

COMPANY NUMBER:

**The Companies Act 2006**

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**COMPANY LIMITED BY GUARANTEE**

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**ARTICLES OF ASSOCIATION**

**OF**

**THE ARUN AND ROTHER RIVERS TRUST**

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**Incorporated on [                      ]**

**The Companies Act 2006**

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## The Companies Act 2006

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### COMPANY LIMITED BY GUARANTEE

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### ARTICLES OF ASSOCIATION

### OF

### THE ARUN AND ROTHER RIVERS TRUST

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### GENERAL

#### Defined Terms

1. In these Articles, unless the context requires otherwise, the following defined terms have the meanings set opposite them: -

“Accounts”	The financial statements and related Trustees’ and any Auditor’s reports for the accounting reference period.
“Address”	A postal address or, for the purposes of electronic communication, an e-mail address, telephone number for receiving text messages, fax number or other electronic address in each case registered with the Charity.
“Articles”	The Charity’s Articles of Association.
“Board”	The board of Trustees of the Charity, pursuant to the provisions of Article 21.
“Chairman”	The person elected pursuant to Article 21 to be chairman of the Board.
“Charity”	The above-named charity and, for the purposes of Trustees’ interests and benefits, any Subsidiary of the Charity.
“Charity Commission”	The Charity Commission for England and Wales
“Clear days”	In relation to the period of notice, the 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.
“Companies Acts”	The Companies Acts (as defined in section 2 of the Companies Act 2006) in so far they apply to the Charity.
“Connected Person”	Shall be as set out in Schedule 5 of the Charities Act 1993 and shall include, without prejudice to the generality of the foregoing,: - spouse or civil partner, child, parent, grandchild, grandparent, brother, sister or business partner of the Trustee; an institution which is controlled by the Trustee and/or any person referred to above; a body corporate in which the Trustee and/or any person referred to above has a substantial interest.

“Document”	Includes, unless otherwise specified, any document sent or supplied in Electronic Form.
“Electronic Form”	As given in section 1168 of the Companies Act 2006.
“General Meeting”	A meeting of the Members of the Charity
“Members”	All persons admitted to membership of the Charity and entitled to vote at General Meetings.
“Objects”	The objects of the Charity set out in these Articles.
“Officers”	Persons appointed pursuant to Article 44.
“Registered Office”	The service address notified to Companies House as the registered office of the Charity or the email address established for the purpose of receipt of communication in Electronic Form to the Charity.
“Seal”	The common seal of the Charity if it has one.
“Secretary”	Any person appointed to perform the duties of the company secretary of the Charity.
“Subsidiary”	As defined in section 1159 of the Companies Act 2006.
“Trustee”	A director of the Charity for the purposes of the Companies Acts. The directors are charity trustees as defined by section 97 of the Charities Act 1993.
“United Kingdom”	Great Britain and Northern Ireland.

Words importing the singular number only shall include the plural number and vice versa. Words importing the one gender shall include all genders and words importing persons shall include corporations.

Unless the context otherwise requires, words or expressions contained in these Articles have the same meaning as in the Companies Acts, but excluding any statutory modification not in force when the Articles become binding on the Charity.

Subject to the preceding paragraph, a reference to an Act of Parliament includes any statutory modification of re-enactment of it for the time being in force.

### **Liability of Members**

2. (1) Liability of the Members is limited.
- (2) Every Member of the Charity promises, if the Charity is dissolved while he or she or it is a Member or within 12 months after he or she or it ceases to be a Member, to contribute such sum (not exceeding £1) as may be demanded of him or her or it towards the payment of the debts and liabilities of the Charity incurred before he or she or it ceases to be a Member, and of the costs, charges and expenses of winding up, and the adjustment of the rights of contributors among themselves.

## **Objects**

3. The Objects for which the Charity is established are: -

(1) To conserve, protect, restore and improve the rivers, streams, and other waterbodies of the Arun and Western Rother catchments and other rivers and tributaries in Sussex and elsewhere in the Environment Agency's South East region as may be deemed appropriate, for the advancement of environmental protection or improvement for the benefit of the public.

(2) To advance the education of the public, or any association, institution, voluntary organisation, company, local authority, administrative or governmental agency or public body or representative body in: -

(a) The understanding of rivers, river corridors and river catchments, including their fauna, flora, biodiversity, economic or social activity, and river catchment management.

(b) The need for, and benefits of, conservation, protection, rehabilitation and improvement of aquatic environments.

## **Charity Powers**

4. The Charity has power to do anything which is considered to further its Objects or is conducive or incidental to so doing. In particular the Charity may exercise the following powers, namely: -

(1) To raise funds for the Charity. In so doing the Charity shall: -

(a) Accept any gifts, endowments, legacies, subscriptions, grants, loans or income of any other kind of money or property of any kind including contributions subject to special trusts or conditions; provided that in respect of any contributions subject to such restrictions the Charity shall hold and apply the same in accordance therewith and shall only deal with or invest the same in such manner allowed by law, having regard to such trusts.

