

**THE COMPANIES ACT 2006**

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**COMPANY LIMITED BY GUARANTEE AND  
NOT HAVING A SHARE CAPITAL**

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**ARTICLES OF ASSOCIATION**

**OF**

**SOMERSET ART WORKS**

ADOPTED BY *Written Resolution on 26<sup>th</sup> August 2016*

## TABLE OF CONTENTS

	<b>Page</b>
INTERPRETATION.....	1
LIABILITY OF MEMBERS .....	3
OBJECTS.....	3
POWERS .....	4
APPLICATION OF INCOME AND PROPERTY .....	6
BENEFITS AND PAYMENTS TO CHARITY DIRECTORS AND CONNECTED PERSONS .....	7
SCOPE AND POWERS PERMITTING DIRECTORS' OR CONNECTED PERSONS' BENEFITS.....	7
PAYMENT FOR SUPPLY OF GOODS ONLY - CONTROLS .....	8
MEMBERS .....	8
CLASSES OF MEMBERSHIP .....	9
TERMINATION OF MEMBERSHIP.....	10
GENERAL MEETINGS.....	10
NOTICE OF GENERAL MEETINGS OF MEMBERS .....	11
PROCEEDINGS AT GENERAL MEETINGS .....	11
PROXY NOTICES .....	13
ANNUAL GENERAL MEETING (AGM) .....	14
WRITTEN RESOLUTIONS .....	14
BOARD OF MANAGEMENT.....	15
APPOINTMENT TO THE BOARD OF MANAGEMENT .....	15
RETIREMENT BY ROTATION .....	16
DISQUALIFICATION AND REMOVAL FROM THE BOARD OF MANAGEMENT.....	16
POWERS OF THE BOARD OF MANAGEMENT.....	17
DELEGATION OF POWERS OF THE BOARD OF MANAGEMENT .....	17
REMUNERATION OF THE BOARD OF MANAGEMENT.....	17
EXPENSES.....	17
PROCEEDINGS OF THE BOARD OF MANAGEMENT .....	18
SECRETARY .....	19
MINUTES.....	19
ACCOUNTS.....	19
ANNUAL REPORT AND RETURN AND REGISTER OF CHARITIES .....	20
NOTICES.....	20

**TABLE OF CONTENTS**  
(continued)

	<b>Page</b>
RULES .....	21
INDEMNITY .....	21
SEAL .....	21
DISPUTES .....	21
DISSOLUTION .....	21

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INTERPRETATION

1. In these articles:

“address”	means a postal address or, for the purposes of electronic communication, a fax number, an email or postal address or a telephone number for receiving text messages in each case registered with the charity;
“Area Representatives”	means individuals and members of the charity who volunteer to undertake organisational and administrative duties including but not limited to the organisation of Somerset Art Weeks, for which they receive expenses from the charity and who collectively represent the five regional groups of the charity's membership, each Area Representative representing those members residing or working in one of the geographical areas (as defined by the Board of Management from time to time);
“articles”	means the articles of association of the charity;
“Board of Management” and “Directors”	means the directors of the charity. The directors are charity trustees as defined by section 117 of the Charities Act 2011;
“charity”	means the company intended to be regulated by these articles;
“clear days”	in relation to the period of a notice, means that 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;

“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 charity;
“connected person”	means:  (a) a child, parent, grandchild, grandparent, brother or sister of the Director;  (b) the spouse or civil partner of the Director or of any person falling within (a) above;  (c) a person carrying on business in partnership with the Director or with any person falling within (a) or (b) above;
“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;
“executed”	includes any mode of execution;
“memorandum”	means the charity’s memorandum of association;
“office”	means the Registered Office of the charity;
“officers”	includes the Directors and the Secretary ( if any);
“Rules”	means the prescribed rules issued by the Board of Management from time to time;
“seal”	means the Common Seal of the charity (if any);
“Secretary”	means the secretary of the charity, or any other person appointed to perform the duties of the secretary of the charity, including a joint, assistant or deputy secretary;
"Somerset"	means the county of Somerset;
"the court"	has the meaning given in section 1156 of the Companies Act 2006;
“United Kingdom”	means Great Britain and Northern Ireland.

