

**The Companies Acts 2006**

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

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**ARTICLES OF ASSOCIATION**

**OF**

**THE CLYDESDALE HORSE SOCIETY**

**(as adopted by a special resolution passed by the members at the EGM held  
on 23<sup>rd</sup> January 2026)**

Company Number: SC204832  
 Scottish Charity Number: SC011766

The Companies Act 2006  
 Company limited by guarantee and not having a share capital

**ARTICLES OF ASSOCIATION OF THE CLYDESDALE HORSE SOCIETY  
 (the "Company" or the "Charity").**

**INTERPRETATION**

1.1 In these Articles the following words will have the meaning shown opposite them, unless the context indicates another meaning

<b>Word</b>	<b>Meaning</b>
Articles	These Articles of Association.
Board	The Board of Directors of the Company who are also Trustees of the Charity. The words Director and Trustee are interchangeable. The Board will often delegate day to day management to Council to act on its behalf on certain matters.
President	The Chair of the Board.
Charity Law	Charity Law in Scotland, governed by the Charities and Trustee Investment Scotland Act 2005 and the Charity's (Regulation and Administration) (Scotland) Act 2023.
Charity	The Scottish Charity regulated by these Articles and sometimes referred to in them as the Society.
Charity regulator	The Office of the Scottish Charity Regulator (OSCR).
Company	The Company regulated by these Articles and sometimes referred to in them as The Society.

Clear days	In relation to a period of notice the period excluding the day on which notice is given or deemed to be given and the date of the event to which the notice relates.
Companies Act	The Companies Acts (as defined in S2 of the Companies Act 2006) insofar as they apply to the Society.
Connected person	Has the meaning given to it in these Articles.
Council	A body with powers delegated to it by the Directors or Trustees on the matters referred to in Article 23.
Directors	Trustees and members of the Board (see Trustees below).  Where the word "Director" is used in these articles it is deemed to mean "Director and Trustee".
Executed	Includes any mode of execution.
Material benefit	A benefit, direct or indirect, which may not be financial, but which has a monetary value.
Member	A Member of the Society for Company and Charity Law purposes and for the avoidance of doubt shall exclude Junior Members and any others articulated in the Membership section of these Articles
Misconduct	Has the meaning given to it in the Regulations.
Month	Calendar month.
Objects	The objects of the Society as defined in the Memorandum of Association.
Office	The Registered Office of the Society.

Ordinary resolution	A resolution agreed by a simple majority of the Members present and voting at a <i>General Meeting</i> or in the case of a written resolution by Members who together have a single majority of voting rights.
OSCR	Scotland's Charity Regulator - The Office of The Scottish Charity Regulator.
Regulations	Any rules, standing orders or regulations made in accordance with these Articles.
Secretary	Includes the Company Secretary appointed under the Companies Act or any other person appointed to perform the duties of the Secretary including a joint, assistant or deputy secretary.
Seal	The common seal of the Society if any.
Signed	Shall include such forms of authentication that is permitted by law.
Society	Where used the word "Society" shall mean the Company incorporated under the Companies Act or the Registered Scottish Charity registered with the Office of the Scottish Charity Regulator (OSCR).
Special resolution	A resolution agreed by 75% of the Members present and voting at a <i>General Meeting</i> or in the case of a written resolution by Members who together hold 75% of the voting rights.
Stud book	The Stud Book and <i>Grading Registers</i> maintained by the Society into which are entered the names of all registered Clydesdale Horses.

Trustees	The Directors and Trustees of the Board (see Directors above).
	Where the word "Trustee" is used in these Articles it is deemed to mean "Director and Trustee".
United Kingdom	Great Britain and Northern Ireland.
Working day	Any day which is not a Saturday, Sunday or a recognised bank holiday in Scotland.
Written / in writing	The representation or reproduction of words symbols or other information in a visible form by any method or combination of methods whether sent or supplied in electronic form or otherwise.

1.2 In these articles:

- 1.2.1 The words "person" "people" or "peoples" includes other Charities including Scottish Charitable Incorporated Organisations (SCIO), Royal Charter Corporations, Companies, Trusts, Societies or Associations, Government Departments, Statutory Authorities, other individuals, corporations, partnerships or other incorporated or unincorporated bodies.
- 1.2.2 Apart from the words defined above, any words or expressions defined in the Companies Act or in the Charities Law of Scotland will have the same meanings in these Articles unless the context indicates another meaning.
- 1.2.3 References to an Act of Parliament either in the Scottish Parliament or the UK Parliament are made to that Act as amended or reenacted from time to time and to any subordinate legislation made under it.
- 1.2.4 The words "include(s)" or "including" or "in particular" are deemed to have the words "without limitation" following them. Where the context permits, the words "other" and "otherwise" are illustrative and shall not limit the sense of the words preceding them.