(b) Not undertake any direct trading activity other than trade exercised in the course of carrying out primary purpose activities of the Charity as construed under charity and other relevant statutory laws and regulations from time to time in force and/or the trade is not taxable.

(2) To buy, lease, exchange, hire or otherwise acquire any property and any rights or privileges that the Charity may think necessary for the promotion of its Objects and to maintain, manage, construct and or alter any buildings or demonstration sites and to equip and fit out any property and buildings for use.

(3) To sell, lease, mortgage, guarantee or otherwise dispose of all or any part of the property belonging to the Charity, subject to such consents required by law. Without prejudice to the generality of the foregoing, in exercising this power, the Charity must comply as appropriate with sections 36 and 37 of the Charities Act 1993, as amended by the Charities Act 2006.

- (4) To borrow money for the purposes of the Charity on such terms and conditions and on such security as may be thought fit, subject to consents required by law. Without prejudice to the generality of the foregoing, the Charity must comply as appropriate with sections 38 and 39 of the Charities Act 1993, as amended by the Charities Act 2006, if it wishes to dispose of mortgaged land.
- (5) To co-operate with other charities, voluntary organisations, statutory authorities and others and to exchange information and advice with them.
- (6) To establish and/or support any charitable trusts, charitable companies, associations or institutions formed for any of the charitable purposes included in the Objects.
- (7) To acquire, merge or enter into any partnership or joint venture arrangement with any other charity.
- (8) To organise or make grants towards the cost of others organising meetings, lectures, conferences, seminars, broadcasts, training or any other form of educational instruction.
- (9) To make grants and/or loans whether out of income or capital and upon such terms and conditions as to interest, repayment, security or otherwise as may be thought fit for or towards charitable purposes in any way connected with or considered reasonable to further the Objects.
- (10) To operate bank accounts in the name of the Charity and to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments.
- (11) In the same manner and subject to the same conditions as the trustees of a trust are permitted to do so by the Trustee Act 2000 to:-
- (a) Deposit or invest funds of the Charity in any investments, securities or property of any other kind and situated anywhere in the world whether involving liabilities or producing income or not as thought fit. Without prejudice to the generality of the foregoing (and the restriction on trading under Article 4(1b) above) the Charity may establish and support any trading Subsidiary.
  - (b) Employ a professional fund-manager.
  - (c) Arrange for the investments or other property of the Charity to be held in the name of a nominee.
- (12) To set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves.
- (13) To employ, engage or retain the services of such persons as may be necessary for carrying out the work of the Charity on such remuneration and other terms and conditions as may be thought fit, including the provision of pension and life assurance benefits.

(14) To provide liability or indemnity insurance for the Trustees and Officers in accordance with, and subject to the conditions in, section 73F of the Charities Act 1993 (section 39 of the Charities Act 2006).

(15) To pay all the costs, charges and expenses preliminary or incidental to the promotion, formation, establishment and incorporation of the Charity (as a company and charity).

### **Application of Income and Property**

5. (1) Income and property of the Charity shall be applied solely towards the promotion of the Objects.

(2) (a) A Trustee is entitled to be reimbursed from the property of the Charity or may pay out of such property reasonable expenses properly incurred by him when acting on behalf of the Charity.

(b) A Trustee may benefit from trustees' liability or indemnity insurance cover purchased at the Charity's expense in accordance with, and subject to the conditions in, section 73F of the Charities Act 1993 (section 39 of the Charities Act 2006).

(c) A Trustee may receive an indemnity from the Charity in the circumstances specified in Article 47.

(3) None of the income or property of the Charity may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any Member. This does not prevent a Member who is not also a Trustee receiving:

(a) A benefit from the Charity in the capacity of a beneficiary of the Charity.

(b) Reasonable and proper remuneration for any goods or services supplied to the Charity.

## **MEMBERS**

### **Membership**

6. (1) The Members of the Charity as of right are the subscribers to the Memorandum of Association of the Charity ("Subscribers"), for so long as they are Trustees and such other persons as are appointed as Trustees of the Charity in accordance with the Articles.

(2) The Board may at its discretion resolve:

(a) To open membership to any other individuals or organisations.

(b) Establish one or more categories of Members and regulate their admission and their rights and privileges.



(3) Every person who wishes to be admitted as a Member shall deliver to the Charity a signed application in such form as the Trustees require and (other than the Subscribers or Trustees) be approved by the Board.

(4) The Board may refuse an application for membership pursuant to Article 6 (2) if, acting reasonably and properly, the Board considers it is in the best interests of the Charity to refuse the application. The Board shall notify the applicant accordingly within 21 days thereof, but shall not be obliged to give any reason for the refusal.

