a) the amount or maximum amount of the payment for the goods:
 - (i) is set out in an agreement in writing between the Society and the Trustee or Connected Person supplying the goods (the Supplier) under which the Supplier is to supply the goods in question to the Society;
 - (ii) does not exceed what is reasonable in the circumstances for the supply of the goods in question;
 - (b) the other Trustees in the meeting are satisfied that it is in the best interests of the Society to contract with the Supplier rather than someone who is not a Trustee or Connected Person. In reaching that decision, which must be recorded in the minutes of the meeting, the Trustees must balance the advantages of contracting with a Trustee against the disadvantages of doing so;
 - (c) the Supplier:
 - (i) is absent from the part of the meeting at which there is discussion of the proposal to enter into a contract or arrangement with regard to the supply of goods to the Society by them;

- (ii) does not vote on any such matter and is not counted when calculating whether a quorum of Trustees is present at the meeting; and
 - (d) a majority of the Trustees then in office are not in receipt of remuneration or payments authorised by article 5.
- 5.5 In article 5.3 and article 5.4, the "Society" includes any company in which the Society:
 - (a) holds more than 50% of the shares; or
 - (b) controls more than 50 % of the voting rights attached to the shares; or
 - (c) has the right to appoint one or more Trustees to the company.
- 5.6 A Trustee's duty under the Act to avoid a conflict of interest with the Society does not apply to any transaction authorised by this article 5.
- 6. Winding up
 - 6.1 On the winding up or dissolution of the Society, after provision has been made for all its debts and liabilities, any assets or property that remain (the Society's remaining assets) shall not be paid or distributed to the Members but shall be applied or transferred for such charitable purposes as the Conference of the Methodist Church shall resolve.
 - 6.2 In the event that no resolution is passed by the Conference of the Methodist Church in accordance with this Article, the Society's remaining assets shall be applied for charitable purposes as directed/approved by the court or the Charity Commission or OSCR.
- 7. Liability of members
 - 7.1 The liability of each Member is limited to £1, being the amount that each Member undertakes to contribute to the assets of the Society in the event of its being wound up while he or she is a Member or within one year after he or she ceases to be a Member, for:
 - (a) payment of the Society's debts and liabilities contracted before he or she ceases to be a Member;
 - (b) payment of the costs, charges and expenses of the winding up; and
 - (c) adjustment of the rights of the contributories among themselves.
- 8. Members
 - 8.1 The Trustees from time to time shall be the only Members. A Trustee shall become a Member on becoming a Trustee.
 - 8.2 The Society shall maintain a register of Members and any person ceasing to be a Member shall be removed from the Register.
 - 8.3 Membership is not transferable.
- 9. Termination of membership
 - 9.1 A Member shall cease to be a Member if he or she:
 - (a) ceases to be a Trustee; or
 - (b) dies.
- 10. General meetings of members
 - 10.1 The Trustees may call a general meeting of the Members at any time and such a meeting shall be held in accordance with the Act.

