



WEST SOMERSET RAILWAY HERITAGE TRUST LIMITED

Registered Charity No. 265564
President: Lady Elizabeth Gass

Registered Office: The Railway Station, Bishops Lydeard Taunton, Somerset. TA4 3BX
Registered in England No. 1079916
www.wsrht.co.uk

Articles of Association 2021 As Agreed at the EGM held on Friday, 23 July 2021

1. The company's name is West Somerset Railway Heritage Trust Ltd (and in this document it is called the "the Heritage Trust").

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 Heritage Trust;

'the articles' means the Heritage Trust's articles of association;

'the Heritage Trust' means the charitable 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 Heritage Trust;

'the directors' means the directors of the charity. The directors are also 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;

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

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'member' means a member of the Heritage Trust for the purposes of the Companies Acts or such other members as may be admitted to membership of the Heritage Trust in accordance with article 10;

'officers' includes the directors and the secretary (if any) of the Heritage Trust;

'the seal' means the common seal of the Heritage Trust if it has one;

'secretary' means any person appointed to perform the duties of the secretary of the charity;

'the United Kingdom' means Great Britain and Northern Ireland; and

- (a) words importing one gender shall include all genders, and the singular includes the plural and vice versa.
- (b) 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.
- (c) Apart from the exception mentioned in the paragraph (b) 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 £10, being the amount that each of the members undertakes to contribute to the assets of the Heritage Trust in the event of its being wound up while he, she or it is a member or within one year after he, she or it ceases to be a member, for:
 - (1) payment of the Heritage Trust's debts and liabilities incurred before he, she or it ceases to be a member;
 - (2) payment of the costs, charges and expenses of winding up; and
 - (3) adjustment of the rights of the contributories among themselves.

Objects

- 4. The Heritage Trust Objects ('Objects') are specifically restricted to the following:

To advance the education of the public in railway lines, equipment and buildings and their heritage in particular by:

 - (1) Establishing, managing and operating railway museums;
 - (2) Delivering educational workshops and talks to the public at large, including to school groups, students and families; and
 - (3) The restoration and management of historic carriages and Great Western Railway and other rolling stock and related artefacts for use on the West Somerset Railway or for display and interpretation.

Powers

5. The Heritage Trust has power to do anything which is calculated to further its Objects or is conducive or incidental to doing so. In particular, and in furtherance of its Objects the Heritage Trust has power:
- (1) to contribute to the purchase, lease, construction or restoration of artefacts, buildings and railway track and to support the management of the West Somerset Railway where this is essential to fulfilling the Objects of the Heritage Trust. This includes the power to establish and run Bishops Lydeard and Blue Anchor Museums and any other relevant Museum where it will care for and exhibit its collections for the enjoyment and education of visitors;
 - (2) to exhibit artefacts, records and books to the public and to loan the same to other stations or museums to embrace a wider audience.
 - (3) to promote research into the railway in the West Country, and to collect and collate and publish information relating thereto;
 - (4) to raise funds through donations, through sales of goods and services where the proceeds go directly to the Heritage Trust and to trade in the course of carrying out the Objects of the Heritage Trust and carry on any other trade which is not expected to give rise to taxable profits;
 - (5) to sell, lease or otherwise dispose of all or any part of the property belonging to the Heritage Trust. In exercising this power, the Heritage Trust must comply as appropriate with sections 117 to 123 of the Charities Act 2011;
 - (6) to borrow money The Heritage Trust must comply as appropriate with sections 124 to 126 of the Charities Act 2011 if it wishes to mortgage land. The Heritage Trust will not look to borrow money against its artefacts i.e. Museum collections;
 - (7) to co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them;
 - (8) to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;
 - (9) to employ, contract for and remunerate such staff either directly or through agreed third parties as are necessary for carrying out the work of the Heritage Trust.
 - (10) to create the Honorary Offices of President, Vice-President(s) and Patron as required.
 - (11) to:
 - (a) deposit or invest funds;
 - (b) employ a professional fund-manager; and
 - (c) arrange for the investments or other property of the Heritage Trust 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;

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- (12) to provide indemnity insurance for the directors in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011;
- (13) to pay out of the funds of the Heritage Trust the costs of forming and registering the charity both as a company and as a charity;
- (14) to incorporate subsidiary companies to carry on any trade;
- (15) to acquire or rent any property of any kind and any rights or privileges in and over property and construct, maintain, alter and equip any buildings or facilities;
- (16) to establish and support or aid in the establishment and support of any other organisations and subscribe, lend or guarantee money or property for charitable purposes;
- (17) to become a member, associate or affiliate of or act as trustee or appoint trustees of any other organisation (including without limitation any charitable trusts of permanent endowment property held for any other purposes included in the Heritage Trust's objects);
- (18) to amalgamate or merge with or acquire or undertake all or any of the property liabilities and engagements of any body; and
- (19) to take any lawful action which supports the Objects of the Heritage Trust.