### **Membership Subscriptions**

7. The Board may levy subscriptions on all or any categories of membership at such rates as it shall determine and may levy subscriptions and other fees or payments at different rates for different Members of the same category.

### **Termination of Membership**

8. Membership of a Member shall not be transferable and a Member shall cease to be a Member if he:

(1) Dies or, in the case of an organisation, ceases to exist.

(2) Resigns by written notice to the Charity unless, after the resignation, there would be less than 3 Members.

(3) He ceases to be a Trustee (except where he retires by rotation and is re-appointed).

(4) Any subscription due from the Member to the Charity is not paid in full within 6 months of it falling due, and the Board resolves that the Member be removed from membership.

(5) If the Member concerned is removed from membership by a resolution of the Board on the grounds that, in their opinion, the Member's continued membership is harmful to the Charity or not in its best interests. A resolution to remove a Member from membership may only be passed if: -

(a) The Member has been given at least 21 days' notice in writing of the meeting of Trustees at which the resolution will be proposed and the reasons why it is to be proposed; and

(b) The Member or, at the option of the Member, the Member's representative (who need not be a Member of the Charity) has been allowed to make representations to the meeting.

### **Patrons or President**

9. (1) The Board may at its discretion appoint any persons to be Patrons or President of the Charity (and remove any Patron or President) on such terms as they shall think fit.

(2) A Patron or President shall have the right to attend and speak (but not vote) at any General Meeting of the Charity and to be given notice of General Meetings as if a Member and shall also have the right to receive Accounts when available to Members.

### **Supporters**

10. The Board may from time to time establish one or more categories of honorary or affiliate membership as supporters (by whatever name determined by the Board). Such resolution may bestow upon the persons concerned such rights, privileges, duties and obligations, including subscriptions, provided that the rights thereof do not extend to voting at General Meetings and they shall not be Members for the purposes of the Companies Acts or the Articles.

### **Calling General Meetings**

11. The Board may call General Meetings and, on the requisition of Members pursuant to the provisions of the Companies Acts, shall forthwith proceed to convene a General Meeting in accordance with the provisions of the Companies Acts. If there are not within the United Kingdom sufficient Trustees to call a General Meeting, any Trustee or Member of the Charity may call a general meeting.

### **Notice of General Meetings**

12. (1) General Meetings must be called by giving at least 14 clear days' notice, but may be called by shorter notice if it is so agreed by a majority of Members entitled to attend and vote holding not less than 90 per cent of the total voting rights of all the Members.
- (2) The notice must specify the time and place of the meeting and the general nature of the business to be transacted.
- (3) The notice must contain a statement setting out the right of Members to appoint a proxy under section 324 of the Companies Act 2006 and Article 19.
- (4) The notice must be given to all Members, Trustees, the Auditors and any Patrons or President.

### **Quorum**

13. (1) No business shall be transacted at any General Meeting unless a quorum is present.
- (2) 3 persons or 10 per cent of the total membership at the time (rounded down to the nearest whole number), whichever is the greater, entitled to vote upon the business to be transacted shall constitute a quorum.
- (3) If a quorum is not present within 30 minutes from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to such time and place as the Board shall determine.
- (4) The Board must reconvene the meeting and must give at least 7 clear days' notice of the reconvened meeting starting the date, time and place of the meeting.

(5) If no quorum is present at the reconvened meeting within 15 minutes of the time specified for the start of the meeting the Members present in person or by proxy at that time shall constitute the quorum for that meeting.

### **Adjournment**

14. (1) The Members present in person or by proxy at a meeting may resolve by ordinary resolution to adjourn the meeting.

(2) The Chairman (or other chair of the meeting) must decide the date, time and place at which the adjourned meeting is to be reconvened unless those details are specified in the resolution.

(3) No business shall be transacted at any adjourned meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

(4) When a meeting is adjourned for more than 14 days, at least 7 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 shall not be necessary to give any such notice.

### **Chairing Meetings**

15. (1) The Chairman or in his absence another Trustee nominated by the Board shall preside as chair of the meeting.

(2) If neither the Chairman nor such Trustee is present within 15 minutes after the time appointed for the meeting another Trustee present and willing to act shall chair the meeting.

(3) If no Trustee is willing to act, the Members present in person or by proxy must elect one of themselves to chair the meeting.

### **Attendance and speaking at General Meetings**

16. (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 his 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 Board may make whatever arrangements it considers appropriate to enable those attending a General Meeting to exercise their rights to speak or vote at it.

(4) In determining attendance at a General Meeting, it is immaterial whether any 2 or more Members attending it are in the same place as each other.

(5) 2 or more Members who are not in the same place as each other attend a General Meeting if their circumstances are such that if they have (or were to have) rights to speak and vote and vote at that meeting, they are (or would be) able to exercise them.

(6) The Chairman (or chair of the meeting) may permit other persons who are not Members to attend and speak at a General Meeting.