**2. Registered Office**

The Registered Office of the Society will be in Scotland.

**3. Objects**

The objects of the Society are for the public benefit and are set out in detail in the Memorandum of Association.

**4. Powers**

The Society shall have the following powers which may be used only to promote its objects:

***Acquisition management and disposal of assets***

To buy, take on lease, share, hire or otherwise acquire property of any sort.

To sell, lease, or otherwise dispose of any part of the property belonging to the Society provided that where applicable Directors comply with the legislation referred to in these Articles

To borrow money and to charge the whole or any part of the property belonging to the Society as security, provided that the Members agree to this at the Annual or Extraordinary General Meeting.

To construct, alter, provide, manage, maintain, furnish, and fit all the necessary furniture and other equipment to any buildings or any structures or any land that the Society may use.

***Staff, agents and Advisers***

To employ and pay any employees and other staff, consultants, agents and advisers.

To make provisions for the payment of pensions and other benefits on behalf of employees and their dependents.

***Funding***

To raise funds in any way including by way of contribution, grant, subscription, entering contracts and carrying on trade (but not by means of taxable trading) and, in its discretion. to decline or disclaim any contribution.

**Activities**

To promote the Clydesdale Horse through such means as the Board shall determine from time to time.

To promote or undertake study or research and disseminate the useful results of such research.

To produce, print and publish anything to its objects in any media.

To provide grants, scholarships, awards or materials in kind and to provide or procure the provision of services, education, training, consultancy, advice, support, counselling or guidance.

To promote and advertise the Society's activities and to seek to influence public opinion, policy and regulations implemented or proposed to be implemented by government or statutory authorities or any other public bodies by undertaking campaigning.

To undertake the administration or management (whether as Director, Trustee, agent or otherwise) of any Charitable Trust.

To accept any property upon or on any special trusts or for any institution or purposes either specified or to be specified by some person other than the Directors.

**Collaboration**

Subject to the advance agreement of the Members in General Meeting:

- (a) To establish promote and otherwise assist in any way any Limited Company or Companies or other bodies, and to establish either as a fully owned subsidiary of the Society, or jointly owned with other people, and to finance such bodies by way of loan, share subscription or other means.
- (b) To take control of, support, cooperate, federate, merge, join or amalgamate with any other person.
- (c) To transfer or to purchase or to acquire from any person with or without consideration, any property, asset or liabilities, and to perform any of their engagements

***Banking and insurance***

To open and operate bank accounts and other banking facilities including using Internet banking or other electronic authentication methods.

To insure any risk arising from the Company's activities.

To purchase indemnity insurance for the Directors and Trustees in accordance with and to the extent defined and permitted by Charity Regulations.

***Investments***

To invest in any investments, securities or properties but only to the extent that advice has been received currently by Barclays Investments or any relevant, competent and authorised investment manager, regulated under Financial Services regulations.

The appointed Investment Manager(s) will be given the power to invest on a discretionary basis under the following terms:

- (a) Investments shall be made only within clear policy guidelines set by the Board.
- (b) The Investment Managers are under obligation to report promptly to the Board the performance of investments managed by them.
- (c) The Board is entitled at any time to review, alter or terminate the arrangements with Barclays Wealth or to change any delegation arrangements.
- (d) The Board can review the arrangements for delegation at intervals but any failure by The Boards to undertake such reviews shall not invalidate the delegation.
- (e) The Investment Managers must not do anything outside the powers given to the by the Society.

***Other Matters***

To do anything else within the law which promotes or helps to promote the objects of the Society.

## 5. Use of Funds and Property

- 5.1 No part of the Society's funds or property shall be paid or transferred directly or indirectly by way of a dividend, bonus or otherwise by way of profit to any Member except to any such Member that is a Charity with one or more charitable objects which is or are the same as, or substantially similar to one or more of the objects of the Society.
- 5.2 For the avoidance of doubt a Member who is not a Director, Trustee or a Connected Person may:
- (a) Be employed by or enter contracts with the Society and receive reasonable payments for goods and services supplied.
  - (b) Receive charitable grants or other assistance where it is to be applied in furtherance of the objects.
  - (c) Receive prizes or other awards in their capacity as a Member.
  - (d) Receive charitable benefits on the same terms as any other beneficiary of the Society.
  - (e) Be paid interest at a reasonable rate on money lent to the Society.
  - (f) Be paid a reasonable rent or hiring fee for property let or hired to the Society.
- 5.3 A member who is also a Director, Trustee, or a Connected Person may only receive benefits in accordance with Article 6 below.
- 5.4 Nothing in Article 5 shall prevent a Member of the Society, a Director or a Trustee from receiving any benefit as a beneficiary, provided that such benefits shall be available in the same form as other beneficiaries who are not Directors and Trustees.