Application of income and property

- 6. (a) The income and property of the charity shall be applied solely towards the promotion of the Objects.
- (b) A director is entitled to be reimbursed from the property of the Heritage Trust which may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the charity.
- (c) A director may benefit from trustee indemnity insurance cover purchased at the Heritage Trust's expense in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011.
- (d) A director may receive an indemnity from the charity in the circumstances specified in article 57.
- (e) A director may not receive any other benefit or payment unless it is authorised by article 7.
- (f) Subject to article 7, none of the income or property of the Heritage Trust may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member of the Heritage Trust. This does not prevent a member who is not also a director receiving:
 - (i) a benefit from the Heritage Trust in the capacity of a beneficiary of the Heritage Trust;
 - (ii) reasonable and proper remuneration for any goods or services supplied to the Heritage Trust.

Benefits and payments to charity directors and connected persons

7. (a) General provisions

In this article a 'financial benefit' means a benefit, direct or indirect, which is either money or has a monetary value. No director or connected person may:

- (i) buy any goods or services from the Heritage Trust on terms preferential to those applicable to members of the public;
- (ii) sell goods, services, or any interest in land to the Heritage Trust;
- (iii) be employed by, or receive any remuneration from, the Heritage Trust;
- (iv) receive any other financial benefit from the Heritage Trust;

unless the payment is permitted by Article 7 (b) below or authorised by the Court or the Charity Commission.

(b) Scope and powers permitting directors' or connected persons' benefits

- (i) A director or connected person may enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the Heritage Trust where that is permitted in accordance with, and subject to the conditions in, sections 185 and 186 of the Charities Act 2011.
- (ii) A director or connected person may receive interest on money lent to the charity at a reasonable and proper rate which must be not more than the Bank of England bank rate (also known as the base rate).
- (iii) A director or connected person may receive rent for premises let by the director or connected person to the charity. The amount of the rent and the other terms of the lease must be reasonable and proper. The director concerned must withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.
- (iv) A director or connected person may take part in the normal trading and fundraising activities of the charity on the same terms as members of the public.
- (v) In sub-clause (ii) of this article:

(a) 'charity' includes any company in which the charity:

- (i) holds more than 50% of the shares; or
- (ii) controls more than 50% of the voting rights attached to the shares; or
- (iii) has the right to appoint one or more directors to the board of the company.

(b) 'connected person' includes any person within the definition in article 61 'Interpretation'.

Declaration of directors' interests

8. A director 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 Heritage Trust or in any transaction or arrangement entered into by the Heritage Trust which has not previously been declared. A director must absent himself or herself from any discussions of the Heritage Trust's directors in which it is possible that a conflict will arise between his or her duty to act

solely in the interests of the Heritage Trust and any personal interest (including but not limited to any personal financial interest).

Conflicts of interests and conflicts of loyalties

9. If a conflict of interests arises for a director because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in the articles, the unconflicted directors may authorise such a conflict of interests where the following conditions apply:
- (a) the conflicted director is required to be absent from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person;
 - (b) the conflicted director does not vote on any such matter and is not to be counted when considering whether a quorum of directors is present at the meeting; and
 - (c) the unconflicted directors consider it is in the interests of the Heritage Trust to authorise the conflict of interests in the circumstances applying.

In this article a conflict of interests arising because of a duty of loyalty owed to another organisation or person only refers to such a conflict which does not involve a direct or indirect benefit of any nature to a director or to a connected person.

