

COMPANY NOT HAVING A SHARE CAPITAL
Articles of Association of Surrey Reuse Network Limited

INTERPRETATIONS

1 In these Articles

"the 2006 Act" means the Companies Act 2006,

"the Companies Acts" means the Companies Acts as defined in section 2 of the 2006 Act insofar as they apply to the Chanty,

"the Charities Act" means the Charities Act 2006

"address" means a postal address or, for the purposes of electronic communication, a fax number, an e-mail address or a text message number in each case registered with the Chanty,

"the Articles" means the Chanty's Articles of Association,

"the Charity" means the company intended to be regulated by these 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 Chanty Commissioners for England and Wales,

"document" includes, unless otherwise specified, any document sent or supplied in electronic form or by electronic means as defined by section 1168 of the 2006 Act,

"the memorandum" means the memorandum of association of the Chanty,

"officers" includes the Trustees and a person appointed as company secretary (if any),

"the seal" means the common seal of the Chanty if it has one,

"secretary" means the secretary of the Chanty or any other person appointed to perform the duties formerly required of a company secretary, including a joint, assistant or deputy secretary and who may but need not be a Trustee,

"the Trustees" means the directors of the Chanty The directors are charity trustees as defined by Section 97 of the Charities Act 1993,

"the United Kingdom" means Great Britain and Northern Ireland,

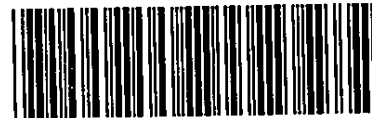
And words importing one gender shall include all genders, and the singular includes the plural and vice versa

- 2** Unless the context otherwise requires words or expressions contained in these Articles have the same meaning as in the Companies Acts or the Charities Acts 1993 and 2006 but excluding any statutory modification not in force when this constitution becomes binding on the Chanty Apart from this, a reference to an Act of Parliament includes any statutory modification or re-enactment of it for the time being in force

REGISTERED OFFICE

Surrey Reuse Network Limited

FRIDAY



"R2EUM1CP"

RM

16/08/2013

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COMPANIES HOUSE

3 The Chanty's registered office is to be situated in England

LIABILITY OF MEMBERS

4 The liability of the members is limited Every member promises, if the Chanty is dissolved while he or she is a member or within twelve months after he or she ceases to be a member, to contribute such sum (not exceeding £1) as may be demanded of him or her towards the payment of the debts and liabilities of the Chanty incurred before he or she ceases to be a member, and of the costs charges and expenses of winding up, and the adjustment of the rights of the contributors among themselves

OBJECTS

5 The Chanty's objects are

- (1) The protection and preservation of the environment for the public benefit by
 - (a) The promotion and development of waste reduction, repair and refurbishment, reuse, recycling, and energy recovery services
 - (b) Advancing the education of the public about all aspects of resource efficiency, through waste minimisation e g repair, refurbish and reuse, recycling and energy recovery
- (2) The relief of financial hardship through
 - (a) Reuse and recycling of furniture and other household items to benefit those in or vulnerable to hardship or poverty
 - (b) Provision of work placement and training opportunities for long-term unemployed or other disadvantaged people to assist them in gaining or returning to employment
- (3) The promotion for the public benefit of the efficiency and effectiveness of recycling and reuse charities and not for profit organisations in Surrey by promoting the better administration and management of their resources
- (4) To promote any charitable purposes for the benefit of the public, principally but not exclusively in the local government area of Surrey County Council (hereinafter called the "area of benefit")

POWERS

- 6 6 1 In addition to any other powers it may have, the Chanty has the following powers in order to further the Objects (but not for any other purpose)
- (1) to raise funds In doing so the Chanty must comply with any relevant statutory regulations
 - (2) to buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use,