## 6. Permitted Benefits

- 6.1 A Director, Trustee or Connected Person must not receive any payment of money or other material benefit, whether directly or indirectly, from the Society except as set out in these Articles.
- 6.2 A Director or Trustee or Connected Person may receive the following benefits from the Society:
- (a) Reasonable and proper payment for any goods or services rendered to the Society or a subsidiary, excluding the service

of acting as a Director and services performed by a Director, as an employee of the Company, provided that:

- (i) No more than half of the Directors may be so remunerated in any financial year.
  - (ii) No resolution to approve such remuneration to a Director shall be effective unless it is passed at a meeting of the Board.
  - (iii) A Director shall not vote on any resolution(s) relating to their remuneration or relating to that for a Connected Person of the Director, and the procedure described in Article 10 (Conflicts Of Interest) must be followed in considering the remuneration and payments made to Trustees, Directors or a Connected Person and in relation to any other decisions regarding the remuneration authorised by this Article.
  - (iv) The remuneration or maximum remuneration payable to a Trustee, Director or Connected Person shall be set out either in the resolution approving such remuneration or in a written agreement between the Director, Trustee or Connected Person and the Society.
  - (v) The Directors are satisfied that the provision of services by that Director on the terms proposed is in the best interests of the Society.
- (b) Reasonable interest on the money lent by a Trustee, Director or Connected Person to the Society.
  - (c) A reasonable and proper payment to a Company of which a Director, Trustee or Connected Person holds shares provided the payment is approved by the remaining Directors none of whom can have a connection with the payee.
  - (d) Reasonable and proper rent for premises let by any Director, Trustee or Connected Person.
  - (e) Charitable grants or other assistance where it is to be applied in furtherance of the objects of the Society and a Trustee, Director or Connected Person may receive prizes or other awards in their capacity as a Member.
  - (f) Any payment or benefit with the prior written approval of a Court in Scotland or the Office of the Scottish Charity Regulator.

- 6.3 A Director or Trustee may also receive the following from the Society:
- (a) Reasonable out-of-pocket expenses.
  - (b) Reasonable and proper premiums in respect of any Trustee Indemnity Insurance policy taken out in pursuit of Article 4.
  - (c) Any payment to a Trustee under the Indemnity provisions of these Articles.
- 6.4 A Director, Trustee or Connected Person may only be employed by or receive any material benefit from the Society, which is not otherwise authorised in Article 6, if the remuneration, payment or benefit is authorised by a Court in Scotland or by the Office of the Scottish Charity Regulator.
- 6.5 No Director, Trustee or Connected Person shall vote on or be present during the discussion of or the authorization of any decision in respect of matters set out in Article 6 applicable to that Trustee, Director or Connected Person except where it relates to the approval of the purchase of Indemnity Insurance or the payment of an Indemnity pursuant to Article 6 or where in each case such payment is to be made to or for the benefit of majority of the Trustees and Directors.
- 6.6 For the benefit of these Articles, Directors or Trustees shall include any person that falls into the definition of "Connected Person" under Charity and Company Law.

## **7. Amendment to these Articles**

- 7.1 No amendment may be made to these Articles which would cause the Society to cease to be a Company or Charity-in-law.
- 7.2 Amendments may only be made to the following Articles with prior written consent of the Scottish Charity Regulator:
- (a) The Objects.
  - (b) Any provision relating to what happens to the Society's property on winding up.
  - (c) Any provision which would provide for any benefit to be obtained by Trustees or Directors or Members or Persons connected with them.

## **8. Limited Liability and Guarantee**

8.1 Each Member undertakes to pay £10 in the event of the Society being wound up or dissolved while still a Member or within one year after ceasing to be a Member. towards payment of debts and liabilities of the Society incurred before they ceased to be a Member, payment of costs, charges and expenses of winding up and adjustment to the rights of the contributors amongst themselves.

8.2 The liability of the Members is limited to £10.

## **9. Indemnity of Directors and Trustees**

9.1 For the purposes of this Article relevant Directors or Trustees means any Director or Trustee or former Director or Trustee of the Society.

9.2 Without prejudice to any Indemnity to which a relevant Director, Trustee or other officer may otherwise be entitled, the Society shall indemnify every relevant Director or other Officer, out of the assets of the Company against any costs and liabilities incurred by the relevant Director or Officer in that capacity to the extent permitted by the Companies Act and relevant Charity Law.