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

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.

Apart from the exception mentioned in the previous paragraph 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

2. The liability of the members is limited to a sum not exceeding £1, being the amount that each member undertakes to contribute to the assets of the charity 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:
  - 2.1 the payment of the debts and liabilities of the charity incurred before he or she ceases to be a member;
  - 2.2 payment of the costs charges and expenses of winding up; and
  - 2.3 adjustment of the rights of the contributories among themselves.

### OBJECTS

3. To advance education for the public benefit in Somerset in the fields of visual arts including collaborations with other art forms in particular but not limited to;
  - a) placement and bursary opportunities for emerging artists
  - b) running educational workshops and participatory events to involve new audiences; and
  - c) other such activities as the trustees see fit from time to time in furtherance of the stated objects”

### POWERS

3. The charity has power to do anything which is calculated to further its Objects or is conducive or incidental to doing so. In particular, the charity has power:
  - 3.1 to actively disseminate advice and information, encourage co-operation, promote best practice and standards, and collaborate with other bodies, companies or individuals interested in giving artists opportunities for innovation and excellence within a supportive and stimulating environment;

- 3.2 to present, promote, organise, manage and produce, exhibitions, conferences, lectures, workshops, presentations and other promotions and forums for the long term development and extension of the profile of the charity and professional artists and makers in Somerset;
- 3.3 to facilitate and develop a two week annual visual arts event for Somerset and the general public;
- 3.4 to facilitate and develop partnerships, joint funding applications, joint promotions, fundraising ventures and provide all practical and economic support necessary to enhance the artistic and economic benefits of artists and artistic communities;
- 3.5 to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects;
- 3.6 to promote print and publish in all media forms, newspapers, periodicals, books, leaflets and to distribute information to increase public awareness and stimulate involvement with visual artists and makers living and working in Somerset;
- 3.7 to provide training, hold seminars and lectures and to disseminate information and otherwise educate the communities of Somerset and enhance the educational role of the charity in the community;
- 3.8 to co-operate and network with other bodies connected with the arts in Somerset to provide accessible information, support, advice, educational materials and training to the public;
- 3.9 to co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them;
- 3.10 to engage in consultation with Parliamentary or other national and local regulatory bodies and measures to influence local, regional and national policy concerning visual arts and open studios, or as otherwise directed by the members;
- 3.11 to represent, express and give effect to the majority opinion of the members of the charity on arts matters of all kinds;
- 3.12 to raise funds. In doing so, the charity must not undertake any taxable permanent trading activity and must comply with any relevant statutory regulations;
- 3.13 to accept any gifts of property or money;
- 3.14 to acquire, merge with or to enter into any partnership or joint venture arrangement with any other charity;
- 3.15 to open and operate bank accounts;

- 3.16 to borrow money and to charge the whole or any part of the property belonging to the charity as security for repayment of the money borrowed or as security for a grant or the discharge of an obligation. The charity must comply as appropriate with sections 124 - 126 of the Charities Act 2011 if it wishes to mortgage land;
- 3.17 to acquire, hire, take on lease or in exchange, apply for, register and protect prolong and renew any property of any kind and to maintain and equip it for use;
- 3.18 to develop, construct, repair, manage, maintain and alter any offices, buildings or installations;
- 3.19 to sell, let, mortgage, turn to account, grant licences, options, rights and privileges or otherwise deal with or dispose of any property belonging to the charity of any kind. In exercising this power, the charity must comply as appropriate with sections 117 and 122 of the Charities Act 2011;
- 3.20 to make grants or loans of money and to give guarantees;
- 3.21 to set aside funds for special purposes or as reserves against future expenditure but only in accordance with a written policy about reserves;
- 3.22 to (i) deposit or invest funds; (ii) employ a professional fund-manager; and (iii) arrange for the investments or other property of the charity 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;
- 3.23 to insure the charity against any foreseeable risk and take out other insurance policies to protect the charity when required;
- 3.24 to provide indemnity insurance for the Directors in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011;
- 3.25 to employ and engage the services of paid or unpaid agents, consultants, staff or advisers on a full time or part time basis as are necessary for carrying out the work of the charity and to grant pensions and offer such other terms which in the opinion of the Board of Management will benefit the charity and the management of its activities, provided always the terms accord with the equal opportunities policy and other such policies of the charity and as required by law. The charity may employ or remunerate a Director only to the extent it is permitted to do so by articles 8 to 16 and articles 77 to 78 and provided it complies with the conditions in that article;
- 3.26 to enter into contracts to provide services to or on behalf of other bodies;
- 3.27 to do all the above things or matters either as principals, agents, sub contractors, brokers or otherwise;