- (3) to sell, lease or otherwise dispose of all or any part of the property belonging to the Chanty. In exercising this power, the Chanty must comply as appropriate with sections 36 and 37 of the Charities Act 1993,
- (4) to make grants, donations or loans of money and to give or receive guarantees,
- (5) to negotiate, make, accept, discount or otherwise deal in any negotiable instruments,
- (6) to borrow money and to charge the whole or any part of the property belonging to the Chanty as security for repayment of the money borrowed. The Chanty must comply as appropriate with sections 38 and 39 of the Charities Act 1993 if it wishes to mortgage land,
- (7) to co-operate with other charities, third sector bodies and statutory authorities and to exchange information and advice with them,
- (8) to promote or carry out research and publish the useful results,
- (9) to publish and distribute information and hold meetings, lectures and conferences,
- (10) to carry out the objects whether as principal or agent and whether alone or with others,
- (11) to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects,
- (12) to acquire, merge with or to enter into any partnership or joint venture arrangement with any other charity formed for any of the Objects,
- (13) to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves,
- (14) to employ and remunerate such staff as are necessary for carrying out the work of the Chanty. The Chanty may employ or remunerate a Trustee only to the extent it is permitted to do so by Articles 81 to 91 and provided it complies with the conditions in those Articles
- (15) to deposit or invest funds, to employ a professional fund-manager, and to arrange for the investments or other property of the Chanty 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,
- (16) to provide indemnity insurance for the Trustees or any other officer of the Chanty in relation to any such liability as is mentioned in Article 6.2, but subject to the restrictions specified in Article 6.3,
- (17) to pay out of the funds of the Chanty the costs of forming and registering the Chanty both as a company and as a charity,
- (18) to do all such other lawful things as are necessary for the achievement of the Objects,

6.2 The liabilities referred to in sub-clause 6.1 (16) above are

- (a) Any liability that by virtue of any rule of law would otherwise attach to a director of a company in respect of any negligence, default, breach of duty or breach of trust of which he or she may be guilty in relation to the Chanty,
- (b) The liability to make a contribution to the Chanty's assets as specified in section 214 of the Insolvency Act 1986 (wrongful trading)

6.3 The following liabilities are excluded from Article 6.2 (a)

- (i) fines,
- (ii) costs of unsuccessfully defending criminal prosecutions for offences arising out of the fraud, dishonesty or wilful or reckless misconduct of the Trustee or other officer,
- (iii) liabilities to the Chanty that result from conduct that the Trustee or other officer knew or must be assumed to have known was not in the best interests of the Chanty or about which the person concerned did not care whether it was in the best interests of the Chanty or not.

There is excluded from Article 6.2b any liability to make such a contribution where the basis of the Trustee's liability is his or her knowledge prior to the insolvent liquidation of the Chanty (or reckless failure to acquire that knowledge) that there was no reasonable prospect that the Chanty would avoid going into insolvent liquidation

MEMBERSHIP

7 There are two classes of membership – Full Membership and Associate Membership. Membership is open to "not for profit" organisations that have sympathy with the objects of the Chanty, that desire actively to further them and that apply to the Chanty in the form required by the Trustees.

Full Membership is open to such organisations that operate from and/or provide services in Surrey. Associate Membership is open to organisations that do not meet this requirement.

8 Each Full Member organisation shall appoint a representative (a "Voting Representative") to act on its behalf at any meeting of the Chanty. Associate Members do not have voting rights.

9 The Trustees may only refuse an application for membership if, acting reasonably and properly, they consider it to be in the best interests of the Chanty to refuse the application.

10 The Trustees must inform the applicant in writing of the reasons for the refusal within twenty-one days of the decision.

11 The Trustees must consider any written representations the applicant may make about the decision. The Trustees' decision following any written representations must be notified to the applicant in writing but shall be final.

12 Membership is not transferable.

13 The Trustees must keep a register of names and addresses of the members and their voting representatives.

TERMINATION OF MEMBERSHIP

14 Membership is terminated if

- (1) The Member organisation ceases to exist
- (2) The Member resigns by written notice to the Chanty unless, after the resignation, there would be less than two members
- (3) Any sum due from the Member to the Chanty is not paid in full within six months of it falling due unless a simple majority of the Trustees resolve otherwise in relation to that Member
- (4) The Member is removed from Membership by a Special Resolution of the Chanty voting in a General Meeting that it is in the best interests of the Chanty that such Membership is terminated
A Resolution to remove a Member 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 Chanty) has been allowed to make representations to the meeting

GENERAL MEETINGS OF MEMBERS

15 The Chanty must hold its first Annual General Meeting within eighteen months after the date of its incorporation

16 An Annual General Meeting must be held in each subsequent year and not more than fifteen months may elapse between successive Annual General Meetings