- 10.2 General meetings shall be called on notice in accordance with the Act and proceedings at a general meeting shall not be invalidated because a person entitled to receive notice of the meeting did not receive it due to an accidental omission by the Society.
- 10.3 No business shall be transacted at any general meeting unless a quorum is present. A quorum is five Members who are present in person or by proxy or through their duly authorised representatives and who are entitled to vote on the business to be conducted at the meeting.
- 10.4 A Member is entitled to appoint another person as his proxy, in accordance with the Act, to exercise all or any of his rights to attend and to speak and vote at a meeting of the Society.
- 10.5 The Chair shall chair general meetings of the Society or, if they are absent, the Vice Chair shall act as chair. If neither the Chair nor the Vice Chair is present within 15 minutes of the time appointed for the meeting, a Trustee elected by the Trustees present shall chair the meeting.
- 10.6 A vote on a resolution proposed 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.
- 10.7 On a show of hands or on a poll, every Member, whether an individual or an organisation, shall have one vote.
- 10.8 Any objection to the qualification of any voter must be raised at the meeting or adjourned meeting at which the vote objected to is tendered and every vote not disallowed at the meeting shall be valid. Any such objection must be referred to the chair of the meeting whose decision is final.
- 10.9 Unless a poll is demanded, the declaration of the chair of the result of the vote and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact and the number or proportion of votes cast in favour or against need not be recorded.
11. Written resolutions
- 11.1 Subject to article 11.4, a written resolution of the Members passed in accordance with this article 11. shall have effect as if passed by the Members in a general meeting. A written resolution is passed:
- (a) as an ordinary resolution if it is passed by a simple majority of the eligible Members; or
 - (b) as a Special Resolution if it is passed by Members representing not less than 75% of the eligible Members. A written resolution is not a Special Resolution unless it states that it was proposed as a Special Resolution.
- 11.2 Where a resolution is proposed as a written resolution of the Society, the eligible Members are the Members who would have been entitled to vote on the resolution on the Circulation Date of the resolution.
- 11.3 Any resolution of the Members for which the Act does not specify whether it is to be passed as an ordinary resolution or as a Special Resolution, shall be passed as an ordinary resolution.
- 11.4 A Members' resolution under the Act removing a Trustee or an auditor before the expiration of his term of office may not be passed as a written resolution.
- 11.5 A copy of the written resolution must be sent to every Member together with a statement informing the Member how to signify their agreement to the resolution and the date by which the resolution must be passed if it is not to lapse.
- 11.6 A Member signifies their agreement to a proposed written resolution when the Society receives from them (or from someone acting on their behalf) an authenticated document identifying the resolution to which it relates and indicating the Member's agreement to the resolution. A Member's agreement to a proposed written resolution, once signified, cannot be revoked. For these purposes:

- (a) if the document is sent to the Society in hard copy form, it is authenticated if it bears the signature of the person sending it;
 - (b) if the document is sent to the Society in electronic form, it is authenticated if the identity of the sender is confirmed in a manner specified by the Society or, where no such manner has been specified by the Society, if it is accompanied by a statement of the identity of the sender and the Society has no reason to doubt the truth of that statement.
- 11.7 A written resolution is passed when the required majority of eligible Members have signified their agreement to it.
- 11.8 A proposed written resolution shall lapse if it is not passed within 28 days beginning with the Circulation Date.
- 11.9 Communications in relation to written resolutions shall be sent to the Society's auditors in accordance with the Act.
- 11.10 The Members may require the Society to circulate a resolution that may properly be moved and is proposed to be moved as a written resolution in accordance with sections 292 and 293 of the Act.
- 12. Trustees
- 12.1 The number of Trustees shall:
 - (a) not be less than five but shall not exceed fifteen; and
 - (b) at any one time no less than one and no more than five shall be tenants of the Society.
- 12.2 The first Trustees shall be those persons whose names are notified to Companies House as the first Trustees on incorporation.
- 12.3 A Trustee may not appoint an alternate Trustee or anyone to act on their behalf at meetings of the Trustees.
- 13. Powers of Trustees
- 13.1 Subject to the provisions of the Act, the Articles and any Special Resolution, the Trustees shall be responsible for the management of the Society's business and may exercise all the powers of the Society for that purpose.
- 13.2 No alteration of the Articles or any Special Resolution shall invalidate any prior act of the Trustees.
- 13.3 A meeting of the Trustees at which a quorum is present may exercise all the powers exercisable by the Trustees.
- 14. Appointment of Trustees
- 14.1 Any person who is willing to act as a Trustee, is over the age of 18, and who is permitted by law to do so, may be appointed to be a Trustee by resolution of the Trustees.
- 14.2 Where a maximum number of Trustees has been fixed, the appointment of a Trustee must not cause that number to be exceeded and the appointment of a Trustee must not contravene the requirements of article 12.1(b).
- 15. Retirement of Trustees
- 15.1 The first Trustees shall hold office for the following terms, at the end of which each shall retire and shall be eligible for reappointment in accordance with article 15.3 but in respect of article 15.4 the nine consecutive years shall run from the date on which the Trustees were appointed as trustees of the Methodist Ministers' Housing Society (registered society number 13527R):