- 3.28 to pay out of the funds of the charity the costs of forming and registering the charity as a charity; and
- 3.29 to do anything else within the law which promotes or helps to promote the Objects.
- 4. None of the powers in Article 3 shall be restrictively construed and shall be given the widest possible interpretation.

#### APPLICATION OF INCOME AND PROPERTY

- 5. The income and property of the charity shall be applied solely towards the promotion of the Objects.
- 6. A Director:
  - 6.1 is entitled to be reimbursed from the property of the charity or may pay out of such property reasonable expenses (including hotel and travel costs) properly incurred by him or her when acting on behalf of the charity.
  - 6.2 may benefit from trustee indemnity insurance cover purchased at the charity's expense in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011.
  - 6.3 may receive an indemnity from the charity in the circumstances specified in article 99.
  - 6.4 may not receive any other benefit or payment unless it is authorised by articles 8 to 16.
- 7. Subject to articles 8 to 16, none of the income and property may be transferred, directly or indirectly, to the members of the charity by way of dividend, bonus, or in any other way which amounts to the distribution of profit. This does not prevent a member who is not also a Director receiving:
  - 7.1 a benefit from the charity in the capacity of a beneficiary of the charity;
  - 7.2 reasonable and proper remuneration for any goods or services supplied or rendered to the charity;
  - 7.3 interest at a reasonable rate on money lent to the charity; and
  - 7.4 a reasonable rent or hiring fee for property let or hired to the charity.

## BENEFITS AND PAYMENTS TO CHARITY DIRECTORS AND CONNECTED PERSONS

8. No Director or connected person may;
  - 8.1 buy any goods or services from the charity on terms preferential to those applicable to members of the public;
  - 8.2 sell goods, services or any interest in land to the charity;
  - 8.3 be employed by, or receive remuneration from the charity; or
  - 8.4 receive any other financial benefit from the charity,

unless the payment is permitted by articles 9 to 14 or articles 77 to 78, or authorised by the court or the Charity 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' OR CONNECTED PERSONS' BENEFITS

9. A Director or connected person may receive a benefit from the charity in the capacity of a beneficiary of the charity provided that a majority of the Directors do not benefit in this way.
10. 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 charity where that is permitted in accordance with, and subject to the conditions in, sections 185 and 186 of the Charities Act 2011.
11. Subject to article 15 a Director or connected person may provide the charity with goods that are not supplied in connection with services provided to the charity by the Director or connected person.
12. 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).
13. 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.
14. 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.

## PAYMENT FOR SUPPLY OF GOODS ONLY - CONTROLS

15. The charity and its Directors may only rely upon the authority provided by article 11 if each of the following conditions is satisfied:
  - 15.1 The amount or maximum amount of the payment for the goods is set out in an agreement in writing between the charity or its Directors (as the case may be) and the Director or connected person supplying the goods ('the supplier') under which the supplier is to supply the goods in question to or on behalf of the charity.
  - 15.2 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.
  - 15.3 The other Directors are satisfied that it is in the best interests of the charity to contract with the supplier rather than with someone who is not a Director or connected person. In reaching that decision the Directors must balance the advantage of contracting with a Director or connected person against the disadvantages of doing so.
  - 15.4 The supplier 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 or her or it with regard to the supply of goods to the charity.
  - 15.5 The supplier 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.
  - 15.6 The reason for their decision is recorded by the Directors in the minute book.
  - 15.7 A majority of the Directors then in office are not in receipt of remuneration or payments authorised by articles 8 to 15.
16. In articles 9 to 15, 'charity' includes any company in which the charity:
  - 16.1 holds more than 50% of the shares; or
  - 16.2 controls more than 50% of the voting rights attached to the shares; or
  - 16.3 has the right to appoint one or more directors to the board of the company.

