

**THE COMPANIES ACT 2006**

**A COMPANY LIMITED BY GUARANTEE FOR A CHARITY**

**ARTICLES OF ASSOCIATION**

**OF**

**RUSHDEN HISTORICAL TRANSPORT SOCIETY LIMITED**

**COMPANIES HOUSE REGISTRATION NUMBER -**

**CHARITY COMMISSION REGISTRATION NUMBER -**

**(Adopted by special resolution passed on 2021)**

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## **PART 1 – NAME, TERMS, OBJECTS & POWERS**

### **NAME AND REGISTERED OFFICE**

1. (1) The Company's name is Rushden Historical Transport Society Limited and in the articles it is called the "Company";  
(2) The Company's registered office is to be situated in England & Wales.

### **DEFINED TERMS**

2. In the articles, unless the context requires otherwise -

**Articles** means the Company's Articles of Association;

**Bankruptcy** includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

**Chairman** is the de facto position held by the duly elected Managing Director;

**Company** means the Company intended to be regulated by these Articles;

**Commission** means the Charity Commission for England & Wales;

**Companies Acts** means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;

**Director** means a Director of the Company, and includes any person occupying the position of Director, by whatever name called;

**Director's Meeting** means a meeting of the Directors with Designated Responsibilities and Other Directors as described in Article 13 who are the governing body of the Company. Can also be referred to as a Board Meeting;

**Director with Designated Responsibilities** means a Director who has been appointed to a Director position with responsibilities as defined in Clause 13(3)

**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;

**General Secretary** means any person appointed to the Director position of General Secretary to perform the duties of the secretary of the Company;

**Life Membership** has the meaning given in Article 5 (2) (d) and (e);

**Member** means a person who has paid the agreed annual subscription or has paid for or been awarded Life Membership;

**Memorandum** means the Company's Memorandum of Association;

**Ordinary Resolution** has the meaning given in Section 282 of the Companies Act 2006

**Other Director** means a Member duly elected as a Director without a specific position;

**Participate** in relation to a Directors' Meeting, has the meaning given in Article 22;

**Special Resolution** has the meaning given in Section 283 of the Companies Act 2006

**Writing** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Acts.

Words importing one gender shall include all genders, and the singular includes the plural and vice versa.

## **OBJECTS**

### **3. The Objects of the Company are**

- (1) the development of an establishment based on the history and operation of primarily rail and road transport;
- (2) to establish an operational heritage railway based on the original railway line between Higham Ferrers and Wellingborough;
- (3) to acquire and maintain the associated rolling stock for the heritage railway;
- (4) To advance the involvement and education of the public in the history of transport
- (5) to establish and maintain a museum for artefacts of transport historical interest;
- (6) to obtain larger transport artefacts and vehicles for public exhibition and education.

## **POWERS**

### **4. In addition to any other powers it may have, the Company has the following powers in order to further the Objects or is conducive or incidental to doing so (but not for any other purpose):**

- (1) to raise funds. In doing so, the Company must not undertake any substantial permanent trading activity which may affect its Charitable Status and must comply with any relevant statutory regulations;
- (2) to buy, take on lease or in exchange, hire or otherwise acquire any asset and to maintain and equip it for use;
- (3) to sell, lease or otherwise dispose of all or any part of the asset belonging to the Company. In exercising this power the Company must comply as appropriate with sections 117 and 122 of the Charities Act 2011;
- (4) to make grants, donations, or loans of money and to give or receive guarantees;
- (5) to borrow money and to charge the whole or any part of the property belonging to the Company as security for repayment of the money borrowed. The Company must comply as appropriate with Sections 124 - 6 of the Charities Act 2011 if it wishes to mortgage land;
- (6) to co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them;
- (7) to promote or carry out research and publish the useful results;
- (8) to publish and distribute information and hold events, meetings, lectures, and conferences;
- (9) to carry out the Objects whether as principal or agent and whether alone or with others;
- (10) to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects;
- (11) to acquire, merge with or enter into any partnership or joint venture arrangement with any other Company formed for any of the Objects, subject to membership approval;
- (12) to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;
- (13) to employ and remunerate such staff as are necessary, and appoint contractors as appropriate, for carrying out the work of the Company. The Company may remunerate a Director only to the extent it is permitted to do so by Article 29 and provided it complies with the conditions in that Article;