- (1) The business of an Annual General Meeting shall comprise
 - the consideration of the Report and Accounts presented by the Board,
 - the election of the Chair for the following year
 - the election of the Vice Chair for the following year
 - the election of Trustees
 - determining the membership subscription, if any
 - the appointment and the fixing of the remuneration of the auditor or auditors (if any)
 - any other business as may have been specified in the notices calling the meeting
- (2) A Chair can serve for a period of three years before re-election He/she may then offer himself/herself for re-election for each of two successive years He/she may not stand for re-election as Chair again until after two years have elapsed
- (3) A Vice Chair can serve for a period of three years before re-election He/she may then offer himself/herself for re-election as Vice Chair again until after two years have elapsed This does not preclude a Vice Chair for standing for office as Chair if and when that office becomes vacant
- (4) The period from the Date of Incorporation until the first Annual General Meeting shall count as the "first year of service" for the initial Chair and Vice Chair

- 17 The Trustees may call a General Meeting at any time. At least 10% of the members entitled to attend and vote may, by a written request stating the business to be done or resolution(s) to be proposed, require the Trustees to call a general meeting, but if more than 12 months has elapsed since the last general meeting, then 5% of such members can make the request.

NOTICE OF GENERAL MEETINGS

- 18 The minimum period of notice required to hold a General Meeting of the Chanty is fourteen days unless a special resolution is to be considered, in which case the notice period is 21 days.
- 19 A General Meeting may be called by shorter notice if it is so agreed by not less than 90% of the members entitled to attend and vote.
- 20 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 Annual General Meeting, the notice must say so.
- 21 The notice must be given to both Full Members and Associate Members, and to the Trustees and Auditors.
- 22 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 Annual General Meeting, the notice must say so.

PROCEEDINGS AT GENERAL MEETINGS

- 23 No business shall be transacted at any General Meeting unless a quorum is present.
- 24 A quorum is 3 "Voting Representatives" present in person and entitled to vote upon the business to be conducted at the meeting, or one twentieth of the total membership at the time, whichever is the greater.
- 25 If either
- (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,
- then the meeting shall be adjourned to such time and place as the Trustees shall determine, and the Trustees must give at least seven clear days' notice of the reconvened meeting stating the date, time and place of the meeting.
- 26 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 at that time shall constitute the quorum for that meeting.
- 27 General Meetings shall be chaired by the person who has been appointed to chair meetings of the Trustees.
- 28 If there is no such person or he or she is not present within fifteen minutes of the time appointed for the meeting, a Trustee nominated by the Trustees shall chair the meeting.
- 29 If there is no such person or he or she is not present within fifteen minutes of the time appointed for the meeting, a Trustee nominated by the Trustees shall chair the meeting.

- 30 If no Trustee is present and willing to chair the meeting within fifteen minutes after the time appointed for holding it, the members present and entitled to vote must choose one of their number to chair the meeting
- 31 The "voting representatives" present at a meeting in person or by proxy may resolve by ordinary resolution that the meeting shall be adjourned
- 32 The person who is chairing the meeting must decide the date time and place at which meeting is to be reconvened unless those details are specified in the resolution
- 33 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
- 34 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

VOTING AT GENERAL MEETINGS

- 35 Any vote at a meeting shall be decided by a simple majority on a show of hands unless a poll is demanded
 - (a) By the person chairing the meeting, or
 - (b) By at least two voting representatives having the right to vote at the meeting, or
 - (c) By voting representatives representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting if greater
- 36 The declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded
- 37 The result of the vote must be recorded in the minutes of the Chanty but the number or proportion of votes cast need not be recorded
- 38 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
- 39 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
- 40 A poll must be taken as the person who is chairing the meeting directs, who may appoint scrutineers and who may fix a time and place for declaring the results of the poll
- 41 The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded
- 42 A poll demanded on the election of a person to chair a meeting or on a question of adjournment must be taken immediately
- 43 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

- 44 The poll must be taken within thirty days after it has been demanded
- 45 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
- 46 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

PROXIES

- 47 Any Full Member organisation is entitled to appoint a person other than its "Voting Representative" as a proxy to exercise all or any of the member's rights to attend and to speak and vote at a general meeting of the Chanty
- 48 The appointment of a proxy shall be executed by or on behalf of the appointor and shall be in the form set out in the regulations made by the Trustees

WRITTEN RESOLUTIONS

- 49 A written resolution sent to all members and signed by the requisite majority of all those entitled to vote at a general meeting is as valid as a resolution actually passed at a general meeting. Ordinary written resolutions must be signed by a simple majority of voting members and special resolutions by at least 75% of voting members. Signatures must be those of the "Voting Representatives". A written resolution may be circulated in more than one copy. Each written resolution (or copy) must be accompanied by a statement explaining how it should be signed and specifying the date by which it must be passed. A copy of the resolution and statement must also be sent to the Chanty's auditors or independent examiners. It will be treated as passed on the date specified, provided that the resolution (including all copies) and containing all the required signatures has been returned to the Chanty's registered office within 28 days of its first being circulated.