## MEMBERS

17. Membership is open to any individual who is an artist, and any arts institution and any arts company which (unless this requirement has been expressly waived by the Board of Management) has their registered office (or principally trades from an) address within Somerset. "Friends of" the charity may attend meetings of the members of the charity, but they will not be members for the purposes of the Companies Acts.

18. Every prospective member shall:
  - 18.1 deliver to the Board of Management a written application in the form required by the Board of Management;
  - 18.2 be approved and admitted to membership by the Board of Management;
  - 18.3 pay such annual membership fee as determined by the members at the AGM each year (unless this requirement has been expressly waived by the members ); and
  - 18.4 sign the register of members or otherwise consent in writing to become a member in the form required by the Board of Management.
19. The Board of Management may only refuse an application for membership if, acting reasonably and responsibly, they consider it to be in the best interest of the charity to do so.
20. The Directors must inform the applicant in writing of the reasons for the refusal within twenty-one days of the decision.
21. Any issue or dispute with regard to membership must be referred to the Board of Management to be resolved at the discretion of the Directors who must act reasonably. Upon a requisition of 10% of the members, the Board of Management will convene a general meeting of the charity for a date not later than eight weeks after receipt of the requisition, to hear any appeal against a membership decision taken by the Board of Management. The issue shall be decided by ordinary resolution of the members at the general meeting of the charity.
22. Membership of the charity is not transferable, and no member of the charity is entitled to any refund of membership fees on ceasing to be a member for any reason.
23. Each voting member which is not an individual may authorise such person as it thinks fit to act as its representative (a “Members' Representative”) at any general meeting of the charity. Such Member's Representative shall be entitled to exercise the same powers on behalf of the member in question as that member could exercise if it were an individual member and such member shall for the purposes of these articles be deemed to be present in person at any such meeting if a Members' Representative so authorised is present thereat.

#### CLASSES OF MEMBERSHIP

24. The Board of Management may at any time establish different classes of membership and prescribe Rules governing the respective privileges and duties of members.
25. The Directors may not directly or indirectly alter the rights or obligations attached to a class of membership.

26. The rights attached to a class of membership may only be varied if:
- 26.1 three-quarters of the members of that class consent in writing to the variation; or
  - 26.2 a special resolution is passed at a separate general meeting of the members of that class agreeing to the variation.
27. 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.

#### TERMINATION OF MEMBERSHIP

28. Membership is automatically terminated if the member concerned:-
- 28.1 gives seven days' written notice of resignation to the Secretary (provided there are 2 remaining members); or
  - 28.2 dies or (in the case of an organisation) ceases to exist, in which case termination of membership takes effect as soon as notice of the death or cessation is received by the Secretary of the charity; or
  - 28.3 If any membership fees due to the charity by such member remains outstanding for more than one month (but in such case the member may be automatically reinstated on payment of the amount due);
  - 28.4 is removed from the membership in accordance with any Rule established from time to time pursuant to these articles; or
  - 28.5 is removed from membership by a resolution passed by 75% of the Board of Management on the grounds that in their reasonable opinion the membership is prejudicial to the charity (but only after notifying the member in writing and considering the matter in the light of any written representations which the member concerned puts forward within 14 clear days after receiving notice).

#### GENERAL MEETINGS

29. The Board of Management may call general meetings and, on the requisition of 10% of the members, shall forthwith proceed to convene a general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or any member of the charity may call a general meeting.