<u>Trustee's Name</u>	<u>End of Term</u>
Mr Alexander Campbell	5 February 2022
Revd Jacqueline Evans	5 February 2020
Mr Christopher Firth	5 February 2022
Ms Catherine Hastings	14 July 2022
Revd A Glynn Lister	14 July 2022
Revd Charles New	5 February 2022
Mrs Rosalind Peedle	5 February 2020
Mr Paul Reynolds	5 February 2022
Revd Alan Taylor	14 July 2022
Revd Richard Teal	5 February 2020

- 15.2 Any other Trustee shall be appointed for a fixed term of three years, at the end of which they shall retire.
- 15.3 Subject to article 15.4, a Trustee shall be eligible for reappointment by the Trustees for up to a further two consecutive terms each of three years but will not be eligible for reappointment after the end of their third consecutive term until after an interval of at least three years has elapsed.
- 15.4 No Trustee shall serve for more than nine consecutive years, unless the Trustees consider it would be in the best interests of the Society for a particular Trustee to continue to serve beyond that period in which case the Trustees may resolve to reappoint the particular Trustee for a further fixed term of a year.
16. Disqualification and removal of Trustees
- A Trustee shall cease to hold office if they:
- 16.1 are removed by ordinary resolution of the Society pursuant to the Act;
- 16.2 cease to be a Trustee by virtue of any provision in the Act or are prohibited by law from being a Trustee;
- 16.3 are disqualified from acting as a charity trustee by virtue of the Charities Act and the Scottish Charities Act;
- 16.4 cease to be a Member of the Society;
- 16.5 have a bankruptcy order made against them or a composition is made with their creditors generally in satisfaction of their debts;
- 16.6 in the written opinion of a registered medical practitioner who is treating the Trustee, have become physically or mentally incapable of acting as a Trustee and may remain so for more than three months;
- 16.7 resign by written notice to the Society; or
- 16.8 are absent from all the meetings of the Trustees held within a period of 12 consecutive months, without the permission of the Trustees, and the Trustees resolve by a majority of not less than two-thirds that their office be vacated.

17. Proceedings of Trustees

17.1 Subject to the provisions of the Articles, the Trustees may regulate their proceedings as they think fit.

17.2 The Trustees shall meet at least three times a year.

17.3 Acts done by a meeting of the Trustees or of a committee or by a person acting as a Trustee shall not be invalidated by the subsequent realisation that:

- (a) the appointment of any such Trustee or person acting as a Trustee was defective; or
- (b) any or all of them were disqualified; or
- (c) any or all of them were not entitled to vote on the matter.

18. Calling a Trustees' meeting

18.1 The Chair or any two Trustees may call a meeting of the Trustees by giving notice of the meeting to the Trustees or by authorising the company secretary (if any) to give such notice and in either case such notice shall be not less than 7 Clear Days.

18.2 Notice of a meeting of the Trustees must be given to each Trustee, but need not be in writing. The notice must specify:

- (a) the time, date and place of the meeting;
- (b) the general particulars of the business to be considered at the meeting; and
- (c) if it is anticipated that the Trustees participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

19. Participation in Trustees' meetings

19.1 Any Trustee may participate in a meeting of the Trustees in person or by means of video conference, telephone or any suitable electronic means agreed by the Trustees and by which all those participating in the meeting are able to communicate with all other participants.

19.2 If all the Trustees participating in the meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

20. Quorum for Trustees' meetings

20.1 The quorum for Trustees' meetings may be fixed from time to time by a decision of the Trustees, provided it shall not be less than three and, unless otherwise fixed, it is five, or half of the Trustees (whichever shall be lower).

20.2 At a Trustees' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

20.3 If the total number of Trustees for the time being is less than the quorum required for decision-making by the Trustees, the Trustees shall not take any decision other than a decision to appoint further Trustees.

21. Chairing Trustees' meetings

21.1 The Trustees shall appoint one of their number as chair of Trustees (the Chair) and shall, subject to article 21.3, determine the length of term for which the Chair is to serve in that office. Subject to article 16, the Chair may only be removed from the office of Chair by a vote of two-thirds of the Trustees present at a special meeting called for that purpose.