- (14) to:
- (a) deposit or invest funds;
  - (b) employ a professional fund-manager; and
  - (c) arrange for the investments or other asset of the Company 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;
- (15) to provide indemnity insurance for the Directors in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011; and
- (16) to pay out of the funds of the Company the costs of forming and registering the Company both as a Company and as a Charity;
- (17) to enter into contracts with such persons or companies in order to better enable the Company's objects to be achieved;
- (18) to purchase, hire take on loan or otherwise obtain railway locomotives, rolling stock and railway equipment generally and to undertake or assist, as may be deemed necessary, in the maintenance, renovation and repair of said vehicles and equipment;
- (19)
- a) To provide annually or at such other periodic intervals as the Directors shall agree a Public display of vehicles of historic interest owned by the Company, individual Members of the Company and/or members of the public. This shall include the power to enter into commercial contracts to facilitate the above;
  - b) To establish and maintain a museum for the exhibition of vehicles and other artefacts of relevant historical interest and to maintain, repair and accommodate such vehicles and artefacts in the ownership or custody of the Company;
  - c) To provide facilities for learning and providing education about transport of historical interest including arranging visits to other displays or museums of a similar nature;
  - d) To acquire or co-operate in acquiring as the Company from time to time shall determine vehicles of historic interest that have a local connection or are of local interest in the first instance and other relevant artefacts for Company use.

## **PART 2 - MEMBERS**

### **MEMBERSHIP CATEGORIES**

5. (1) the Founding Members of the Company shall be the paid up, life, junior and honorary Members of the Rushden Historical Transport Society at the date at which these Articles are approved by such members at a General Meeting of the Rushden Historical Transport Society;
- (2) The Categories of Membership will be
- (a) Ordinary Membership - For persons aged 18 and over. This can include a spouse/partner and children of the family below the age of 18. At the age of 18 and over, such children will be required to apply for their own Ordinary Membership;
  - (b) Junior Membership – For younger persons from 12 to 17 years of age. Membership applications must be supported and approved of in writing by the parents or guardians. At the age of 18 Membership renewal will be as for an Ordinary Member. A Junior Member must always be accompanied by an Ordinary Member when on the Company's premises;

(c) Concession Memberships - For persons 65 years of age and over or registered disabled;

(d) Life Membership - For Members who have held Ordinary Membership of formerly the Rushden Historical Transport Society, and subsequently the Company, for 25 years without breaks, Membership is free;

(e) Life Membership can also be purchased by Ordinary Members of the Company after 1 full year of Membership using the following calculation.

- 25 years minus the number of year's consecutive Membership already undertaken multiplied by the Membership rate applicable at the time of application for Lifetime Membership.

- For example: A Member with 5 years of Membership.  $25 - 5 = 20$  years x £25.00\* = 500.00

- A member over 65 with 18 years of Membership  $25 - 18 = 7$  years x £16.00\* = £112.00

\* the current fees will apply.

### **MEMBERSHIP APPLICATIONS, CONDITIONS AND RIGHTS**

6. (1) Membership of the Company shall be open to any person interested in advancing its Objects subject to –
- (a) completion of the appropriate Membership Application Form with a proposer and seconder and delivered to the Company;
  - (b) payment of the required subscription as prevailing at the time of application;
- (2) Membership is subject to the approval of the Directors;
- (3) No person shall be entitled to any rights and privileges of Membership until that person's subscription for the current year has been received by the Company;
- (4) The privileges of Membership will lapse once a Member's subscription is more than 1 month in arrears;
- (5) Only Ordinary, Life and Concession members have voting rights, each Member having one vote;
- (6) Membership is not transferable.

### **MEMBERSHIP YEAR**

7. (1) A Member's Membership Year begins on the first day of the month in which his Membership has been approved by the Directors and will be end on the last day of the twelfth month thereafter, with renewal being due the following day (e.g. Membership approved in July will commence on 1st July and end on 30th June the following year, with renewal due on the following day, July 1st.);
- (2) The period for renewal of Membership runs from 1st of the month it falls due to the last day of that month (e.g. Membership expiring on 30th June must be renewed by 31st July.);
- (3) Where a break in Membership of less than 12 months occurs, the subsequent Membership subscription will be considered as starting at the original due date.

### **ANNUAL SUBSCRIPTION**

8. (1) Annual Subscriptions for Membership will be set at the Annual General Meeting, based on recommendations of the Directors;
- (2) For those Members wishing to receive their copies of the Company magazine by post, an additional fee set at the A.G.M. will be charged;

(3) Members of the Company shall be entitled to receive all communications issued by the Company.