## NOTICE OF GENERAL MEETINGS OF MEMBERS

30. An annual general meeting and a general meeting called for the passing of a special resolution, or a resolution appointing a person as a Director, shall be called by at least 21 clear days' notice. All other general meetings shall be called by at least 14 clear days' notice.
31. A general meeting, including an annual 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% of the total voting rights.
32. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.
33. The notice shall be given to all the members, and to the Board of Management and auditors (if any).
34. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## PROCEEDINGS AT GENERAL MEETINGS

35. No business shall be transacted at any general meeting unless a quorum is present. Fifteen members entitled to vote upon the business to be transacted, each being a member or a duly authorised Member's Representative, shall be a quorum.
36. If such a quorum is not present within 10 minutes from the time appointed for the meeting, the meeting if convened by a requisition of the members, shall be dissolved; in every other case the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such time and place as the Board of Management may determine, and if a quorum is not present at the adjourned meeting, the meeting shall be dissolved.
37. The Chair, if any, of the Board of Management or in his absence the Vice Chair (if any) of the Board of Management, shall chair the member's meeting, but if neither the Chair nor Vice Chair (if any) is present within 10 minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be the Chair and, if there is only one Director present and Willing to act, he shall be Chair. If no Director is willing to act as Chair, or if no Director is present within 10 minutes after the time appointed for holding the meeting, the meeting shall elect one of their number to be Chair.
38. A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting.

39. The Chair may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting, other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it will not be necessary to give any such notice.
40. Subject to articles 50 to 57, a member of the charity may give any proxy to another person to attend a meeting and speak and vote as his representative.
41. Subject to article 48, unless a poll is duly demanded a resolution put to the vote at a general meeting shall be decided on a show of hands; every member entitled to vote who is present in person or being a corporation present through the Member's Representative or a member entitled to vote which is neither an individual nor a corporation, shall have one vote unless before or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the provisions of the Companies Acts, a poll may be demanded:
  - 41.1 by the Chair; or
  - 41.2 by at least two members having the right to vote at the meeting; or
  - 41.3 by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting.
42. Unless a poll is duly demanded, a declaration that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minutes of the meeting, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of, or against, the resolution.
43. The demand for a poll may before the poll is taken, be withdrawn, but only with the consent of the Chair, and a demand so withdrawn shall be taken to have invalidated the result of a show of hands declared before the demand was made.
44. Subject to article 48, on a poll vote, every voting member present in person (unless being a corporation or a full member that is neither an individual nor a corporation, the authorised representative) shall have one vote.
45. The Chair may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
46. A poll demanded on the election of the Chair or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith, or

at such time and place as the Chair directs, not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands, and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

47. No notice need be given of a poll not taken forthwith, if the time and place at which it is to be taken are announced at the meeting at which it is demanded. If any other case, at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
48. No member with voting rights shall vote on any matter in which he or she or it has an interest without the permission of the persons present and entitled to vote.
49. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the Chair, whose decision shall be final and conclusive.

#### PROXY NOTICES

50. Proxies may only validly be appointed by a notice in writing (a 'proxy notice') which:
  - 50.1 states the name and address of the member appointing the proxy;
  - 50.2 identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
  - 50.3 is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the Directors may determine; and
  - 50.4 is delivered to the charity in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
51. The charity may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
52. 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.
53. Unless a proxy notice indicates otherwise, it must be treated as:
  - 53.1 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
  - 53.2 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.

54. 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 charity by or on behalf of that person.
55. An appointment under a proxy notice may be revoked by delivering to the charity a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
56. 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.
57. 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 appointer's behalf.

#### ANNUAL GENERAL MEETING (AGM)

58. At each annual general meeting (which will be held between six and nine months following each financial year end of the charity), the members will:-
  - 58.1 receive the accounts of the charity for the previous financial year;
  - 58.2 receive the Board of Management's report on the charity's activities since the previous AGM;
  - 58.3 accept the retirement of those Directors on the Board of Management retiring by rotation or who wish to retire;
  - 58.4 elect persons to be Directors to fill the vacancies arising on the Board of Management;
  - 58.5 appoint financial examiners for the charity, and
  - 58.6 discuss and determine any issues of policy or deal with any other business put before them by the Board of Management including but not limited to the level of membership fee and the Artweeks registration fee.