### **Voting**

17. (1) Any resolution put to the vote at a meeting shall be decided by a show of hands unless before, or on the declaration of the result of, the show of hands, a poll is demanded by: -

(a) The Chairman (or other chair of the meeting)

(b) At least 2 Members present in person or by proxy.

(2) Unless a poll is duly demanded a declaration by the Chairman (or other chair of the meeting) 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 made 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.

(3) The demand for a poll may be withdrawn before a poll is taken, but only with the consent of the Chairman (or other chair of the meeting). The withdrawal of a demand for a poll shall not invalidate the result of a show of hands declared before the demand was made.

(4) A poll shall be taken as the Chairman (or other chair of the meeting) directs and he may appoint scrutineers (who need not be Members) and fix a time and place for declaring the results of the poll. The results of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.

(5) (a) A poll demanded on the election of a chairman or on a question of adjournment must be taken immediately.

(b) A poll demanded on any other question shall be taken either immediately or at such time and place as the Chairman (or other chair of the meeting) directs being not more than 30 days after the poll is demanded.

(c) No notice need be given of a poll not taken forthwith if the date, time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least 7 clear days' notice shall be given specifying the date, time and place at which the poll is to be taken.

(d) The demand for a poll shall not prevent continuance of the meeting for the transaction of any other business other than the question on which the poll is demanded.

(6) Every Member (notwithstanding any different categories of membership) shall have one vote. The Chairman shall have no second or casting vote.

(7) No Member may vote on any matter at a General Meeting in which he is personally interested (other than the acceptance of a guarantee or other liability). Any Member who has a personal interest shall: -

(a) Declare it as soon as practicable.

(b) Withdraw from the meeting for the duration of the matter in which he has the personal interest.

(c) Not be counted in the quorum for that part of the meeting.

(8) Any Member entitled to attend and vote at any General Meeting of the Charity shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote on a show of hands or poll instead of him.

(9) Any objection to the qualification of any voter must be raised at the meeting at which the vote is tendered and the decision of the Chairman (or other chair of the meeting) shall be final.

(10) (a) Any organisation that is a Member of the Charity may nominate any person to act as its representative at any meeting of the Charity.

(b) The organisation shall give written notice to the Charity of the name of its representative, but in the absence of a specific notice the Chairman may accept an attendance sheet for the meeting signed on behalf of the organisation by a representative as being valid notice.

(c) Any notice given to the Charity will be conclusive evidence that the representative is entitled to represent the organisation or that his or her authority has been revoked. The Charity shall not be required to consider whether the representative has been properly appointed by the organisation.

### **Written resolutions**

18. (1) An ordinary resolution in writing agreed by a simple majority of the Members who would have been entitled to vote if it had been proposed at a General Meeting shall be effective provided that: -

(a) A copy of the proposed resolution has been sent to every Member;

(b) A simple majority of Members has signified its agreement to the resolution; and

- (c) It is contained in an authenticated document which has been received at the Registered Office within the period 28 days beginning with the circulation date.
- (2) A special resolution shall follow the procedure for an ordinary resolution except that the majority required shall exceed 75 per cent in favour.
- (3) A resolution in writing may comprise several copies to which one or more Members have signified their agreement.
- (4) In the case of a Member that is an organisation, its authorised representative may signify its agreement.

**Content of proxy notices**

- 19. (1) Proxies may only be validly appointed by a notice in writing (a “proxy notice”) which: -
  - (a) States the name and address of the Member appointing the proxy;
  - (b) Identifies the person appointed to be that Member’s proxy and the General Meeting in relation to which that person is appointed;
  - (c) Is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Trustees may determine; and
  - (d) Is delivered to the Charity in accordance with the Articles and any instructions contained in the notice of General Meeting to which relate.
- (2) The Charity may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- (5) Unless a proxy notice indicates otherwise, it must be treated as: -
  - (a) Allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
  - (b) Appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

**Delivery of proxy notices**

- 20. (1) A proxy notice must be delivered to the Charity at its Registered Office not less than 48 hours before the meeting to which it relates.
- (2) 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 Member.

(3) An appointment under a proxy notice may be revoked by delivering to the Charity notice in writing given by or on behalf of the Member by whom or on whose behalf the proxy notice was given.

(4) 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.

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

## **THE TRUSTEES**

### **The Board**

21. (1) The Trustees for the time being shall constitute the Board.
- (2) The first Trustees shall be those persons notified to Companies House as the first Trustees of the Charity.
- (3) The Board shall be not less than 3 and not more than 20 Trustees.
- (4) The Board shall elect one of the Trustees to be the Chairman.
- (5) A Trustee shall not be permitted to appoint an alternate trustee or anyone to act on his own behalf at meetings of the Board.
- (6) The Charity may by ordinary resolution increase or decrease the maximum number of Trustees.