9.3 To the extent permitted by law the Society may provide funds to every relevant Director, Trustee or other Officer to meet expenditure incurred or to be incurred by them in any proceedings, whether civil or criminal, brought by any party which relate to anything done or omitted or alleged to have been done or omitted by them as a relevant Director, Trustee or Officer, provided that they will be obliged to repay such amounts no later than:

- (a) If they are convicted in proceedings, the date when the conviction becomes final.
- (b) If judgement is given against them in proceedings, the date when the judgement becomes final.
- (c) If the court refuses to grant them relief on any application under the Companies Act, the date when refusal becomes final.

## 10. Conflicts of Interest

- 10.1 For the purposes of this Article, "Conflict of Interest" means any direct or indirect interest of a Director, Trustee or Connected Person whether personally or by virtue of a duty of loyalty to any other organisation or otherwise, that conflicts or may conflict with the interests of the Society, because the Director, Trustee or Connected Person may receive a benefit from the Society, or has some separate interest or duty in a matter to be decided, or in relation to information which is confidential to the Society.
- 10.2 Subject to Articles 10.1 whenever a Director or Trustee is in a situation that gives rise to or is reasonably likely to give rise to, a Conflict of Interest the Director or Trustee must:
- (a) Fully declare the nature and extent of their interest before discussion begins on the matter.
  - (b) Withdraw from the meeting or discussion for that item, after providing any information requested by the other Directors.
  - (c) Not be counted in the quorum for that part of the meeting or decision-making process.
  - (d) Be absent during the vote and have no vote on the matter, and
  - (e) Comply with anything the Director's resolve is needed
- 10.3 If any question arises as to whether a Director has a conflict of interest the question will be decided by the majority decision of the other Directors.
- 10.4 Where any Director or Trustee has a Conflict of Interest the Directors who do not have a Conflict of Interest, (if they form a quorum without counting the Directors, and are satisfied that it is in the best terms of the Society to do so), may by resolution passed in the absence of the Director, permit the Director, notwithstanding any Conflict of Interest which has arisen or may arise for the Director, to:
- (a) Continue to participate in discussions leading to the making of a decision, or to vote, or both.
  - (b) Disclose to a 3<sup>rd</sup> party information confidential to the Society.
  - (c) Take any other action not authorised which does not involve receipt by the Director or Connected Person of any payment or material benefit from the Society.

- (d) Refrain from taking any step required to remove the conflict.

- 10.5 Where a Director has a conflict of interest which has been declared to the Directors, the Director shall not be in breach of that Director's duties to the Society by withholding confidential information from the Society if to disclose it would result in a breach of any other duty or obligation or confidence, provided that a Director may not withhold information relating to a direct or indirect personal benefits for the Director.
- 10.6 The Directors shall observe the other duties and rules in the Companies Act and other such rules as the Board adopts in relation to the management of Conflicts of Interest.
- 10.7 Nothing contained in this Article shall authorise a Director to receive any benefit not permitted elsewhere in these Articles.

## **11. Membership**

- 11.1 The subscribers to the Memorandum of Association of the Society and such other people as are admitted to Membership in accordance with the Articles shall be Members of the Society. No person shall be admitted as a Member of the Society unless he is approved by the Directors who may delegate day-to-day management and compliance over Membership matters to the Council, who in turn may delegate the administration of Membership to the Secretary.
- 11.2 Any person taking an interest in Clydesdale Horses who, having signified to the Board in writing or through a Member of the Society, of their desire to become a Member, and who may be approved by the Board and Council, shall become a Member of the Society and their name shall be entered on the register of Members.
- 11.3 The Secretary will forward to the candidate a printed copy of the form of application for their signature, and the election will not take place until after the candidate has returned it, along with a properly completed bank standing order mandate, signed to the Society. The election of each new Member will be homologated at the first meeting of the Board and Council after the application has been received, duly signed and membership granted.

The Secretary will inform the Member of their election in writing on such terms as the Board and Council may from time to time direct.

