

## **Key Points of Possible Note from the Articles of Association for Rushden Historical Transport Society Limited**

These notes are intended to help pick out the key points in the draft Articles of Association. These A of As are basically the new constitution for RHTS Ltd, but have to contain more clauses than the original constitution in order to comply with the requirements of a Charitable Company Limited by Guarantee.

However, these draft Articles of Association incorporate most of the applicable aspects of the original RHTS Constitution.

Some additional clauses have also been incorporated in order to facilitate simpler working with the Rushden, Higham and Wellingborough Railway Ltd and other Heritage Railways and organisations.

The numbers below refer to the corresponding sections in the Articles. Some have more than one comment. Whereas RHTS had Trustees, RHTS Ltd will have Directors. The Trustees and Directors are essentially identical but the potential large liability of the RHTS Trustees has been reduced to £1 for the RHTS Ltd directors.

### **Section            Comment**

3 – Membership categories are as RHTS

9 – Membership lapses if Subscriptions are more than 1 month in arrears

10 - The liability of any member is £1. This applies to Directors and members.

11 - Register of members to include email addresses where possible

12 – Any member, except Junior, can stand for election as a Director

The company will have a maximum of 12 directors (can be changed by a General Meeting)

- 8 directors with specific responsibilities viz Managing, Finance, Commercial, Railway, Communications, Building and Maintenance, Heritage and General Secretary
- 4 'Other Directors' without specific responsibilities.
- The Managing Director is the de facto Chairman of the Company
- The deputy Managing Director will be selected from the remaining directors by the directors and will be de facto Vice Chairman.

13 - Nominations for directors can be received from members and also the directors. All nominations have to have a proposer and seconder .

13 - Members can be co-opted as directors by the board during a year but they must stand for re election at the next AGM if they wish to continue as a director

14 – Arrangements have to be made for the first terms of office of Directors. The normal term will be 3 years and 4 of 12 directors retire each year.

Directors can stand for re election up to a maximum of 9 years continuous service.

In order to start this sequence from the Inaugural AGM then

- At the next AGM the Other Directors retire
- At the next AGM the General Secretary, Buildings and Maintenance, Heritage and Communications Directors retire
- At the next AGM the MD (Chairman), Finance, Railway and Commercial Directors retire.

At each AGM retirees can restand up to the maximum of 9 years continuous service.

31 - The directors may appoint at any time an Honorary President whose term will be decided by the directors. The Honorary President will be an ex officio board member without voting rights.

17 - Directors may delegate specific powers or functions to Committees, Departments and Working Parties (as RHTS has now)

17 - Directors may delegate specific responsibility(ties) of the company's operation, subject to a clear written agreement defining the extent of the responsibility(ties). Eg to the Rushden, Higham and Wellingborough Railway Limited.

21 - Directors meetings can be held using virtual methods for some or all of the participants subject to board agreement

22 - The quorum for a directors meeting is fixed by the directors but it must never be less than 50% of directors

or a minimum of 5.

23 – The Managing Director is the de facto Chairman. A Vice Chairman from the rest of the directors will be selected by the directors

25 - Directors must declare any interests either directly or indirectly which he may have in any transaction or arrangement

29 - Directors do not receive any remuneration except for specific purposes agreed by the board

32 - Members may submit resolutions to General Meetings

35 - The quorum for a General Meeting is 8% of the membership

37 - General Meetings can be held using virtual methods where the meeting cannot be held in a single place

39 - Postal votes will be available for General Meetings

39 – Votes for Specific Directors will be by individual votes. ‘Other Directors’ will be by a single ballot.

43 - Communications to directors can be by electronic mail if requested.

Communications to a member can be electronic if agreed by the member.