#### WRITTEN RESOLUTIONS

59. 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:
  - 59.1 a copy of the proposed resolution has been sent to every eligible member;
  - 59.2 a simple majority (or in the case of a special resolution a majority of not less than 75%) of members has signified its agreement to the resolution; and

- 59.3 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.
60. A resolution in writing may comprise several copies to which one or more members have signified their agreement.
61. In the case of a member that is an organisation, its authorised representative may signify its agreement.

#### BOARD OF MANAGEMENT

62. The Board of Management are the Directors of the charity for the purposes of the Companies Acts, and have control of the charity and its property and funds. The Board of Management may exercise all the powers of the charity as are not required by the Companies Acts or these articles to be resolved by the members at an AGM or general meeting.
63. The number of Directors shall not be less than 5 and when complete, shall not exceed 10 Directors (unless otherwise determined by ordinary resolution). Directors are not permitted to appoint an alternate Director.

#### APPOINTMENT TO THE BOARD OF MANAGEMENT

64. A member of the Board of Management must be an individual aged 16 years or older, not a company.
65. Every prospective Director on the Board of Management including co-opted Directors (those taken on between AGMs) must sign a declaration of willingness and eligibility to serve as a company Director, and complete a skills review in a form required by the Board of Management.
66. Subject to article 63, the Board of Management shall comprise:-
- 66.1 Up to two Area Representatives (being members of the charity);
- 66.2 Up to three individuals (who are not be members of the charity), and
- 66.3 Members of the charity,
- all of whom are elected by ordinary resolution of the members at an AGM pursuant to article 68.
67. The Board of Management may appoint a person who is willing to be a Director, either to fill a vacancy or as an additional Director on the Board of Management, provided that the appointment does not cause the total number of Directors to exceed any number fixed by or in accordance with these articles as the maximum number of Directors. A Director so appointed shall hold office only until the next annual general meeting and shall not be taken in to account in determining the Directors who are to retire by rotation at the

meeting. If not re-appointed at the annual general meeting, he shall vacate office at the conclusion thereof.

68. Not less than seven nor more than twenty eight clear days before the date appointed to hold a general meeting, notice shall be given to all who are entitled to receive notice of the meeting, of any person (other than a Director retiring by rotation at the meeting) who is recommended for appointment or re-appointment at the meeting or in respect of whom notice has been given of the intention to propose him or her as a member of the Board of Management at the meeting.
69. Wherever possible and with the consent of the proposed Director, the notice referred to in article 68 will be accompanied by a copy of the proposed Director's skills review.

#### RETIREMENT BY ROTATION

70. One third (or the number nearest one third) of the Board of Management must retire at each AGM, those longest in office retiring first and the choice between any of equal service being made by drawing lots.
71. If the charity at the meeting at which a member of the Board of Management retires by rotation, does not fill the vacancy arising, the retiring Director shall, if willing to act, be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the re-appointment of the Director is put to the meeting and lost.
72. Subject as aforesaid, a Director retiring by rotation at a general meeting, may, if willing to be re-appointed, be re-appointed. If not re-appointed, he or she shall retain office until the meeting re-appoints someone else, or to the conclusion of the meeting.

#### DISQUALIFICATION AND REMOVAL FROM THE BOARD OF MANAGEMENT

73. The office of a Director on the Board of Management shall be automatically vacated if:
  - 73.1 he or she ceases to be a Director by virtue of any provision of the Companies Acts, or becomes prohibited by law from being a company Director; or
  - 73.2 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);
  - 73.3 he or she becomes bankrupt, or makes any arrangement or composition with his or her creditors generally; or
  - 73.4 he or she dies;
  - 73.5 he or she resigns office by notice provided there are sufficient Directors for the charity as required by these articles; or

- 73.6 he or she is removed from office by notice in writing signed by all the remaining members of the Board of Management (being at least two in number);
- 73.7 he or she commits an indictable offence;
- 73.8 is absent from three or more consecutive meetings of the Board of Management without minuted permission of the other Directors and the Board of Management resolve that his or her office is terminated.
74. Any technical defect in an appointment of a Director of which the Board of Management are unaware at the time, shall not invalidate decisions taken at a meeting.