- 11.4 When the election of a Member takes place in September, October, November or December, the annual subscription, if paid in those months, will be considered as the subscription of the following year, unless notice is given by such Member at the time of the payment that the subscription is to be considered as the subscription of the current year.
- 11.5 The financial year of the Society shall end on the 31<sup>st</sup> day of December and annual subscriptions shall become due in advance on the 1<sup>st</sup> day of January in each year and shall be in arrear if unpaid after the 31<sup>st</sup> day of March. Membership shall lapse if unpaid.
- 11.6 Persons may be either Life Members, Annual Members, Honorary Members or Junior Members. Every Annual Member shall pay an entry fee of Ten pounds, or such other amount as may be determined by the Board from time to time.
- 11.7 All new Members joining the Society are required to set up a standing order in favour of the Society for the collection of future subscriptions.
- 11.8 Life Members shall pay on entrance a subscription of a sum equivalent to twenty times the annual subscription rate. Life Members may be permitted by the Board to pay Life Membership subscription in 4 equal annual instalments.
- 11.9 In addition to the entrance fee, Annual Members shall pay an annual subscription of Forty pounds (£40) in all cases payable in advance.
- 11.10 The Board and Council may from time to time increase or reduce the above subscriptions if notice of the proposed increase or reduction shall be given in the notice calling the meeting of which the resolution is to be put forward.
- 11.11 A person may be admitted as an Honorary Member of the Society on such terms as the Board may determine.

- 11.12 A person may be admitted as a Junior Member of the Society on such terms as the Board may determine.
- 11.13 No refund of entrance fee or annual subscription shall be made to any Member resigning Membership of the Society.
- 11.14 No Member shall be admitted to any meeting of the Society, the Board, the Council or a Committee of the Council, nor be entitled to any of the privileges of Membership whilst his subscription is in arrears, or while any other money due from them to the Society remains unpaid.
- 11.15 An alphabetical register shall be kept by the Secretary of all the Members, their postal address, the sums received from them, with the dates of payment and the arrears (if any) which remain due.
- 11.16 Every Member shall from time to time communicate in writing his postal address to the Secretary, and all returns on publications forwarded by post to the address last communicated to the Secretary shall be considered as duly delivered to such Member.
- 11.17 Membership shall not be transferable and shall cease on death.
- 11.18 Any Member or Board Member or Council Member who shall fail in the observance of any rule, regulation, or bye-law made by the Board and Council, or whose conduct in any respect shall be, in the opinion of the Board and Council, derogatory to the character or prejudicial to the interest of the Society, may be reprimanded, penalised, suspended or expelled from the Society, following such investigations as may be directed by the Board and Council or by way of a standing committee of the Board and Council to be known as the Disciplinary Committee.
- 11.19 The Disciplinary Committee shall comprise the Board plus no more than three Members nominated by the Board (the latter of whom are entitled to attend Council Meetings, contribute to discussions at the invitation of the Chairman of Council but who are not entitled to vote at such meetings).

- 11.20 The remit of the Disciplinary Committee will be to investigate the matter, having the power to call the Member before the Committee, and to report to the Board and Council with recommendations, where appropriate.
- 11.20.1 The severity of the option selected is to be determined by a simple majority of the members of the Board and Council present and voting at a Board and Council meeting of which not less than 14 days' previous notice, specifying the intention to propose such resolution, shall have been sent to all the members of the Board and Council, and at which not less than twenty one Members of the Board and Council, exclusive of the Member whose removal is in question, (except if he or she happens to be a Member of the Board or Council, then they shall be present).
- 11.20.2 If a Member is to be expelled or suspended from the Society, the length of time for such an option must be specified unless the suspension is dependent on the Member complying with any directive or order imposed by the Board and Council.
- 11.20.3 Subject to the provisions of the Articles, no refund of entrance fee or annual subscription shall be made to any Member so removed.
- 11.21 Reinstatement as a Member of the Society of any person who has been a Member of the Society, but who has been removed therefrom by the Board and Council under the powers to that effect in the Articles, is not automatic. Such person, may, however, apply to the Board and Council to be reinstated as a Member following the period of such removal, and the following rules apply:
- (a) Upon receipt of such application the same shall be laid before the Board and shall in the first instance be referred to a Committee comprising the Board and three Members of Council to be appointed for the purpose and such Committee shall investigate the circumstances (with power to call the Member before it) and report thereon.

- (b) The report of such Committee shall be laid before a meeting of the Board for consideration, of which meeting not less than twenty-one days' previous notice shall be given, and such notice shall specify the purpose for which the meeting is convened. The Members of Council included in this Committee may attend such a meeting. A notice of such meeting shall also be given to the applicant who shall be entitled to attend and to be heard but not to vote thereat.
- (c) It shall be competent for such meeting to re-instate such applicants as a Member of the Society provided that such resolution is passed by a simple majority of the Board and Council members present and voting at the meeting.
- (d) Such reinstated Member shall not be liable to pay a further subscription, if a Life Member, but shall be liable for arrears of annual subscriptions for the period during which his name did not appear on the register of Members, if an Annual Member.
- (e) Should the Board resolve not to reinstate a Member applying for reinstatement, it shall not be competent for the applicant to submit another application for reinstatement until a period of at least three years has elapsed from the date of his former application.