Members

10. (1) Membership of the Heritage Trust is open to individuals and organisations who:
- (a) apply to the Heritage Trust in the form required by the directors; and
 - (b) are approved by the directors.
 - (c) are aged 16 and over
- (2) (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 Heritage Trust to refuse the application. Refusal of membership is covered in article 12.
- (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) Membership is not transferable.
- (5) The directors must keep a register of names and addresses (postal and e-mail) of the members of the Heritage Trust.

Classes of Membership

11. (1) The directors may establish classes of membership with different rights and obligations and shall record the rights and obligations in the register of members.

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- (2) The directors may not directly or indirectly alter the rights or obligations attached to a class of membership.
- (3) The rights attached to a class of membership may only be varied if:
 - (a) three-quarters of the members of that class consent in writing to the variation; or
 - (b) a special resolution is passed at a separate general meeting of the members of that class agreeing to the variation.
- (4) The provisions in the articles about general meetings shall apply to any meeting relating to the variation of the rights of any class of members.
- (5) Membership fees may be set and changed by the directors of the Heritage Trust at their discretion and without being put before the membership of the Heritage Trust for approval; /

Termination / Refusal of Membership

12. Membership is terminated / refused if:

- (1) the member dies or, if it is an organisation, ceases to exist;
- (2) the member resigns by written notice to the Heritage Trust unless, after the resignation, there would be less than two members;
- (3) any sum due from the member to the Heritage Trust 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 Heritage Trust that his, her, their or its membership is terminated. A resolution to remove a member from membership of the Heritage Trust 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) the member or, at the option of the member, the member's representative (who need not be a member of the charity) has been allowed to make representations to the meeting.

Annual General Meetings

13. An Annual General Meeting must be held in each year and not more than eighteen months may elapse between successive annual general meetings unless the directors resolve that there are exceptional circumstances that would not make it possible or practical to convene an Annual General Meeting pursuant to, and within the timeframe required by this article and taking in account any relevant guidance issued by Companies House and/or The Charity Commission.
14. (1) The minimum period of notice required to convene general meetings of the members is 14 clear days for any class of general meeting, including for the avoidance of doubt an Annual General Meeting or a general meeting convened for any purpose, including the passing of a special resolution.

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(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 type of general meeting being held, and the date time and place of the meeting and the general nature of the business to be transacted. The notice must also contain a statement setting out the right of members to appoint a proxy under section 324 of the Companies Act 2006 and article 22.

(4) The notice must be given to all the members and to the directors and auditors.

15. 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 Heritage Trust.

Proceedings at General Meetings

16. (1) No business shall be transacted at any general meeting of the members unless a quorum is present.

(2) A quorum is:

(a) five members present in person or by proxy and entitled to vote upon the business to be conducted at the meeting; or

(b) the number representing at least five percent of the total membership at the time whichever is the greater.

(3) The authorised representative of a member organisation shall be counted in the quorum.

17. (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 members present in person or by proxy at that time shall constitute the quorum for that meeting.

18. (1) All 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 and willing to act, he or she shall chair the meeting.

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- (4) If no director is present and willing to chair the meeting within fifteen minutes after the time appointed for holding it, the members present in person or by proxy and entitled to vote must choose one of their number to chair the meeting.
19. (1) The members 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 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.
20. (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 members present in person or by proxy and having the right to vote at the meeting; or
 - (c) by a member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting.
- (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 meeting 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 members and who may fix a time and place for declaring the results of the poll).
- (b) The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.
- (5) (a) A poll demanded on the election of a person to chair a meeting or on a question of adjournment must be taken immediately.
- (b) A poll demanded on any other question must be taken either immediately or at such time and place as the person who is chairing the meeting directs.
- (c) The poll must be taken within thirty days after it has been demanded.

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(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

21. (1) Proxies may only validly be appointed by members by completing and submitting a notice in writing (a 'proxy notice') and which:

(a) states the name and address of the member appointing the proxy;

(b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;

(c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and

(d) is delivered to the Heritage Trust in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

(2) The directors 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

22. (1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Heritage Trust by or on behalf of that person.

(2) An appointment under a proxy notice may be revoked by delivering to the Heritage Trust a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

(3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

(4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

Written resolutions

23. (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 who 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 their 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 28 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) In the case of a member that is an organisation, its authorised representative may signify its agreement.
- (4) The definition of a Special Resolution is that given by the Companies Act 2006.