### **Powers of the Board**

22. (1) The Board shall manage the business of the Charity and may exercise all the powers of the Charity unless they are subject to any restrictions imposed by the Companies Acts, the Articles or by any special resolution.
- (2) No alteration of the Articles or any special resolution shall have retrospective effect to invalidate any prior act of the Board.
- (3) Any Board meeting at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the Board.
- (4) The Board may from time to time make such rules as it thinks fit for the proper conduct and management of the Charity, provided that:-
- (a) No such rules shall be inconsistent with, or shall affect or repeal anything contained in, the Articles.
- (b) The Board shall adopt such means as it thinks sufficient to bring the notice of Members to such rules.

(c) The Charity in General Meeting has the power to alter, add to, or repeal such rules.

### **Retirement of Trustees**

23. (1) All the Trustees must retire from office at the first General Meeting at which the Accounts are laid.
- (2) Thereafter, one-fifth or, if their number is not a multiple of 5 then the nearest to one-fifth, must retire by rotation either at: -
- (a) Each subsequent General Meeting at which the Accounts are laid; or
  - (b) Each subsequent Board meeting at which the Accounts are approved, if at that Board meeting there is no resolution to convene a General Meeting to receive the Accounts for the immediately preceding accounting reference period.
- (3) The Charity may by ordinary resolution vary the proportion to retire by such rotation.
- (4) The Trustees to retire by rotation shall be those who have been longest in office since their last appointment. As between those Trustees who became or were appointed on the same day those to retire shall (unless they otherwise agree among themselves) be determined by alphabetical order of surnames or by lot.
- (5) A Trustee who retires by rotation is eligible for re-appointment and, if willing to act, may be re-appointed either at the General Meeting or Board meeting referred to in Article 23 (2) as the case may be. A Trustee who retires by rotation and is not re-appointed shall vacate office at the conclusion of that meeting.

### **Appointment of Trustees**

24. (1) No person shall be appointed or re-appointed a Trustee: -
- (a) Unless he is a natural person and has attained the age of 16 years.
  - (b) In circumstances such that, had he already been a Trustee, he would have been disqualified from acting under the provisions of Article 25.
  - (c) The maximum number of Trustees pursuant to Article 21 shall be exceeded.
- (2) (a) The Charity may by ordinary resolution at a General Meeting appoint a person who is willing to be a Trustee.
- (b) In such a case, all Members who are entitled to receive notice of a General Meeting must be given not less than 14 days' notice of any resolution to be put to the meeting to appoint any person as a Trustee other than a Trustee who is to retire by rotation.



(3) No person other than a Trustee retiring by rotation may be appointed a Trustee at any General Meeting unless:

(a) He is recommended by the Board; or

(b) Not less than 21 days or not more than 2 calendar months before the date appointed for the General Meeting, a notice signed by at least 2 Members has been given to the Charity of the intention to propose that person for appointment stating the particulars which would, if he were so appointed, be required to be filed at Companies House by the Charity, together with a notice signed by that person of his willingness to be appointed.

(4) (a) The Board may at any time appoint a person who is willing to act to be a Trustee either to fill a vacancy or as an additional Trustee.

(b) A Trustee so appointed shall hold office only until the next following General Meeting at which the Accounts are laid or at the next Board meeting at which the Accounts are approved, if no General Meeting is resolved to be convened to receive the Accounts for the immediately preceding accounting reference period. The Board may re-appoint a Trustee so appointed at such Board meeting if no General Meeting is resolved to be convened.

(c) Such a Trustee shall not be taken into account in determining the Trustees who are to retire by rotation at that meeting, but upon re-appointment shall thereafter become subject to retirement by rotation pursuant to Article 23 (2).

#### **Disqualification and removal of Trustees**

25. A Trustee shall cease to hold office if he: -

(1) Ceases to be a Trustee by virtue of any provision in the Companies Acts or is otherwise prohibited by law from being a Trustee.

(2) Is disqualified from acting as a Trustee by virtue of section 72 of the Charities Act 1993 (or any statutory re-enactment or modification of that provision).

(3) Ceases to be a Member.

(4) Becomes incapable by reason of mental disorder, illness or injury of managing and administering his own affairs.

(5) Resigns as a Trustee by notice to the Charity (but only if at least three Trustees will remain in office when the notice is to take effect).

(6) Is absent without permission of the Board from all their meetings held within a period of 12 months and the Board resolves that his office be vacated.