VOTES OF MEMBERS

- 50 Every Full Member shall have one vote exercisable either by its Voting Representative or by proxy
- 51 Any organisation that is a member of the Chanty may nominate any person to act as its Voting Representative at any meeting of the Chanty
- 52 The organisation must give written notice to the Chanty of the name of its Voting Representative. The nominee shall not be entitled to represent the organisation at any meeting unless the notice has been received by the Chanty. The nominee may continue to represent the organisation until written notice to the contrary is received by the Chanty.
- 53 Any notice given to the Chanty will be conclusive evidence that the nominee is entitled to represent the organisation or that his or her authority has been revoked. The Chanty shall not be required to consider whether the nominee has been properly appointed by the organisation.
- 54 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.

THE BOARD OF TRUSTEES

- 55 The Chanty shall have a Board of Trustees not exceeding twelve (12) in number
- 56 The subscribers to this Memorandum shall form the initial Board of Trustees. All such Trustees shall retire from office at the first Annual General Meeting and be eligible for re-election by the members. The initial Trustees shall have powers to appoint a Chairman, Vice Chairman and Treasurer from their number and have power to make alternative appointments during the initial period. These appointments shall be subject to a simple majority vote of the initial Trustees. All such Trustees will retire at the first Annual General Meeting and will be eligible for re-election by the members of the Chanty
- 57 (1) At each Annual General Meeting subsequent to the first AGM one third (or the number nearest to one third) of the Trustees shall retire from office. A Trustee so retiring may offer himself/herself for re-election. The Trustees to retire by rotation shall be those who have been longest in office since their last appointment or re-appointment, but as between persons who became or were last re-appointed on the same day those to retire shall (unless they otherwise agree amongst themselves) be determined by lot
- (2) The Trustees may appoint a person who is willing to act to be a Trustee to fill any casual vacancies on the Board. A Trustee so appointed must retire at the next Annual General Meeting and must not be taken into account in determining the Trustees who are to retire by rotation
- (3) The appointment of a Trustee, whether by the Chanty 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
- 58 A Trustees may not appoint an Alternate Director or anyone to act on his or her behalf at meetings of the Trustees
- 59 Directors of the Company shall also be Trustees of the Chanty and vice versa
- 60 Under no circumstances shall any of the following serve as Trustees
- (a) Employees of the Chanty
 - (b) Persons who are bankrupt or who are otherwise disqualified by law from serving as Company Directors or Trustees,
 - (c) Persons who have an unspent conviction involving dishonesty or deception or who are otherwise disqualified by law from serving as chanty trustees

DISQUALIFICATION AND REMOVAL OF TRUSTEES

- 61 A Trustee shall cease to hold office if he or she
- (1) Ceases to be a Trustee 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 section 72 of the Chanties Act 1993 (or any statutory re-enactment or modification of that provision),
 - (3) Becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs,
 - (4) Resigns as a Trustee by notice to the Chanty (but only if at least two Trustees will remain in office when the notice of resignation is to take effect),

- (5) Is absent without the permission of the Trustees or without acceptable apology from three consecutive Trustees' meetings or meetings of sub-committees held within a period of six consecutive months and the Trustees resolve that his or her office be vacated,
- (6) Is removed from office either under section 168 of the 2006 Act or by a special resolution of the Chanty whereupon the Chanty may by a special resolution appoint another member in his/her place, but provided that any such person shall hold office for the same period as the removed Trustee would have held, had he or she not been removed, or
- (7) Fails to declare an interest as required by Article 76 below