Votes of Members

24. Subject to article 11, every member whether an individual or an organisation, shall have one vote.
25. 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.
26. (1) Any organisation that is a member of the Heritage Trust may nominate any person to act as its representative at any general meeting.
- (2) The organisation must give written notice to the Heritage Trust of the name of its representative. The representative shall not be entitled to represent the organisation at any meeting unless the notice has been received by the Heritage Trust. The representative may continue to represent the organisation until written notice to the contrary is received by the Heritage Trust.
- (3) Any notice given to the Heritage Trust will be conclusive evidence that the representative is entitled to represent the organisation or that his or her authority has been revoked. The Heritage Trust shall not be required to consider whether the representative has been properly appointed by the organisation.

Directors

27. (1) A director must be a natural person aged 18 years or older.
- (2) No one may be appointed a director if he or she would be disqualified by law from acting or otherwise under the provisions of article 38.
28. The minimum number of directors shall be four and the maximum number of directors shall be twelve (unless otherwise determined by ordinary resolution and having regard to any relevant guidance issued by The Charity Commission).

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29. A director may not appoint an alternate director or anyone to act on his or her behalf at meetings of the directors

Powers of Directors

30. (1) The directors shall manage the business of the Heritage Trust and may exercise all the powers of the Heritage Trust unless they are subject to any restrictions imposed by the Companies Acts, the articles or any special resolution.
- (2) No alteration of the articles or any special resolution shall have retrospective effect to invalidate any prior act of the directors.
- (3) 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.

Retirement of Directors

31. At the first Annual General Meeting all the directors must retire from office unless by the close of the meeting the members failed to elect sufficient directors. At each subsequent Annual General Meeting one-third of the directors or, if their number is not three or a multiple of three, the number nearest to one-third, must retire from office. If there is only one director he or she must retire.
32. (1) The directors to retire by rotation shall be those who have been longest in office since their last appointment. If any directors became or were appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- (2) If a director is required to retire at an annual general meeting by a provision of the articles the retirement shall take effect upon the conclusion of the meeting.

Appointment of Directors

33. The Heritage Trust may by ordinary resolution:
- (1) appoint a person who is willing to act to be a director; and
- (2) determine the rotation in which any additional directors are to retire.
34. No person other than a director retiring by rotation may be appointed a director at any Annual General Meeting unless:
- (1) he or she is recommended for re-election by the directors or:
- (2) he or she is nominated by a member. Such a nomination must be made not less than thirty-five clear days before the date of the Annual General Meeting. The nomination must be provided to the directors in writing and in such format as they shall require, but shall:
- (a) be signed by a member entitled to vote at the meeting;
- (b) state the member's intention to propose the appointment of a person as a Director;
- (c) contain the details that, if the person were to be appointed, the Heritage Trust would have to file at Companies House; and
- (d) be signed by the person who is to be proposed as a director to show his or her willingness to be appointed and, if appointed their agreement to act in accordance with

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the articles, their legal duties and responsibilities as directors and charity trustees and in the best interests of the Heritage Trust.

(3) A person is not eligible to be nominated as a director pursuant to article 33 if he or she has not been a fully paid-up member of the Heritage Trust for at least 12 months prior to the date of their nomination.

(4) The directors' decision is final on whether a nomination complies with the criteria in article 34.

35. All members who are entitled to receive notice of an Annual General Meeting must be given not less than 14 days' notice of any resolution to be put to the meeting to appoint a director other than a director who is to retire by rotation.

36. (1) The directors may appoint a person who is willing to act to be a director.

(2) A director appointed through co-option of the other directors in the preceding 12 months prior to the AGM must retire at the next annual general meeting and must not be taken into account in determining the directors who are to retire by rotation.

37. The appointment of a director whether by the Heritage Trust in general meeting or by the other directors, must not cause the number of directors to exceed any number fixed as the maximum number of directors pursuant to article 28.

Disqualification and removal of Directors

38. 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 member of the Heritage Trust;

(4) in the written opinion, given to the company, of a registered medical practitioner treating that person, has become physically or mentally incapable of acting as a director and may remain so for more than three months;

(5) resigns as a director by notice to the directors (but only if at least two directors will remain in office when the notice of resignation is to take effect);

(6) is absent without the permission of the directors from all their meetings held within a period of six consecutive months and the directors resolve that his or her office be vacated.