#### **Remuneration of Trustees**

26. The Trustees must not be paid any remuneration unless it is authorised by Article 35.

### **Proceedings of the Board**

27. (1) The Board may regulate their proceedings as they think fit, subject to the provisions of the Articles.
- (2) Any Trustee may call a meeting of the Board.
- (3) The Secretary (if any) must call a meeting of the Board if requested to do so by a Trustee.
- (4) Questions arising at a Board meeting shall be decided by a majority of votes.
- (5) In the case of an equality of votes (at a Board meeting) the Chairman (or other chair of the meeting) shall have a second or casting vote.
- (6) A meeting may be held by suitable Electronic Form or other means agreed by the Trustees in which each participant may communicate with all the other participants. Participation by such means shall be deemed to constitute presence in person and business so transacted shall be effective for all purposes as that of a meeting of the Board duly convened and held with such persons physically present.
- (7) It shall not be necessary to give notice of a meeting to a Trustee who is absent from the United Kingdom.
- (8) Unless he is unwilling to do so, the Chairman shall act as chairman of and preside at every meeting of the Board at which he is present. If the Chairman is unwilling to preside or is not present within 10 minutes after the time appointed for the meeting, the Trustees present shall appoint another Trustee to be chairman of the meeting. Where the Chairman is ineligible to vote on any matter, the Trustees shall appoint one of their number who is eligible to vote thereon to be the chairman for such matter.

### **Quorum**

28. (1) The quorum for transacting the business of the Board may be fixed by the Board but shall not be less than two present at the time the decision is made. Present shall include being present by electronic means as the case may be.
- (2) A Trustee shall not be counted in the quorum present in relation to a resolution on which he is not entitled to vote.
- (3) If the number of Trustees is less than the number fixed as the quorum, the continuing Trustee(s) may act only for the purpose of filling vacancies or of calling a General Meeting.

### **Written Resolutions**

29. (1) A resolution in writing or in Electronic Form agreed by a simple majority of all the Trustees entitled to receive notice of a Board meeting and to vote upon the resolution shall be as valid and effectual as if it had been passed at a Board meeting duly convened and held provided that:-
- (a) A copy of the resolution is sent or submitted to all the Trustees eligible to vote; and
- (b) A simple majority of Trustees has signified its agreement to the resolution in an authenticated document or documents which are received at the Registered Office within the period of 28 days beginning with the circulation date.
- (2) A resolution in writing may comprise one or more documents containing the text of the resolution in like form to each of which one or more Trustees have signified their agreement.

### **Delegation**

30. The Board may delegate any of its powers or functions to any committee of 2 or more Trustees provided that: -
- (1) The resolution making that delegation shall specify the Trustees and others who shall serve or be asked to serve on such committee (although the resolution may allow the committee to make co-options up to a specified number).
- (2) Any other Trustee has the right to request notice of, attend, speak and vote at any committee meeting.
- (3) The Board may make such regulations and impose such terms and conditions and give such mandates to any such committee as it may from time to time think fit, provided that no expenditure may be incurred on behalf of the Charity except in accordance with expenditure authorisations conferred and/or a budget previously agreed by the Board.
- (4) The Board may revoke or alter a delegation at any time.
- (5) All deliberations of any committees shall be reported regularly to the Board and any resolution passed or decision taken by any such committee shall be reported promptly to the Board and for that purpose every committee shall appoint a secretary.
- (6) The provisions related to Trustees' interests and benefits shall apply to any person serving on any committee in the same way as they apply to a Trustee.
- (7) The provisions related to written resolutions and acts done shall apply to a committee in the same way as for a Board meeting.

### **Validity of Board decisions**

31. (1) Provided that the decision would have been carried without the vote of that Trustee and the meeting would have been otherwise quorate, all acts done by a Board

meeting shall be valid notwithstanding the participation in any vote of a Trustee who:-

- (a) Was disqualified from holding office.
- (b) Had previously retired or who had been obliged by the Articles to vacate office.
- (c) Was not entitled to vote on the matter, whether by reason of a conflict of interests or otherwise.

(2) Notwithstanding the above, a Trustee or a Connected Person shall not be permitted to keep any benefit that may be conferred on him by a resolution of the Board if:-

- (a) But for Article 31 (1), the resolution would have been void; or
- (b) The Trustee has not complied with Article 32.

## **TRUSTEES' INTERESTS & BENEFITS**

### **Declaration of Interests**

32. (1) A Trustee must declare the nature and extent of any interest, direct or indirect, which he has, or reasonably believes he has, in an actual or proposed transaction or arrangement with the Charity which has not previously been declared. For the purposes hereof: -

(a) A general notice given to the Charity that the Trustee is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement shall be deemed to be a disclosure thereof.

(b) An interest of a Connected Person shall be treated as an interest of the Trustee.

(c) Disclosure to those Trustees who participate in the decision on the transaction or arrangement shall, provided it is duly recorded in the minutes recording the transaction or arrangement, be deemed a disclosure to all Trustees.

### **Non-Participation**

33. (1) A Trustee must withdraw or absent himself from that part of a meeting of the Board in which:-

(a) It is reasonably expected that a conflict will arise between his duty to act solely in the interests of the Charity and any personal interest (including but not limited to any personal financial interest).

(b) It becomes apparent that such a conflict has arisen.

(2) The Trustee shall not vote on any such matter and shall not be counted in the quorum of Trustees present for the matter.