- 21.2 The Trustees shall appoint one of their number as vice-chair of Trustees (the Vice Chair) and shall, subject to article 21.3, determine the length of term for which the Vice Chair is to serve in that office.
- 21.3 The Chair or Vice Chair, pursuant to articles 21.1 and 21.2 shall serve in those positions for a maximum term of six years save that, if the Trustees unanimously consider it would be in the best interests of the Society for a particular Chair to serve beyond that period, they may agree to extend the term of office by a further year, assuming in all cases that throughout their term as Chair or Vice Chair they are reappointed as a Trustee in accordance with the provisions of article 15.
- 21.4 The Trustees shall at the first meeting of the Board in each calendar year elect the chairs of any committees set up by the Trustees under article 24 and Trustees elected to chair any such committees shall serve in those positions for a maximum term of six years assuming that they are re-elected on an annual basis for such term..
- 21.5 If at any meeting of the Trustees neither the chair nor vice-chair of Trustees, if any, is participating in the meeting within ten minutes of the time at which it was to start, the participating Trustees must appoint one of themselves to chair the meeting.
22. Decision-making by Trustees
- 22.1 Any decision of the Trustees must be either a majority decision at a meeting or a decision taken in accordance with article 23.
- 22.2 Each Trustee has one vote on each matter to be decided, except for the chair of the meeting who, in the event of an equality of votes, shall have a second or casting vote (unless, in accordance with the Articles, the chair of the meeting is not to be counted as participating in the decision-making process for quorum or voting purposes).
23. Unanimous decisions by Trustees
- 23.1 A decision of the Trustees is taken in accordance with this Article when all eligible Trustees indicate to each other by any means that they share a common view on a matter.
- 23.2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible Trustee or to which each eligible Trustee has otherwise indicated agreement in writing.
- 23.3 References in this Article to eligible Trustees are to Trustees who would have been entitled to vote on the matter had it been proposed as a resolution at a Trustees' meeting.
- 23.4 A decision may not be taken in accordance with this article if the eligible Trustees would not have formed a quorum at such a meeting.
24. Delegation by Trustees
- 24.1 The Trustees may delegate, on such terms of reference as they think fit, any of their powers or functions to any committee comprising three or more Trustees as the Trustees may appoint.
- 24.2 The Trustees may delegate the implementation of their decisions or day-to-day management of the affairs of the Society to any person or committee.
- 24.3 The terms of reference of a committee may include conditions imposed by the Trustees, including that:
- (a) the relevant powers are to be exercised exclusively by the committee to whom the Trustees delegate; and
 - (b) no expenditure or liability may be incurred on behalf of the Society except where approved by the Trustees or in accordance with a budget previously agreed by the Trustees.

- 24.4 Up to a further two persons who are not Trustees may be appointed as members of a committee, subject to the approval of the Trustees.
- 24.5 Every committee shall act in accordance with the terms of reference on which powers or functions are delegated to it and, subject to that, committees shall follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Trustees.
- 24.6 The terms of any delegation to a committee shall be recorded in the minute book.
- 24.7 The Trustees may revoke or alter a delegation.
- 24.8 All acts and proceedings of any committee shall be fully and promptly reported to the Trustees.
25. Conflicts of interests
- 25.1 A Trustee must declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the Society or in any transaction or arrangement entered into by the Society which has not previously been declared.
- 25.2 Where the duty of a Trustee to avoid a situation in which he or she has or can have a direct or indirect interest or duty that conflicts or possibly may conflict with the interests of the Society including a wish or duty to exploit any property, information or opportunity 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 Trustees at a meeting of the Trustees and has been authorised by them; and
 - (b) any requirement as to the quorum of such meeting is met without counting the Trustee in question, or any other interested Trustees, subject to articles 25.3 and 25.4; and
 - (c) the matter was agreed to without any such Trustee voting, or would have been agreed to if the vote of any such Trustee had not been counted, subject to articles 25.3 and 25.4.
- If the Trustees do not authorise the conflict in accordance with the above procedure, then the conflicted Trustee shall withdraw from any meeting when the relevant issue is discussed and shall not take part in any discussions about the relevant issue.
- 25.3 In such a conflict of interest situation (including any authorisation of non-disclosure of information), where there are insufficient un-conflicted Trustees present at the meeting to constitute a quorum, the un-conflicted Trustees present shall be deemed to constitute a quorum for the purposes of authorising the conflict under article 25.2 and the manner of dealing with the conflict, provided that:
- (a) they may only give such authorisation where they are satisfied that the conflicted Trustee or Trustees will not receive any direct or indirect benefit other than one permitted by these articles; and
 - (b) the total number of Trustees at the meeting (whether conflicted or un-conflicted) is equal to or higher than the quorum of the Trustees.
- 25.4 In the event that all of the Trustees present at the meeting of Trustees are conflicted in respect of a particular conflict of interest situation, the conflicted Trustees 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 articles 25.2(a) and 25.3(b) above.