#### **TERMINATION OF MEMBERSHIP**

9. (1) A Member may withdraw from Membership of the Company by giving 7 days notice to the Company in writing unless, after his resignation, there would be less than two Members;
- (2) A Member's Membership terminates when that Member dies or ceases to exist;
- (3) The Directors reserve the right at any time to review and if necessary revoke the Membership of any Member whose conduct is considered detrimental to the interests of the Company. The Member to whom such action is considered shall be entitled to address the Directors at the meeting when the action is considered. The Member has the Right of Appeal at the next AGM where the Member is entitled to address the meeting stating his case for re-instatement of his Membership. Any Member removed from Membership shall not be entitled to any refund of subscriptions;
- (4) When a subscription is more than 1 month in arrears, the Member will be deemed to have resigned and will need to re-apply for Membership using the current application form for processing as a new member application.

#### **LIABILITY OF MEMBERS**

10. The liability of each Member is limited to a sum not exceeding £1, being the amount that each Member undertakes to contribute to the assets of the company in the event of its being wound up while he is a Member or within one year after he ceases to be a Member, for payment of the Company's debts and liabilities incurred before he ceases to be a Member, payment of the costs, charges and expenses of winding up and adjustment of the rights of the contributories among themselves.

#### **REGISTER OF MEMBERS**

11. (1) The Directors must keep a register of names, addresses, and email addresses, where available, of Members:
- (2) The collection and use of Member information is subject to prevailing Data Protection Laws and recommendations.

### **PART 3–DIRECTORS AND HONORARY PRESIDENT**

#### **ELIGIBILITY TO BE APPOINTED A DIRECTOR**

12. (1) Any Member who is willing to act as a Director, and is permitted by law and these articles to do so, may be appointed to be a Director;
- (2) A Director must be a natural person aged 18 years or older, and be a Member of the Company;
- (3) No one may be appointed a Director if he would be disqualified from acting under the provisions of Article 22;
- (4) The minimum number of Directors shall be eight and the maximum number shall be twelve, unless otherwise determined by resolution at a Special General Meeting or Annual General Meeting;
- (5) A Director may not appoint an alternate Director or anyone to act on his behalf at Directors' Meetings.

### **PROCEDURES FOR APPOINTING DIRECTORS**

- 13.** (1) The first Directors shall be the subscribers to the Memorandum of Association of the Company and shall be those persons notified to Companies House as the first Directors;
- (2) The first Directors are eligible to stand for appointment at the Inaugural Annual General Meeting as detailed in clauses (3), (5) and (10) below;
- (3) Eight Directors will be elected to positions with Designated Responsibilities appropriate to the functions of Managing Director (de facto chairman), Finance Director, Commercial Director, Railway Director, Communications Director, Buildings and Maintenance Director, Heritage Director, and General Secretary;
- (4) The post of Deputy Managing Director will be filled by another Director, except the Managing Director or President, by taking on the additional responsibility, and he will be selected by the Directors. The Deputy Managing Director will be the de facto Deputy Chairman of the Company;
- (5) Up to four Other Directors may be elected without a Designated Responsibilities subject to not exceeding the prescribed maximum number;
- (6) The Directors may at any time co-opt any Member of the Company, entitled to vote, as an Other Director, provided that the prescribed maximum has not been exceeded. Any Member so co-opted shall retain his office only until the next Annual General Meeting;
- (7) In the event that a Director with Designated Responsibilities as in (3) ceases to hold office for any reason during his prescribed term of office, then the Directors may by simple majority appoint an Other Director to their place only until the next Annual General Meeting;
- (8) Members elected as Other Directors may be given specific responsibilities by the Directors for particular matters;
- (9) The term of office for each Director is three years except for the first three years of the Company from the date of the Inaugural Annual General Meeting as detailed in Clause 14;
- (10) All nominations for Directors shall have a proposer and seconder who must be paid up Members;
- (11) No person shall hold office as a Director for a continuous maximum period exceeding nine years.

### **RETIREMENT OF DIRECTORS**

- 14** (1) The first Directors shall retire at the Inaugural Annual General Meeting, but will be eligible to stand for re election;
- (2) The initial term of office of the first Directors from the date of Incorporation of the Company to the Inaugural Annual General Meeting will not count as part of the terms of office detailed in the Clauses below.
- (3) At the next AGM after the Inaugural AGM, the Other Directors shall retire;
- (4) At the following AGM, the General Secretary, Buildings and Maintenance Director, Heritage Director and Communications Director shall retire;
- (5) At the following AGM, the Managing Director, Finance Director, Railway Director and Commercial Director shall retire;

(6) At each AGM retiring Directors may then offer themselves for re-election by Ordinary Resolution for a further period of up to three years subject to Clause 13(11)

(7) This annual sequence of retirements will continue at subsequent Annual General Meetings with re elections subject to Clause 13(11).

(8) An Other Director appointed by a decision of the Directors shall cease to hold office at the first Annual General Meeting following his appointment but may then offer himself for re-election by Ordinary Resolution for a further period of up to three years.