### **Conflicts of Interests**

34. (1) If a conflict of interests arises for a Trustee 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 un-conflicted Trustees may authorise such a conflict of interests where the following conditions apply:
- (a) The conflicted Trustee 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 Trustee does not vote on any such matter and is not counted in calculating if a quorum of Trustees is present for the matter.
  - (c) The un-conflicted Trustees consider it is in the interests of the Charity to authorise the conflict of interests in the circumstances applying.
- (2) 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 that does not involve a direct or indirect benefit of any nature to a Trustee or Connected Person.
- (3) A Trustee shall not be treated as having a conflict of interests if:-
- (a) The resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the Charity.
  - (b) The resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation by the Charity which the Trustee has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security.
  - (c) His interest arises by virtue of being a trustee (or, in the case of a charitable company, a director) of another rivers trust (by whatever name and having similar charitable objects).
  - (d) His interest arises by virtue of being incidentally employed by any government department, government agency, or local authority having a statutory responsibility for rivers and their environmental protection.

### **Prohibition of Trustees' Benefits**

35. No Trustee or Connected Person may:
- (1) Buy any goods or services from the Charity on terms preferential to those applicable to the general public;
  - (2) Sell goods, services or any interest in land to the Charity;
  - (3) Be employed by, or receive any remuneration from, the Charity;

(4) Receive any other financial benefit from the Charity

Unless:

(a) The payment is permitted by Article 36; or

(b) The Trustees obtain the prior written approval of the Charity Commission and fully comply with any procedures it prescribes.

**Provision of goods and services etc.**

36. (1) A Trustee 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 Board do not benefit in this way.

(2) A Trustee 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 73A to 73C of the Charities Act 1993 (sections 36 & 37 of the Charities Act 2006).

(3) Subject to Article 37, a Trustee or Connected Person may provide the Charity with goods that are not supplied in connection with services provided to the Charity by the Trustee or Connected Person.

(4) A Trustee or Connected Person may receive interest on money lent to the Charity at a reasonable rate which must be below the base rate of a clearing bank used by the Charity from time to time.

(5) A Trustee or Connected Person may receive rent for premises let by the Trustee or Connected Person to the Charity if the amount of the rent and the other terms of the lease are and remain more favourable than a corresponding commercial let to a third party.

(6) The Board may arrange for the purchase out of the funds of the Charity, of insurance designed to indemnify the Trustees in accordance with the terms of, and subject to the conditions in, section 73F of the Charities Act 1993 (section 39 of the Charities Act 2006).

(7) A Trustee or Connected Person may take part in the normal trading and fundraising activities of the Charity on the same terms as the general public.

**Payment for supply of goods only**

37. The Charity and its Trustees may only rely on the authority provided by Article 36 (3) if each of the following conditions is satisfied:

(1) The amount or maximum amount of the payment for the goods is set out in a written agreement between:

(a) The Charity; and

(b) The Trustee or Connected Person supplying the goods thereunder to or on behalf of the Charity

(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 goods in question.

(3) The Board is satisfied that it is the best interests of the Charity to contract with the Trustee or Connected Person rather than a third party. In reaching its decision the Board must balance the advantage of contracting with the Trustee or Connected Person against the disadvantages of so doing.

(4) The Trustee in question does not vote on any such matter and is not counted when calculating if a quorum is present at the Board meeting.

(5) The reason for the Board's decision is recorded in the minute book.

(6) A majority of the Board is not in receipt of remuneration or payments authorised by Article 36.

## **ADMINISTRATIVE ARRANGEMENTS**

### **Seal**

38. If the Charity has a seal it must only be used by the authority of the Board or of a committee of the Board authorised by the Board. The Trustees may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by any two Trustees or a Trustee and the Secretary (if any).

### **Minutes**

39. The Board must keep minutes for a minimum of 10 years of all: -

(1) Appointments of Officers.

(2) Proceedings at General Meetings.

(3) Proceedings at Board meetings and of Board committees including:-

(a) The names of those present at each such meeting.

(b) Decisions made at the meeting.

(c) Where appropriate, the reasons for the decisions.

### **Accounts**

40. (1) The Board must prepare Accounts for each accounting reference period (financial year) as required by the Companies Acts. The Accounts must be prepared to show a true and fair view and follow accounting standards issued or adopted by the Accounting Standards Board or its successors and adhere to the recommendations of applicable Statements of Recommended Practice.

(2) The Board must keep accounting records sufficient to show and explain the transactions and assets and liabilities of the Charity and otherwise comply with the Companies Acts.

(3) The Charity must comply with the Companies Acts and the Charities Act 1993 with regard to the preparation and filing of the Accounts with Companies House and the Charity Commission.

#### **Annual Return and Registers**

41. (1) The Board must comply with the requirements of the Companies Acts and the Charities Act 1993 with regard to the preparation and filing of the Annual Return with Companies House and the Charity Commission respectively.