#### POWERS OF THE BOARD OF MANAGEMENT

75. Subject to the provisions of the Companies Acts, the memorandum and the articles, and to any directions given by special resolution, the Board of Management may exercise all the powers of the charity and shall manage the business of the charity. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the Board of Management which would have been valid if that alteration had not been made or that direction had not been given.

#### DELEGATION OF POWERS OF THE BOARD OF MANAGEMENT

76. The Board of Management may delegate any of their powers to any committee of the Board of Management consisting of three or more Directors. Any such delegation may be made subject to any conditions the Board of Management may impose, and either collaterally with, or to the exclusion of, their own powers and may be removed or altered. Any such conditions may provide for and authorise the co-option to the committees of persons other than Directors and may provide for members who are not Directors to have voting rights as members of the committees. The Board of Management may not, otherwise, delegate their powers or any of them.

#### REMUNERATION OF THE BOARD OF MANAGEMENT

77. Any Director who serves on any committee of the Board of Management, or who otherwise performs services which in the opinion of the Board of Directors are outside the scope of the ordinary duties of a Director (including but not limited to Area Representative), may be paid such extra remuneration by way of salary, commission or otherwise or may receive such other benefits as the members may by ordinary resolution determine.

#### EXPENSES

78. The members of the Board of Management may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of the Board of Management, or committees of the Board of Management or general meetings, or separate meetings of the holders of debentures of the charity, or otherwise in

connection with the discharge of their duties, at such rates as the Board of Management may from time to time determine.

#### PROCEEDINGS OF THE BOARD OF MANAGEMENT

79. The Board of Management will meet at least four times in each financial year.
80. The Board of Management will decide all matters on a show of hands on a simple majority, and subject to these articles, each Director shall have one vote. In the event of the Board of Management casting equal votes, the Chair of the meeting shall have a second and deciding vote. (see article 87)
81. 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:
- 81.1 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;
  - 81.2 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
  - 81.3 the unconflicted Directors consider it is in the interests of the charity 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.
82. Subject to the provisions of the articles, the Board of Management may regulate their proceedings and those of any committee of the Board of Management as they think fit including video link, electronic and telephone conference meetings. The Board of Management may make Rules in accordance with article 98, and invite observers to attend and speak at meetings of the Board of Management, but observers may not vote. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Board of Management. It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom.
83. The accidental omission to serve notice, or the non-receipt of notice, shall not invalidate the relevant meeting or other proceeding.
84. Questions arising at a meeting shall be decided by a majority of votes.
85. The quorum for the transaction of the business of the Board of Management shall be three or a greater number as may be fixed by the Directors.

86. The continuing Directors or sole continuing Director may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum for the Board of Management, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting.
87. The Board of Management may appoint one of their number to be the Chair of the Board of Management, and one of their number to be Vice Chair, and may at any time remove them from that office. The appointment of an individual as Chair or Vice Chair of the Board of Management will automatically terminate after three years of office but an individual may be re-appointed. Unless he is unwilling to do so, the Chair so appointed shall preside at every meeting of the Board of Management at which he is present. If there is no person holding the office of Chair, or if the Chair is unwilling to preside or is not present within five minutes after the time appointed for the meeting of the Board of Management, the Vice Chair shall preside at the meeting. If there is no Chair or Vice Chair willing or present, the Board of Management present may appoint one of their number to be Chair of that meeting.
88. All acts done by a meeting of the Board of Management, or of a committee of the Board of Management, or by a person acting as a Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director, or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed, and was qualified, and had continued to be a Director, and had been entitled to vote at the meetings of the Board of Management.

#### SECRETARY

89. Subject to the provision of the Companies Acts, the Secretary shall be appointed by the Board of Management for such term, at such remuneration and upon such conditions as the Board of Management may think fit; any Secretary so appointed may be removed by the Board of Management. The Secretary may or may not be a Director or member of the charity.