Remuneration of Directors

39. The directors must not be paid any remuneration unless it is authorised by Article 7.

Proceedings of Directors

40. (1) The directors may regulate their proceedings as they think fit, subject to the provisions of the articles.

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- (2) Any director may call the meeting of the directors.
- (3) The secretary (if any) 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.

41. **In relation to decisions at directors' meetings:**

- (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.

42. 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.

43. (1) The directors shall appoint a director to chair their meetings and may at any time revoke such appointment.

(2) If no-one has been appointed to chair meetings of the directors or if the person appointed is unwilling to preside or is not present within ten minutes after the time appointed for the meeting, the directors present may appoint one of their number to chair that meeting.

(4) The person appointed to chair meetings of the directors shall have no function or powers except those conferred by the articles or delegated to him or her by the directors.

44. (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

45. (1) The directors may delegate any of their powers or functions to a committee of two or more directors but the terms of any delegation must be recorded in the minute book.

(2) The directors may impose conditions when delegating, including the conditions that:

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- (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

46. (1) Subject to article 46(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 articles to vacate their 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 46(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 46(1), the resolution would have been void, or if the director has not complied with article 8.

Seal

47. If the Heritage Trust has a seal, it must only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary (if any) or by a second director

Minutes

48. The directors must keep minutes of all:
- (1) appointments of officers made by the directors
 - (2) appointments of Honorary Officers and members of an Advisory Council made by the directors
 - (3) proceedings at meetings of the Heritage Trust;

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

Accounts

49. The directors must prepare for each financial year accounts as required by the Companies Act 2006. 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.

The directors must keep accounting records as required by the Companies Act 2006.

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 Heritage Trust 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 Heritage Trust.
- (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 Heritage Trust 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 other 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; or

(e) by placing the notice on a website and providing the person with a notification in writing or in electronic form of the presence of the notice on the website. The notification must state that it concerns a notice of a company meeting and must specify the place date and time of the meeting.

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

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

Additionally,

(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) 48 hours after the envelope containing it was posted; or

(b) in the case of an electronic form of communication, 48 hours after it was sent.

Indemnity

55. (1) The charity may 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 Heritage Trust.

Rules

56. 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 Heritage Trust. The bye laws may regulate the following matters but are not restricted to them:

(a) the admission of members of the Heritage Trust (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 Heritage Trust in relation to one another, and to the Heritage Trust's employees and volunteers;

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- (c) the setting aside of the whole or any part or parts of the Heritage Trust's premises at any particular time or times or for any particular purpose or purposes;
 - (d) the procedure at all forms of general meetings and meetings of the directors 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.
57. The Heritage Trust in general meetings has the power to alter, add to or repeal the rules or bye laws. The directors must adopt such means as they think sufficient to bring the rules and bye laws to the notice of members of the Heritage Trust.
58. The rules or bye laws shall be binding on all members of the Heritage Trust. No rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in, the articles.

Disputes

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

Dissolution

60. (1) The members of the Heritage Trust may at any time before, and in expectation of, its dissolution resolve that any net assets of the Heritage Trust after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the Heritage Trust be applied or transferred in any of the following ways:
- (a) directly for the Objects; or
 - (b) by transfer to any charity or charities for purposes similar to the Objects; or
 - (c) to any charity or charities for use for particular purposes that fall within the Objects.
- (2) Subject to any such resolution of the members of the Heritage Trust, the directors of the Heritage Trust may at any time before and in expectation of its dissolution resolve that any net assets of the Heritage Trust after all its debts and liabilities have been paid, or provision made for them, shall, in line with the Heritage Trust's Objects, arrange for the transfer of net Assets including where appropriate and authorised, specific artefacts to:
- any charity or charities with Objects that are similar to that of the Heritage Trust or:
 - any charity or charities for use for particular purposes that fall within the Objects of the Heritage Trust.
- (3) In no circumstances shall the net assets of the Heritage Trust be paid to or distributed among the members of the Heritage Trust (except to a member that is itself a charity) and if no resolution in accordance with article 63 is passed by the members or the directors the net assets of the Heritage Trust shall be applied for charitable purposes as directed by the Court or the Commission.

Interpretation

61. In article 7, article 9 and article 46 '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.
- (c) Sections 350-352 of the Charities Act 2011 apply for the purposes of interpreting the terms used in this Article.

ENDS