#### **TERMINATION OF DIRECTOR'S APPOINTMENT**

15. A person ceases to be a Director as soon as—

(a) He ceases to be a Director by virtue of any provision of the Companies Act 2006 or is prohibited by law from being a Director;

(b) He 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);

(c) He becomes incapable by reason of mental disorder, illness or injury of managing and administering his own affairs;

(d) By reason of that Director's mental health, a court makes an order which wholly or partly prevents that Director from personally exercising any powers or rights which that Director would otherwise have;

(e) Notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms, but only if at least eight Directors will remain in office when the notification is to take effect. Where such resignation would cause the number of Directors to fall below eight then within 14 days either

(a) the Directors must co opt another Member as a Director or

(b) the Directors must call an EGM to elect another Director or reduce the minimum required number of Directors;

(f) He is absent without the permission of the Directors from three consecutive Directors' Meetings held within a period of six consecutive months and the Directors resolve that his office be vacated;

(g) He is removed from office under section 168 of the Companies Act;

(h) He fails to declare an interest as required by Article 25 below;

(i) He is requested in writing by all of his fellow directors to resign; or

(j) When a vote is passed at a Special General Meeting, called by Members as Per Clause 33(2), proposing such termination.

#### **DIRECTORS' GENERAL AUTHORITY**

16. Subject to restrictions imposed by the Articles or any Special Resolution or the Companies Acts, the Directors shall manage the Company's business and may exercise all the powers of the Company.

#### **DIRECTORS MAY DELEGATE**

17. (1) The Directors may delegate any of their powers or functions to a Committee of two or more directors, to a Department or to a Working Party, each with defined Terms of Reference which must be recorded in the minute book;

- (2) The Directors may revoke Terms of Reference in whole or part, or alter terms and conditions of Committees, Departments or Working Parties;
- (3) Committees would normally be established for specific areas of activity and forward Planning, Departments for the day to day operation of particular activities and developments and Working Parties for shorter term projects and activities;
- (4) The Directors may delegate responsibility or responsibilities for a specific purpose or specific purposes of the Company's operation subject to a written agreement clearly defining the extent of the responsibility or responsibilities.

### **DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

18. The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 20.

### **UNANIMOUS DECISIONS**

19. (1) A decision of the Directors is taken in accordance with this Article when all eligible Directors indicate to each other by any means that they share a common view on a matter;
- (2) Such a decision may take the form of a Resolution in writing or may be in electronic form, but in either case be agreed by all of the eligible Directors signifying their agreement;
- (3) References in this article to eligible Directors are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' Meeting;
- (4) A decision may not be taken in accordance with this Article if the eligible Directors would not have formed a quorum at such a meeting.

### **CALLING A DIRECTORS' MEETING**

20. (1) Any Director may call a Directors' Meeting by giving notice of the meeting to the Directors or by authorising the General Secretary (if any) to give such notice and the General Secretary is so authorised, he must then do so;
- (2) Notice of any Directors' Meeting must indicate—
  - (a) its proposed date and time;
  - (b) where it is to take place; and
  - (c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting;
- (3) Notice of a Directors' Meeting must be given to each Director, but need not be in writing;
- (4) Notice of a Directors' Meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it;
- (5) The Directors shall hold meetings on a regular monthly basis with a minimum of twelve meetings in each year.

### **PARTICIPATION IN DIRECTORS' MEETINGS**

21. (1) Subject to the articles, Directors participate in a Directors' Meeting, or part of a Directors' Meeting, when—
- (a) the meeting has been called and takes place in accordance with the Articles; and
  - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting;
- (2) In determining whether Directors are participating in a Directors' Meeting, it is irrelevant where any Director is or how they communicate with each other;
- (3) The Directors participating in a meeting need not all be present in the same place and each may use actual or virtual methods of attendance if already agreed by the Directors;
- (4) When an Honorary President has been appointed then he can attend Directors' Meetings in an ex officio capacity.

### **QUORUM FOR DIRECTORS' MEETINGS**

22. (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting;
- (2) The quorum for Directors' Meetings may be fixed from time to time by a decision of the directors, but it must never be less than 50% of the Directors, and unless otherwise decided, it is five;
- (3) If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision—
- (a) to appoint further Directors; or
  - (b) to call a general meeting so as to enable the Members to appoint further Directors;
- (4) The presence of the Honorary President at a board meeting does not count to the formation of a quorum.

### **CHAIRING OF DIRECTORS' MEETINGS**

23. (1) The Managing Director is the de facto Chairman of the Company and will chair the Directors' Meetings;
- (2) If the Chairman is not participating in a Directors' Meeting within ten minutes of the time at which it was to start, the Deputy Chairman will chair the meeting;
- (3) If neither Chairman or Deputy Chairman are present at the meeting, the meeting must be suspended until one or other attends.