#### MINUTES

90. The Board of Management shall cause minutes to be made in books kept for the purpose:
  - 90.1 of all appointments of officers made by the Board of Management; and
  - 90.2 of all proceedings at meetings of the charity, and of the Board of Management, and of committees of the Board of Management, including the names of the persons present at each such meeting.

#### ACCOUNTS

91. The accounts and books of the charity shall be open to the inspection of any member of the charity on reasonable notice, and the Board of Management must comply with the

requirements of the Companies Acts as to keeping financial records and accounts, and the preparation of annual reports and statements of account.

#### ANNUAL REPORT AND RETURN AND REGISTER OF CHARITIES

92. The Directors must comply with the requirements of the Charities Act 2011 with regard to the:
- 92.1 transmission of the statements of account to the charity;
  - 92.2 preparation of an Annual Report and the transmission of a copy of it to the Commission; and
  - 92.3 preparation of an Annual Return and its transmission to the Commission.
93. The Directors shall notify the Commission promptly of any changes to the charity's entry on the Central Register of Charities.

#### NOTICES

94. Any notice to be given to or by any person pursuant to the articles (other than a notice calling a meeting of the Board of Management) shall be in writing or shall be given in electronic form to an address for the time being notified for that purpose to the person giving the notice.
95. The charity may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address, or by leaving it at that address, or by giving it in electronic form to an address for the time being notified to the charity by the member, or by posting the information on a public webpage to which all members have access notifying the members that the notice has been posted to the web page and where such notification concerns a general meeting of the charity, the place, date and time of that meeting. Each member who is not an individual may give to the charity an address within the United Kingdom at which notices may be given to that member. A member whose registered address is not within the United Kingdom and who gives to the charity an address within the United Kingdom at which notices may be given to him, shall be entitled to have notices given to him or an address to which notices may be sent in electronic form at that address, but otherwise no such member shall be entitled to receive any notice from the charity.
96. A member present at any meeting of the charity shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
97. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that an electronic form of notice was given shall be conclusive where the charity can demonstrate that it was properly addressed and sent in accordance with section 1147 of the Companies Act 2006. A notice shall, unless the contrary is proved, be deemed to be given at the expiration of

48 hours after the envelope containing it was posted or, in the case of a notice contained in electronic form, at the expiration of 48 hours after the time it was sent.

#### RULES

98. The Directors may establish rules (“Rules”) for any purposes required from time to time for the effective operation of the charity, for the remuneration of the Board of Directors, the classification of members, provided that if there is a conflict between the terms of these articles or the memorandum of association and any Rules established under this article, the terms of the memorandum and articles of association shall prevail.

#### INDEMNITY

99. Subject to the provisions of the Companies Acts every member of the Board of Management, or member of a committee of the Board of Management, shall be indemnified out of the assets of the charity against any liability incurred by him in that capacity in defending any proceedings, whether criminal or civil, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to the Director by the court against negligence default breach of duty or trust in relation to the affairs of the charity.

#### SEAL

100. The charity shall not be obliged to have a seal. The seal (if any) shall only be used by the authority of the Board of Management, or of a committee of Directors authorised by the Board of Management. The Board of Management 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, or by a second Director.

#### DISPUTES

101. If a dispute arises between members of the charity about the validity or propriety of anything done by the members of the charity 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

102. If upon the winding up of the company there is any property remaining after the satisfaction of all its debts and liabilities, it shall not be paid to or distributed among the members of the company, but shall be given or transferred to one or more institutions operating in Somerset having Objects similar to or the same as the charity and which shall prohibit the distribution of their property and funds to the same or greater extent than the company. Such institutions shall be determined by ordinary resolution of the members of the charity at or before the time of dissolution, and if they cannot identify

any institutions with the same or similar Objects to those of the charity in Somerset, they may transfer the surplus to any one or more charities as they shall determine.<sup>1</sup>

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<sup>1</sup> This provision is entrenched in the Articles by Clause 9 of the Memorandum of the company as filed upon its incorporation.