PROCEEDINGS OF TRUSTEES

- 62 The Trustees may regulate their proceedings as they think fit, subject to the provisions of the Articles
- 63 The Trustees may call a meeting of the Trustees and the Secretary (if any) must call a meeting of the Trustees if requested to do so by any three Trustees or, if no Secretary has been appointed any three Trustees may jointly call a meeting It shall not be necessary to give notice to a Trustees who is absent from the United Kingdom
- 64 Each Trustee shall have one vote, and questions arising at a meeting shall be decided by a majority of votes
- 65 In the case of an equality of votes, the person who chairs the meeting shall have a second or casting vote
- 66 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
- 67 The quorum shall be three or the number nearest to one quarter of total number of Trustees, whichever is the greater, or such larger number as may be decided from time to time by the Trustees
- 68 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
- 69 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 or of calling a general meeting
- 70 If the Chair is absent from a meeting, then the Vice-Chair if willing will preside If the Vice-Chair is unwilling, then a Trustee present at the meeting may be appointed as chairperson for that meeting If no Trustee is present or willing to preside within fifteen minutes after the time appointed for the meeting, the Trustees present may appoint one of their number to chair that meeting
- 71 A resolution in writing signed by all the Trustees entitled to receive notice of a meeting of Trustees or of a committee of 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 or (as the case may be) a committee of Trustees duly convened and held
- 72 The resolution in writing may comprise several documents containing the text of the resolution in like form each signed by one or more Trustees

DELEGATION

73 The Trustees may delegate any of their powers to Sub-Committees consisting of such members of their body and/or the Chanty as they think fit. Any Sub-Committee so formed shall in the exercise of the powers so delegated conform to any regulations imposed on it by the Trustees, which regulations shall always include provision for regular and prompt reports to the Trustees.

MINUTES

74 The Trustees must keep minutes of all

- (a) Appointments of officers made by the Trustees,
- (b) Proceedings at meetings of the Chanty
- (c) Meetings of the Trustees and committees of Trustees including
 - the names of the Trustees present at the meeting,
 - the decisions made at the meetings, and
 - where appropriate, the reasons for the decisions

75 Minutes of meetings shall be kept for a minimum of 10 years and will be available for inspection by members of the Chanty.

DECLARATIONS OF INTEREST

76 A Trustee must declare the nature and extent of any interest, direct or indirect, which s/he has in a proposed transaction or arrangement with the Chanty that has not been previously declared.

77 A Trustee must absent himself or herself from any discussions of the Trustees in which it is possible that a conflict will arise between his or her duty to act solely in the interests of the Chanty and any personal interest (including but not limited to any personal financial interest).

78 Where a Trustee has or may have an actual or potential conflict of interest under Article 76 above, the remaining Trustees may, by a simple majority vote at a quorate Trustees' meeting, and under the provisions of sections 175(4) and 175(5) of the 2006 Act, authorise that Trustee to continue to act despite the conflict or potential conflict (other than a direct or indirect personal financial interest).

VALIDITY OF TRUSTEES' DECISIONS

79 Subject to Article 80, all acts done by a meeting of Trustees, or of a committee of Trustees, shall be valid notwithstanding the participation in any vote of a Trustee

- who was disqualified from holding office,
- who had previously retired or who had been obliged by the constitution to vacate office,
- who was not entitled to vote on the matter, whether by reason of a conflict of interest or otherwise,

if without the vote of that Trustee, and that Trustee being counted in the quorum, the decision has been made by a majority of the Trustees at a quorate meeting.

- 80 Article 79 does not permit a Trustee to keep any benefit that may be conferred upon him or her by a resolution of the Trustees or of a committee of Trustees if, but for Article 79, the resolution would have been void, or if the Trustee has not complied with Articles 76 - 78