## **12. General Meetings of Members**

- 12.1 All General Meetings of Members other than Annual General Meetings shall be called Extraordinary General Meetings.
- 12.2 The Board may call an Extraordinary General Meeting at any time and must call such a meeting within eight weeks of a written request having been received at the Company's Registered Office by not less than 5% of the members who have the right to vote at General Meeting.
- 12.3 On receipt of such a requisition of Members the Board shall forthwith proceed to convene an Extraordinary General Meeting.

- 12.4 General meetings can be held as full physical meetings or in part using electronic means such as Zoom, Microsoft Teams or other readily available software in circumstances (See Article 16) where it is considered expedient and effective to do so. In such circumstances attendants attending meetings by electronic means have the same rights and privileges as those attending the meeting in person.
- 12.5 An Annual General Meeting and an Extraordinary General Meeting called for by Council for the passing of a Special Resolution or a Resolution to appoint a person as a Board or Council member shall be called by at least twenty-one clear days' notice. All other Extraordinary General Meetings shall be called by at least fourteen clear days' notice, but a General Meeting may be called by shorter notice if it is so notified to all the Members entitled to attend and vote thereat; and provided no objections are raised.
- 12.6 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.
- 12.7 The business of an Annual General Meeting shall be to receive and consider the report of the Directors on compliance matters, the report of Council on their delegated proceedings of the Society for the previous year; to receive and ask questions on the accounts previously approved by the Board; to elect Office Bearers, Directors, Trustees and Council Members; to appoint an auditor(s) or independent examiner(s) (as appropriate) and to authorise the Council to fix their remuneration; to hear the Area Reports; and to transact any other business which under the Companies Act, Charity Law or business under these Articles which ought to be transacted at an Annual General Meeting or which arises out of the report of the Board and Council.
- 12.8 All other business transacted at an Annual General Meeting, and all business transacted at an Extraordinary General Meeting shall be deemed special. Notice of any other business to be discussed and voted on at an Annual General Meeting must be given in writing to the Directors in advance.

No business shall be voted upon at an Annual General Meeting without it first having been notified to and considered by the Board as necessary in consultation with Council at a routinely convened meeting.

The notice shall be given to all the Members, the Board, Council Members and Auditors or Independent Examiners.

- 12.9 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.

### **13. Proceedings at General Meetings**

- 13.1 No business shall be transacted at any meeting unless a quorum is present. Twenty-five people are entitled to vote upon the business to be transacted, each being a Member, or a duly authorized representative of a corporation shall be a quorum. The appointment of proxies is not permitted.
- 13.2 If such a quorum is not present within half an hour of the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall be adjourned to the same day next week at the same time and place or to such time and place as the Board may determine.
- 13.3 If such adjourned meeting is held on the same day next week at the same time and place, no notice of such adjourned meeting needs to be sent to the Members, otherwise notice of the adjourned meeting will be sent at least three days before the adjourned meeting is held. If a quorum of twenty-five members is not present at such adjourned meeting, it shall be adjourned *sine die*.
- 13.4 The President of the Board or in his absence the Vice-President of the Board or in his absence some other Member nominated by the Board from the Board or from Council shall preside as Chairman of the meeting, but if neither the President nor the Vice-President nor such other Member (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Members present shall elect one of their number from Council to be Chairman and, if there is only one Council Member present and willing to act, they shall be Chairman.

- 13.5 If no Council Member is willing to act as Chairman, or if no Council Member is present within fifteen minutes after the time appointed for holding the meeting, the Members present and entitled to vote shall choose one of their number to be Chairman.
- 13.6 The Chairman 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 fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting recommencing and the general nature of the business to be transacted. Otherwise, it shall not be necessary to give any such notice.
- 13.7 A resolution put to the vote of a meeting shall be decided on a show of hands 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 Act, a poll may be demanded: -
- (a) by the Chairman; or
- (b) by at least two Members having the right to vote at the meeting.
- 13.8 Unless a poll is duly demanded a declaration by the Chairman 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.
- 13.9 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the Chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

- 13.10 A poll shall be taken as the Chairman directs, and he or she 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.
- 13.11 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman shall be entitled to a casting vote in addition to any other vote he may have.
- 13.12 A poll demanded on the election of a Chairman 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 Chairman directs not being more than thirty days after the poll is demanded. The demand for a poll will 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.
- 13.13 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. In 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.

#### **14. Votes of Members**

- 14.1 On a show of hands every Member present in person or joining the meeting electronically shall have one vote.