- 25.5 The duty to deal with conflicts referred to in article 25.2 applies in the case of the exploitation of property, information or opportunity even if the Society is not taking, or could not take, advantage of the opportunity.
- 25.6 The Trustees shall observe such other rules as the Trustees adopt, as to the management of conflicts of duty or interest.
26. Secretary
- 26.1 The Trustees may appoint any person who is willing to act as the secretary for such term at such remuneration and on such conditions as the Trustees think fit. From time to time the Trustees may decide to remove such person and to appoint a replacement.
- 26.2 A secretary who is also a Trustee may not be remunerated, otherwise than as permitted by these Articles.
27. Change of company name
- 27.1 The name of the Company may be changed by:
- (a) decision of the Trustees; or
 - (b) a Special Resolution of the Members,
- 27.2 or otherwise in accordance with the Act.
28. Minutes
- 28.1 The Trustees shall cause the Society to keep the following records in writing and in permanent form:
- (a) minutes of proceedings at general meetings which shall be signed by the Chair of the meeting at which they are approved;
 - (b) minutes of meetings of the Trustees and of committees of the Trustees, including the names of the Trustees present at each such meeting which shall be signed by the Chair of the meeting at which they are approved;
 - (c) copies of resolutions of the Society and of the Trustees, including those passed otherwise than at general meetings or at meetings of the Trustees; and
 - (d) particulars of appointments of officers made by the Trustees.
29. Records and accounts
- 29.1 The Trustees shall comply with the requirements of the Act, the Charities Act, the Scottish Charities Act and the Charities Accounts (Scotland) Regulations 2006 as to maintaining a Members' register, keeping financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies, the Charity Commission and OSCR of:
- (a) annual reports;
 - (b) annual returns; and
 - (c) annual statements of account.
- 29.2 Accounting records relating to the Society must be made available for inspection by any Trustees at any reasonable time during normal office hours.
- 29.3 A copy of the Society's latest available statement of account shall be supplied on request to any Trustee or Member, or to any other person who makes a written request and pays the Society's reasonable costs of fulfilling the request, within two months of such request.

30. Communications

- 30.1 Subject to the Articles, anything sent or supplied by or to the Society under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Society.
- 30.2 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.
- 30.3 A Trustee may agree with the Society that notices or documents sent to that Trustee in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

31. Irregularities

- 31.1 The proceedings of any meeting or the taking of any poll or the passing of a written resolution or the making of any decision shall not be invalidated by reason of any accidental informality or irregularity (including by accidental omission to give or any non-receipt of notice) or want of qualification in any of the persons present or voting or by reason of any business being considered which is not specified in the notice.

32. Indemnity

- 32.1 Subject to article 32.2, but without prejudice to any indemnity to which they may otherwise be entitled:
- (a) every Trustee or former Trustee of the Society shall be indemnified out of the assets of the Society in relation to any liability they incur in that capacity; and
 - (b) every other officer or former officer of the Society may be indemnified out of the assets of the Society in relation to any liability they incur in that capacity.
- 32.2 This article does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Act or by any other provision of law and any such indemnity is limited accordingly.