PAYMENTS TO TRUSTEES

- 81 Trustees are entitled to be reimbursed from the property of the Chanty or may pay out of such property reasonable expenses properly incurred by them when acting on behalf of the Chanty
- 82 Subject to Articles 6 2 and 6 3, a Trustee may benefit from Trustee Indemnity Insurance cover purchased at the Chanty's expense
- 83 None of the income or property of the Chanty may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member of the Chanty This does not prevent a member who is not also a Trustee receiving
- (a) a benefit from the Chanty in the capacity of a beneficiary of the Chanty,
 - (b) reasonable and proper remuneration for any goods or services supplied to the Chanty
- 84 Except as provided below, no Trustee may be employed by or receive any remuneration from the Chanty (as defined in Article 91 below) but a connected person as defined under Article 91(b) below may be so employed or remunerated subject to observance of the conditions contained in Article 91(a)
- 85 No Trustee may
- (a) Buy any goods or services from the Chanty in terms preferential to those applicable to members of the public
 - (b) Sell goods, services, or the interest in land to the Chanty, other than to the extent set out in Article 87
 - (c) Receive any other financial benefit from the Chanty unless
 - (i) the payment is permitted by Articles 86 or 91 and the Trustees follow the procedure and observe the conditions set out in Article 91(a) Or
 - (ii) The Trustees obtain prior written approval of the Commission and fully comply with the procedures it prescribes
- 86 A Trustee may receive a benefit from the Chanty in the capacity of a beneficiary of the Chanty
- 87 A Trustee may enter into a contract for the supply of goods or services to or from the Chanty, other than for acting as a Trustee provided that the total value of the goods or services supplied in any one financial year does not exceed £5,000 or 1% of the Chanty's income, whichever is the smaller number
- 88 A Trustee may enter into a contract for the supply of goods or services to or from the Chanty, other than for acting as a Trustee provided that the total value of the goods or services supplied in any one financial year does not exceed £5,000 or 1% of the Chanty's income, whichever is the smaller number
- 89 A Trustee may enter into a contract for the supply of goods or services to or from the Chanty, other than for acting as a Trustee provided that the total value of the goods or services supplied in any one

financial year does not exceed £5,000 or 1% of the Chanty's income, whichever is the smaller number

90 A Trustee may receive rent for premises let by the Trustee to the Chanty if the amount of the rent and the other terms of the lease are reasonable and proper

91 (A) The Chanty and its Trustees may only rely upon the authority provided by this Article if each of the following conditions is satisfied

- (i) The remuneration or other sums paid to the Trustee do not exceed an amount that is reasonable in all the circumstances
- (ii) The Trustee is absent from the part of any meeting at which there is discussion of
 - his or her employment or remuneration, or any matter concerning the contract, or
 - his or her performance in the employment, or his or her performance of the contract, or
 - any proposal to enter into any other contract or arrangement with him or her or to confer any benefit upon him or her that would be permitted under Article 85 or
 - any other matter relating to a payment or the conferring of any benefit permitted by Article 91
- (iii) The Trustee 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
- (iv) The other Trustees are satisfied that it is in the interests of the Chanty to employ or to contract with that Trustee rather than with someone who is not a Trustee. In reaching that decision the Trustees must balance the advantage of employing a Trustee against that disadvantage of doing so (especially the loss of the Trustee's services as a result of dealing with the Trustee's conflict of interest)
- (v) The reason for their decision is recorded by the Trustees in the minute book
- (vi) A majority of the Trustees then in office have received no such payments

(B) The employment or remuneration of a Trustee includes the engagement or remuneration of any firm or company in which the Trustee is

- a Partner
- an Employee
- a Consultant
- a Director, or
- a Shareholder (unless the shares of the Company are listed on a recognised stock exchange and the Trustee holds less than 1% of the issued capital)

In this Article

"Chanty" shall include any company in which the Chanty

- holds more than 50% of the shares, or
- controls more than 50% of the voting rights attached to the shares, or
- has the right to appoint one or more directors to the Board of the company

"Trustee" shall include any child, parent, grandchild, grandparent, brother, sister, spouse or civil partner of the Trustee or any person living with the Trustee as his or her partner

POWERS OF TRUSTEES

- 92 The Trustees shall manage the business of the Chanty and may exercise all the powers of the Chanty unless they are subject to any restrictions imposed by the 2006 Act, the Charities Acts 1993 and 2006, these Articles or any special resolution
- 93 No alteration of these Articles or any special resolution shall have retrospective effect to invalidate any prior act of the Trustees
- 94 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
- 95 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
- 96 The Trustees at their discretion may appoint a Chief Executive Officer (CEO) for such period, at such remuneration and upon such terms as they see fit. The CEO shall not be a member of the Board but shall attend at all Board meetings
- 97 The Trustees at their discretion may appoint a Company Secretary for such period, at such remuneration and upon such terms as they see fit. The Company Secretary shall not be a member of the Board but shall attend all Board meetings

RULES

- 98 The Trustees may from time to time make such reasonable and proper rules, regulations or bye laws as they may deem necessary or expedient for the proper conduct and management of the Chanty
- 99 The bye laws may regulate the following matters but are not restricted to them
- (a) The admission of members of the Chanty (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 Chanty in relation to one another, and to the Chanty's employees and volunteers,
 - (c) The setting aside of the whole or any part or parts of the Chanty'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 these Articles,
 - (e) Generally, all such matters as are commonly the subject matter of company rules
- 100 The Chanty in general meeting has the power to alter, add to or repeal the rules, regulations and bye laws
- 101 The Trustees must adopt such means as they think sufficient to bring the rules, regulations and bye laws to the notice of members of the Chanty

- 102 The rules, regulations and bye laws shall be binding on all members of the Chanty. No rule, regulation or bye law shall be inconsistent with, or shall affect or repeal anything contained in the Articles.