On a poll every Member present in person or joining the meeting electronically shall have one vote.

- 14.2 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meetings 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 Chairman whose decision shall be final and conclusive.

### **15. Voting and Speaking**

- 15.1 Every eligible Member present has one vote on each issue at *General Meetings*.
- 15.2 Except where otherwise provided by the Articles or the Companies Act every issue is decided by ordinary resolution.
- 15.3 The Independent Accountant for the Society has the right to attend *General Meetings* and to speak at *General Meetings* on any part of the business of the meeting which concerns them as Independent Accountants.

### **16. Electronic Meetings**

- 16.1 The Board may decide to hold a *General Meeting* including an Annual *General Meeting*, as a physical meeting, an electronic meeting or (virtual meeting) or a hybrid meeting (a combination of the two).
- 16.2 Where electronic access to a *General Meeting* is permitted the access must be via suitable electronic means agreed by the Board and Members accessing the meeting electronically must be able to hear the Chairman and all other attendees at the meeting speak and can vote on any resolutions at the meeting.
- 16.3 Where an electronic-only meeting is to be called the Society shall not be required to specify in the notice of the *General Meeting* the place of the meeting, but it must provide sufficient information to allow Members to access the meeting.
- 16.4 If after sending the notice of a *General Meeting* but before the meeting is held, or after the adjournment of the meeting, the Board decides that it is impracticable or unreasonable to hold (i) the physical meeting at the declared place or (ii) the electronic meeting on the electronic platform specified in the notice, and / or at the specified date and or time, or the Board decides that it is more appropriate, it may change the place and or electronic platform and

/ or postpone the date and / or time at which the meeting is to be held. If such decision is made the Board may then change the place and /or electronic platform and /or postpone the date and /or time again if it decides that it is reasonable to do so.

- 16.5 All resolutions to be made to the Members at electronic *General Meetings* and hybrid *General Meetings* may be voted on by a poll. Such poll votes may be cast by such electronic or other means as the Board in its sole discretion deems appropriate for the purposes of the meeting.
- 16.6 All other provisions set out in these Articles in respect of the calling and holding of the *General Meeting* to include but not limited to the quorum for the meeting, chairing of the meeting and the procedures to be followed at electronic or hybrid meetings shall still apply except as amended by Article 16.
- 16.7 If a Member, due to technological failings, is unable to attend a *General Meeting* electronically or is only able to attend part of the *General Meeting* this shall not invalidate the meeting. The Chair of the Meeting shall however have the discretion to adjourn the Hybrid or electronic Meeting if such technological failings in their opinion substantially affect the holding of the meeting.

All business conducted at the *General Meeting* up to the time of adjournment shall be valid if the meeting is so adjourned the Board shall determine the new date for the meeting.

- 16.8 The Board may make any arrangements and impose any requirement or restrictions as is necessary to ensure the identification of those taking part in any electronic or hybrid *General Meeting* and the security of the electronic communication and which is proportionate to these objectives. In this respect the Board can authorise any voting application system or facility for electronic meetings as it sees fit.
- 16.9 The Board may take reasonable measures and may make such regulations as it deems necessary relating to the holding of electronic and hybrid *General Meetings* from time to time.

Such regulations may include but are not limited to including provisions relating to etiquette, communication in meetings and voting in meetings.

## 17. Board of Directors

- 17.1 **Powers** - the business of the Society is managed by the Board which may use all the powers of the Society that are not by the Companies Act, Charity Law or by these Articles reserved to the Members or to them in their capacity as Members. The Board is responsible for the governance and regulation of the Society.
- 17.2 **Composition** - The Board will consist of not fewer than four and no more than seven persons, three of whom can be elected by the Members. Subject to the maximum number of Board members being seven people and in the event of there being vacancies on the Board not filled by Members, additional individuals can be Co-opted from the Membership at any time by the Board if the business of the Board is such that additional Members would make a contribution to its work. Such appointments will be subject to ratification by the members at the next Annual General Meeting.
- 17.3 No board appointment will be valid unless the nominee has been a paid-up member of the Society for at least one year at the time of approval and has completed Companies House Identity Verification procedures in compliance with the appropriate Company Law.
- 17.4 The following shall have the right to sit on the Board
- (a) The President (who will be the Chairman)
  - (b) The Vice President
  - (c) The Honorary Treasurer
  - (d) The Immediate Past President
- 17.5 All members of the Board shall be Members of the Society and must have access to an appropriate email address to allow Board business to be carried out electronically.
- 17.6 No person under the age of 16 may be appointed as a Board member.
- 17.7 Members elected to Council in a non-voting capacity, including Honorary Presidents, cannot be members of the Board.