### **CASTING VOTE**

24. If the numbers of votes for and against a proposal are equal, the Chairman, or Deputy Chairman if the Chairman is absent, has a casting vote.

### **DECLARATION OF DIRECTOR'S INTERESTS**

25. (1) A Director must declare the nature and extent of any interest, direct or indirect, which he has in a proposed transaction or arrangement with the Company or in any transaction or arrangement entered into by the Company which has not previously been declared;
- (2) A Director must absent himself from any discussions of the Directors in which it is possible that a conflict will arise between his duty to act solely in the interests of the

Company and any personal interest (including but not limited to any personal financial interest).

#### **CONFLICTS OF INTEREST AND CONFLICTS OF LOYALTY**

26. (1) If a conflict of interest 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 non conflicted Directors may authorise such a conflict of interests where the following conditions apply:
- (a) the conflicted Director is 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 non conflicted Directors consider it is in the interests of the Company to authorise the conflict of interest in the circumstances applying;
- (2) In this article a Conflict of Interest 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.

#### **RECORDS OF DECISIONS TO BE KEPT**

27. (1) The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors;
- (2) Decisions with potential ramifications for periods in excess of 10 years must be recorded, in writing, for a period consistent with the subject of the decision;
- (3) Members may request access to records and these will be subject to redaction as deemed necessary in order to maintain appropriate confidentiality.

#### **DIRECTORS DISCRETION TO MAKE FURTHER RULES**

28. Subject to the Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

#### **DIRECTORS REMUNERATION**

29. (1) No Director or connected person may be paid any remuneration unless it is authorised by this Article 29;
- (2) No Director may:
- (a) buy goods or services from the Company on terms preferential to those applicable to members of the public;
  - (b) sell goods or services or any interest in land to the Company;
  - (c) be employed by or receive any remuneration from the Company;
  - (d) receive any other financial benefit from the Company, unless the payment is permitted by Clause 3 of this Article 29 or authorised by the court or by the Commission.

In this Article, a "financial benefit" means a benefit, direct or indirect, which is either money or has a monetary value.

#### **Scope and powers permitting Directors' benefits**

- (3) (a) A Director may receive a benefit from the Company in the capacity of a beneficiary of the Company provided that a majority of the Directors do not benefit in this way;
- (b) A Director 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 Company where that is permitted in accordance with, and subject to the conditions in, sections 185 and 186 of the Charities Act 2011;
- (c) Subject to Clause (4) of this Article 29, a Director may provide the Company with goods that are not supplied in connection with services provided to the Company by the Director;
- (d) A Director may receive interest on money lent to the Company at a reasonable and proper rate which must not be more than the Bank of England Base Rate (also known as the Base Rate);
- (e) A Director may receive rent for premises let by the Director to the Company. 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;
- (f) A Director may take part in the normal trading and fundraising activities of the Company on the same terms as members of the public;
- (g) A Director may benefit from Director's Indemnity Insurance cover purchased at the Company's expense pursuant to Article 4(15) and may receive an Indemnity from the Company in the circumstances specified in Article 48.

**Payment for supply of goods only - controls**

- (4) The Company and its Directors may only rely upon the authority provided by Clause (3)(c) of this Article 29 if each of the following conditions is satisfied;
- (a) The amount or maximum amount of the payment for the goods is set out in an agreement in writing between the Company or its Directors (as the case maybe); and the Director supplying the goods ("the supplier") under which the supplier is to supply the goods in question to or on behalf of the Company;
- (b) The amount or maximum amount of the payment for the goods does not exceed what is reasonable in the circumstances for the supply of the goods in question;
- (c) The other Directors are satisfied that it is in the best interests of the Company to contract with the supplier rather than someone who is not a Director. In reaching that decision the Directors must balance the advantage of contracting with a Director against the disadvantages of doing so;
- (d) The supplying Director is absent from the part of any meeting at which there is discussion of the proposal to enter into a contract or arrangement with him with regard to the supply of goods to the Company;
- (e) The supplying Director does not vote on any such matter and is not to be counted when calculating whether a quorum of Directors is present at the meeting;
- (f) The reason for their decision is recorded by the Directors in the minute book;
- (g) A majority of the Directors then in office are not in receipt of remuneration or payments authorised by Article 29;
- (5) In sub-clauses (3) and (4) of this Article 29 "Company" shall include any Company in which the Company:

- (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.