(2) Respectively notify Companies House and the Charity Commission of statutory changes to the Charity's entry at Companies House and the Central Register of Charities.

#### **Bank Accounts**

42. Any bank account in which any part of the assets of the Charity is deposited shall clearly indicate the name of the Charity.

#### **Auditors**

43. Auditors shall be appointed and their duties regulated in accordance with the Companies Acts, including, but not limited to, appointment by the Charity in General Meeting except that the Board may appoint the first auditor (or the first auditor after a period of audit exemption) and can fill a casual vacancy.

#### **Officers**

44. The Board: -

(1) May appoint or engage: -

(a) A chief executive officer (whether known by that name or as Director or a like title).

(b) A Secretary.

(c) A treasurer and such other officers as they shall see fit.

(2) May appoint one or more of the Trustees to any executive office above, and any such appointment or engagement may be made for the purpose of discharging such duties and upon such terms as the Board determines, subject to Article 36, and the Board may dismiss any Trustee so appointed. Any appointment of a Trustee to an executive office shall automatically terminate if he ceases to be a Trustee.

#### **Advisory Council**

45. The Board may establish an advisory council (by whatever name) and shall determine, by resolution or resolutions made from time to time, the composition and terms of reference of and the procedures applicable to the conduct of business by the



advisory council, provided that the Board shall not delegate any of their powers to such a council and it shall have no power to bind or act on behalf of the Charity.

**Means of Communication to be used**

46. (1) Subject to the Articles, anything sent or supplied by or to the Charity 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 Charity.
- (2) Subject to the Articles, any notice or document to be sent or supplied to a Trustee in connection with the decisions by Trustees may also be sent or supplied by the means by which that Trustee has asked to be sent or supplied with such notices or documents for the time being.
- (3) Any notice to be given to or by any person pursuant to the Articles must be: -
- (a) In writing; or
  - (b) Given in Electronic Form.
- (4) The Charity may give any notice to a Member either:-
- (a) Personally; or
  - (b) By sending it by post in a prepaid envelope addressed to the Member at his Address; or
  - (c) Leaving it at the Member's Address or
  - (d) By giving it in Electronic Form to the Member's Address.
- (5) A Member who does not register an address with the Charity or registers only a postal address that is outside of the United Kingdom shall not be entitled to receive any notice from the Charity.
- (6) A Member present in person at any meeting of the Charity shall be deemed to have received notice of the meeting and of the purposes for which it was called.
- (7) (a) Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed as given 48 hours after the envelope containing it was posted.
- (b) Proof that a notice in Electronic Form 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 given in Electronic Form shall be deemed as given 48 hours after it was sent.
- (8) The accidental omission to give notice of a meeting to or the non-receipt of a notice of a meeting by a person entitled to receive notice shall not invalidate the proceedings of that meeting.

### **Indemnity and Insurance**

47. (1) Subject to the provisions of the Companies Acts, the Charity shall indemnify every Trustee, Officer and auditor of the Charity in his respective capacity against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted, or in connection with any application in which relief is granted to him by the court for negligence, default, breach of duty or breach of trust in relation to the affairs of the Charity, and against all costs, charges, losses, expenses or liabilities incurred by him in the execution and discharge of his duties or in relation thereto.
- (2) The Board may decide to purchase and maintain insurance, at the expenses of the Charity, for the benefit of any relevant Trustee or Officer in respect of any relevant loss. In this Article:-
- (a) A “relevant Trustee or Officer” means any Trustee, Officer or former Trustee or Officer of the Charity or an associated company.
- (b) A “relevant loss” means any loss or liability which has been or may be incurred by a relevant Trustee or Officer in connection with that Trustee’s or Officer’s duties or powers in relation to the Charity, any associated company or any pension fund of the Charity or associated company.
- (c) Companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate.

### **Dissolution**

48. (1) The Members may at any time before, and in expectation of, its dissolution resolve that any net assets of the Charity after all its debts and liabilities have been paid, or provision has been made to pay them, shall on or before the dissolution of the Charity be applied or transferred in any of the following ways:-
- (a) Directly for the Objects; or
- (b) By transfer to any charity or charities for purposes similar to the Objects; or
- (c) To any charity or charities for particular purposes that fall within the Objects.
- (2) Subject to any such resolution of the Members, the Trustees may at any time before and in expectation of its dissolution resolve that any net assets of the Charity after all its debts and liabilities have been paid, or provision made for them, shall on or before dissolution of the Charity be applied or transferred:-
- (a) Directly for the Objects; or
- (b) By transfer to any charity or charities for purposes similar to the Objects; or

(c) To any charity or charities for particular purposes that fall within the Objects.

(3) In no circumstances shall the net assets of the Charity be paid to or distributed among the Members (except to a Member that is itself a charity) and if no such resolution is passed by the Members or the Trustees the net assets of the Charity shall be applied for charitable purposes as directed by the Court or the Charity Commission.