ACCOUNTS AND SOCIAL AUDIT

- 103 The Trustees must prepare for each financial year accounts as required by the 2006 Act. 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.

- 104 The Trustees must keep accounting records as required by the Companies Acts.

- 105 A social audit of the Chanty's activities may, by resolution of a General Meeting, be undertaken annually in addition to the financial audit required by law. The role of the social audit shall be to identify the social costs and benefits of the Chanty's work, and to enable an assessment to be made of the Chanty's overall performance in relation to its objects more easily than may be made from the financial accounts alone.

Such a social audit may be drawn up by an independent assessor appointed by the Board, or by the Board who may submit their report for verification or comments to an independent assessor.

A social audit may include an assessment of the internal democracy and decision-making of the Chanty, the wages, health and safety, skill sharing and education opportunities of its employees, or other matters concerning their overall personal or job satisfaction, and an assessment of the Chanty's activities externally, including its effects on users and suppliers, on people in the same or similar field of activity, and on persons residing in areas where the Chanty is located.

ANNUAL REPORT & RETURN AND REGISTER OF CHARITIES

- 106 The Trustees must comply with the requirements of the Charities Act 2006 with regard to
- (a) The transmission of the Statements of Account to the Charity Commission,
 - (b) The preparation of an Annual Report and its transmission to the Commission,
- 107 The Trustees must notify the Commission promptly of any changes to the Chanty's entry on the Central Register of Charities.

NOTICES

- 108 Any notice to be given to or by any person pursuant to the Articles
- (1) must be in writing, or
 - (2) must be given using electronic communications

- 109 The Chanty 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 his or her address, or
 - (c) By leaving it at the address of the member, or
 - (d) By giving it using electronic communications to the member's address
- 110 A member organisation who does not register an address with the Chanty or who registers only a postal address that is not within the United Kingdom shall not be entitled to receive any notice from the Chanty
- 111 A member organisation who's Voting Representative is present at any meeting of the Chanty shall be deemed to have received notice of the meeting and of the purposes for which it was called
- 112 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given
- 113 Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given
- 114 A 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 communication, 48 hours after it was sent

INDEMNITY

- 115 The Chanty shall indemnify every Trustee, Auditor, Reporting Accountant, or other officer of the Chanty against any liability incurred in successfully defending legal proceedings in that capacity, or in connection with any application in which relief is granted by the court from liability for negligence, default, or breach of duty or breach of trust in relation to the Chanty

SEAL

- 116 If the Chanty has a seal it must only be used by the authority of the Trustees or of a committee of Trustees authorised by the Trustees. The Trustees may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Trustee and by the Company Secretary (if one is appointed) or by a second Trustee

AMENDMENTS

- 117 No additions, alterations, or amendments shall be made to the Articles of Association for the time being in force, unless
- (a) The same have been either submitted to a General Meeting and passed by a special resolution, or
 - (b) Else adopted by a written resolution of the members, or
 - (c) Have been submitted to and approved by the Commission

DISSOLUTION

- 118 The members of the Chanty may at any time before, and in expectation of, its dissolution resolve that any net assets of the Chanty after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the Chanty 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 for use for particular purposes that fall within the Objects,
- 119 Subject to any such resolution of the members of the Chanty, the Trustees of the Chanty may at any time before and in expectation of its dissolution resolve that any net assets of the Chanty after all its debts and liabilities have been paid, or provision made for them, shall on dissolution of the Chanty 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 for use for particular purposes that fall within the Objects,
- 120 In no circumstances shall the net assets of the Chanty be paid to or distributed among the members of the Chanty (except to a member that is itself a charity) and if no such resolution is passed by the members or the Trustees the net assets of the Chanty shall be applied for charitable purposes as directed by the court or the Commission