#### **DIRECTORS' EXPENSES**

- 30.** (1) A Director is entitled to receive reimbursement from the Company of reasonable out-of-pocket expenses, including hotel and travel costs, actually and properly incurred by him when acting on behalf of the Company and in the discharge of his responsibilities in relation to the Company;
- (2) Expenses incurred with his attendance at Meetings of Directors, Committees, Departments or Working Parties would not normally be reimbursed;
- (3) The payment of expenses must be authorised by the Directors.

#### **HONORARY PRESIDENT APPOINTMENT**

- 31.** (1) The Directors may at any time appoint a Member of the Company to the position of Honorary President of the Company;
- (2) The term of office to be decided by the Directors;
- (3) The Honorary President will not be a Director but will be an ex officio attendee at Directors' Meetings.

### **PART 4- ORGANISATION OF GENERAL MEETINGS**

#### **ANNUAL GENERAL MEETING**

- 32** (1) The Company's financial year shall end on the 30th September and a complete set of accounts including a Profit and Loss Account and Balance Sheet as at that date shall be prepared for presentation at the next Annual General Meeting. The complete set of accounts shall be prepared in accordance with the prevailing accounting requirements;
- (2) The Annual General Meeting shall be held before the end of the calendar year;
- 3) The AGM will:
- (a) Receive the annual report of the Directors, prepared and presented by the Chairman and approved by the Directors prior to the AGM.
  - (b) Receive an Annual report from each Director with specific responsibilities.
  - (c) Approve the statement of accounts for the previous year;
  - (d) Accept the resignations of the retiring Directors for the previous year;
  - (e) Elect Directors as defined in Clause 13 above;
  - (f) Receive and vote on any Resolutions put before the AGM;
- (4) Any Member of the Company wishing to put a Resolution to the AGM must advise the General Secretary in writing no less than fourteen (14) days before the meeting. Such Resolutions must have a proposer and seconder, all of whom must have been fully paid up Members for a minimum of two full years at the time of writing the Resolution;
- (5) Nominations for all vacancies must be submitted to the General Secretary no later than fourteen (14) days before the AGM;
- (6) All nominations must be signed by the nominee, proposer and seconder, all of whom must have been fully paid up Members for a minimum of two full years at the time of the nomination;

(7) A full set of minutes of every Annual General Meeting shall be taken and shall be available on request to any Member of the Company within 28 days of said meeting.

**33 SPECIAL GENERAL MEETING**

- (1) A Special General Meeting may be called at any time by a unanimous decision of the Directors;
- (2) A Special General Meeting will be held if 8% or more of the paid up membership of the Company submit a request in writing to the General Secretary and the request must state the purpose for which the meeting is being called;
- (3) No business other than agenda items will be discussed at the meeting;
- (4) In the event that no quorum is present at the Special General Meeting then the meeting shall be cancelled and the resolution(s) deemed to have failed;
- (5) A full set of minutes of every Special General Meeting shall be taken and shall be available on request to any member of the Company within 28 days of said meeting.

**MEMBER ATTENDANCE, SPEAKING AND VOTING AT GENERAL MEETINGS**

- 34.**
- (1) A Member is able to exercise the right to speak at a General Meeting when that Member is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that Member has on the business of the meeting;
  - (2) A Member is able to exercise the right to vote at a General Meeting when—
    - (a) that Member is able to vote, during the meeting, on Resolutions put to the vote at the meeting; and
    - (b) that Member's vote can be taken into account in determining whether or not such Resolutions are passed at the same time as the votes of all the other Members attending the meeting;
  - (3) The Directors may make whatever arrangements they consider appropriate to enable those attending a General Meeting to exercise their rights to speak or vote at it;
  - (4) Subject to approval by the Directors, the Chairman of the meeting may permit other persons who are not Members of the Company to attend and speak at a General Meeting.

**35. QUORUM FOR GENERAL MEETINGS**

- (1) A Quorum shall be 8% of the Membership as at the date of the meeting (rounded up to the next whole number);
- (2) No business is to be transacted at a General Meeting if the Members attending it do not constitute a Quorum;
- (3) Where a General Meeting is found to be Non Quorate the meeting shall be adjourned and be re convened no more than fourteen (14) days later.

**CHAIRING OF GENERAL MEETINGS**

- 36.**
- (1) The meeting will be chaired by the Managing Director who is the de facto Chairman of the Company;
  - (2) If the Managing Director ie Chairman, is unable to attend the meeting, the Deputy Chairman will chair the meeting;
  - (3) The person chairing a meeting in accordance with this Article is referred to as "the Chairman of the Meeting".

## **NOTICE OF GENERAL MEETINGS AND ATTENDANCE AND SPEAKING BY DIRECTORS AND NON MEMBERS**

- 37.** (1) At least twenty one (21) days notice must be given for any General Meeting and if the meeting is called to pass a Special Resolution at least twenty one (21) days notice must be given;
- (2) Where circumstances prevent General Meetings being held in a single place, the directors can decide to hold the meetings using virtual methods
- (3) Directors may attend and speak at General Meetings in their capacity as Directors;
- (4) Subject to approval by the Directors, the Chairman of the meeting may permit other persons who are not Members of the Company to attend and speak at a General Meeting.

## **ADJOURNMENT OF MEETINGS**

- 38.** (1) If the persons attending a General Meeting within half an hour of the time at which the meeting was due to start do not constitute a Quorum, or if during a meeting a Quorum ceases to be present, the Chairman of the meeting must adjourn it;
- (2) The Chairman of the meeting may adjourn a General Meeting at which a Quorum is present if—
- (a) the meeting consents to an adjournment; or
  - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or to ensure that the business of the Meeting is conducted in an orderly manner;
- (3) The Chairman of the meeting must adjourn a General Meeting if directed to do so by the meeting;
- (4) When adjourning a General Meeting, the Chairman of the meeting must
- (a) either specify the date, time and place to which it is adjourned or state that it is to continue at a date, time and place to be fixed by the Directors; and
  - (b) have regard to any directions as to the date, time and place of any adjournment which have been given by the meeting;
- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)
- (a) to the same persons to whom notice of the Company's General Meetings is required to be given; and
  - (b) containing the same information which such notice is required to contain;
- (6) No business may be transacted at a reconvened General Meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## **VOTING – GENERAL & POSTAL**

- 39.** (1) A Resolution put to the vote of a General Meeting must be decided on a show of hands plus any postal votes correspondingly recorded and received as Clauses 39 (3), (4) and (5), unless a poll is duly demanded in accordance with the Articles.
- (2) Each Member shall have one vote;
- (3) Voting for the selection of Directors with specific responsibilities will be by individual poll irrespective of the number of nominations received for each position. Voting for Other Directors will be by a single ballot;

- (4) The Chairman's vote will be used only as a casting vote as a tie breaker when a vote is tied;
- (5) Postal Votes will be available for General Meetings;
- (6) Members may request a Postal Vote from the General Secretary ensuring there is adequate time for the for the papers to be received by the Member and returned to the General Secretary before the meeting;
- (7) Completed Postal Votes may also be taken to the corresponding meeting subject to being received before the meeting has started.

#### **ERRORS AND DISPUTES**

- 40. (1) An objection to the qualification of any Member voting at a General Meeting or adjourned Meeting may only be made at that meeting;
- (2) Any such objection must be referred to the Chairman of the meeting whose decision is final.

#### **POLL VOTES**

- 41. (1) A Poll on a Resolution may be demanded—
  - (a) in advance of the General Meeting where it is to be put to the vote or
  - (b) at a General Meeting, either before a show of hands on that Resolution or immediately after the result of a show of hands on that Resolution is declared;
- (2) A Poll may be demanded by—
  - (a) the Chairman of the meeting;
  - (b) the Directors; or
  - (c) two or more Members having the right to vote on the Resolution.
- (3) A demand for a Poll may be withdrawn if—
  - (a) the Poll has not yet been taken; and
  - (b) the Chairman of the meeting consents to the withdrawal.
- (4) Polls must be taken immediately and in such manner as the Chairman of the meeting directs.

#### **AMENDMENTS TO RESOLUTIONS**

- 42. (1) An Ordinary Resolution to be proposed at a General Meeting may be amended by Ordinary Resolution if either
  - (a) notice of the proposed amendment is given to the Directors in writing by a Member entitled to vote at the General Meeting at which it is to be proposed not less than 48 hours before the meeting is due to take place (or at such later time as the Chairman of the meeting may determine) or
  - (b) at the meeting when the Ordinary Resolution is being discussed and the amendment is proposed by a Member at the meeting with a vote only taking place if the amendment is seconded by another Member and
  - (c) the proposed amendment does not, in the reasonable opinion of the Chairman, materially alter the scope of the Resolution;
- (2) A Special Resolution to be proposed at a General Meeting may be amended by Ordinary Resolution if either:
  - (a) the Chairman of the meeting proposes the amendment at the General Meeting at which the Resolution is to be proposed or
  - (b) at the meeting when the Special Resolution is being discussed and

- the amendment is proposed by a Member at the meeting with a vote only taking place if the amendment is seconded by another Member and
- (c) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the Resolution;
- (3) If the Chairman of the meeting, acting in good faith, wrongly decides that an amendment is out of order, the Chairman's error does not invalidate the vote on that Resolution.

## **PART 5 - ADMINISTRATIVE ARRANGEMENTS**

### **MEANS OF COMMUNICATION TO BE USED**

- 43.** (1) Subject to the Articles, anything sent or supplied by or to the Company 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 Company;
- (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;
- (3) A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours;
- (4) A Member may agree with the Company that notices or documents can be sent by electronic means and where agreed will have been deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

### **NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

- 44** Except as provided by law or authorised by the Directors or an Ordinary Resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Member.

### **ACCOUNTS, ANNUAL REPORT & RETURN AND REGISTER OF CHARITIES**

- 45.** (1) The Directors must prepare for each financial year accounts as required by the Companies Acts. The accounts must show a true and fair view and be prepared in accordance with the prevailing accounting requirements;
- (2) The Directors must keep accounting records as required by the Companies Acts;
- (3) Accounts shall be maintained in an Income and Expenses format with Management Accounts produced for each Directors' Meeting;
- (4) The Directors must also comply with the requirements of the Charities Act 2011 with regard to the:
- (a) transmission of a copy of the Statements of Accounts to the Commission;
  - (b) preparation of an Annual Report and transmission of a copy to the Commission;
  - (c) preparation of an Annual Return and transmission of a copy to the

Commission;

(5) The Directors must notify the Commission promptly of any changes to the Company's entry on the Central Register of Charities.

#### **BANKING AND PAYMENT PROCEDURES**

46. (1) The Company will maintain bank and/or building society accounts as deemed necessary in the name of the Company
- (2) There shall be up to four (4) named signatories for the signing of the Company cheques;
- (3) Each cheque must be signed by two (2) signatories;
- (4) Where payments are made by direct bank transfer or other electronic methods, the payments shall be recorded and authorised by two (2) cheque signatories;
- (5) No beneficiary of a cheque shall be a signatory to a cheque and no two (2) or more family members of the same household or family shall be signatories on a cheque or any financial documents;
- (6) All monies raised by or on behalf of the Company shall be applied to further the objects of the Company and for no other purpose;
- (7) The Finance Director is authorised to pay petty cash, local travel and any other legitimate expenses to Members of the Company undertaking Company business; Payments of petty cash will only be made on the production of bona fide receipts stating the date of purchase, the itemised cost of items, the reason for expenditure, the total cost and the place of purchase. Each payment of petty cash must be signed as received by the purchaser of the items.

#### **DIRECTOR'S INDEMNITY**

47. (1) The Company shall indemnify a relevant Director against any liability incurred by him 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 Company.

#### **DIRECTOR'S INSURANCE**

48. (1) The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant Director in respect of any relevant loss;
- (2) In this article—
- (a) a "relevant Director" means any Director or former Director of the Company or an associated Company;
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director's duties or powers in relation to the Company, any associated Company or any pension fund or employees' share scheme of the Company or associated Company, and
- (c) Companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

#### **APPLICATION OF INCOME, PROPERTY AND ASSETS**

49. (1) All income and assets of the Company shall be applied solely towards the promotion of the Objects;
- (2) In no circumstances shall any income or assets of the Company belong to

the Members;

(3) A Member may not receive directly or indirectly any benefit or payment from the Company save in the capacity of a beneficiary of the Company and save for reasonable and proper remuneration for any goods and services supplied to the Company;

(4) Where an asset belonging to a Member or non Member is located or stored on the Company's property then

(a) a written agreement must be made with the asset owner defining the terms and conditions under which the asset is held and any conditions of use by the owner and Company;

(b) it is confirmed in writing that the asset is suitably covered by insurance by owner, or the Company when appropriate, to cover any loss and to indemnify the Company against any claim likely to arise due to its presence on the Company's property.

### **DISSOLUTION AND CESSATION OF BUSINESS**

50. (1) A motion to dissolve the Company and cease business may only be made at a Special General Meeting of the Company and to be effective shall have the support of at least three quarters of the Members present and voting;
- (2) If such a resolution is confirmed by at least a three quarters majority of those voting, the Directors shall dispose of any assets held by or in the name of the Rushden Historical Transport Society Limited after satisfaction of any proper debts and liabilities and the return of unspent grants to the originating funding organisation if specified by the organisation at the time the grant was made;
- (3) All funds and assets after settlement of outstanding debts shall be transferred to charitable transport societies having similar Objects to those of this Company. At the same Special General Meeting it would be decided which societies should benefit from the proceeds of the sale of assets;
- (4) In no circumstances shall the net assets of the Company be paid or distributed among the Members of the Company;
- (5) A final report and statement of account must be sent to the Commission.