## **18. Retirement of Members of the Board**

- 18.1 At each Annual General Meeting of the Society the Board Members as set out at 17.4 shall be reappointed. All Co-opted Members shall retire each year but may be reappointed by the Members in General Meeting.
- 18.2 At the 6<sup>th</sup> Annual General Meeting of the Society after their initial election by the Members a Board Member who is not part of the Board Members named at Article 17.4 shall retire and shall not be eligible for re-election until they have had at least one year out of office. After that they shall be eligible for re-election by the Members.
- 18.3 Directors or Trustees listed at 17.4 will retire from the Board when they retire from their Office Bearers' position.

## **19. Filling Vacancies in the Board and Co-option**

- 19.1 The Board can appoint anyone as a Director to fill a vacancy in the Membership of the Board. These appointees will hold office until the next Annual General Meeting where they may be elected by the Members. For the purposes of this Article the Board shall decide how many vacancies there are, subject to the maximum and minimum numbers given in Article 17.2.
- 19.2 If there are vacancies on the Board, the Board may Co-opt up to three additional members onto the Board at any time and they shall hold office until the next Annual General Meeting unless they ceased to be a Director prior to that.
- 19.3 A Co-opted Board Member may be removed from the Board at any time and may not be Co-opted more than six times. If a Co-opted Board Member goes on to be elected by the Members their initial appointment shall be the date on which they were first Co-opted.

## **20. Disqualification of Director**

- 20.1 A Director will cease to be a Board member if he / she:
- (a) Becomes bankrupt or makes any arrangement or composition with their creditors.
  - (b) Is disqualified by law from serving as a Company Director unless there is an appropriate exception in place.

- (c) Is disqualified by law from serving as a Charity Trustee unless there is an appropriate waiver granted.
- (d) Is considered by the Board to have become incapable, whether mentally or physically, of managing their own affairs and the majority of the other Board Members resolve that they must cease to hold office.
- (e) Is absent without permission from 3 consecutive meetings of the Board or three meetings during any period of 18 months and is resolved by a majority of the other Board Members to remove the Director.
- (f) Breaches their duties under the Companies Act or Charity Law and in particular the duties for the proper management of conflicts of interest and the Board resolves to remove them by a resolution by 75% of the other Directors present and voting at a meeting and that prior to such a meeting the Director in question has been given written notice of the intention to propose such a resolution at the meeting;
- (g) Is removed from office by the Members convening a General Meeting and removing the Director in question is in accordance with the procedure set out in the Companies Act.
- (h) Is a Co-opted Director and is removed by the Board.
- (i) Is removed from office by a resolution of at least 75% of the other Directors present and voting at a board meeting provided (a) that at least half of the serving Directors are present at that meeting and (b) that prior written notice of meeting and the intention to propose such a resolution has been given to the Director in question.
- (j) Dies.
- (k) In the case of Directors elected by the Members they cease to be Members.

20.2 All appointments, retirements or removals of Board Members and the Company Secretary must be notified to the Registrar of Companies and the Office of the Scottish Charity Regulator.

## **21. Decision Making by Trustees**

21.1 The Board shall hold at least four meetings each year and may adjourn and run its meetings as it wishes, subject to these Articles and the Companies Act.

- 21.2 If requested by the Chairman or any three Board Members a meeting of The Board must be called.
- 21.3 Board meetings may be held in person by telephone or by suitable electronic means agreed by the Board.
- 21.4 The quorum for a Board meeting is three.
- 21.5 A Director shall not be counted in the quorum at a meeting in relation to a resolution on which they are not entitled to vote.
- 21.6 The Chairman of the Board will be the President. If Chairman is unable or unwilling to do so the Vice President shall preside at each Board meeting. If the Vice Chairman is unable or unwilling to do so a Director chosen by the remaining Directors present shall subject to the requisite quorum preside at that specific Board Meeting.
- 21.7 Matters for decision at any Board meeting must be decided by a majority of votes and each Director including Co-opted Directors have one vote, including the Chairman.
- 21.8 If the votes are equal the Chairman has a second casting vote.
- 21.9 A resolution in writing signed by all the Directors is valid as if it had been passed that properly held meeting of the Board.
- 21.10 Officers shall be appointed by the Members except for the Company Secretary who may but need not be a Director.
- 21.11 The Board may act despite any vacancy on the Board but if the number of Board Members falls below the number fixed for the quorum it may only act to appoint further Directors.
- 21.12 If it is discovered that there was some defect in the procedure at the meeting or at the appointment of a Director anything done before the discovery is valid.

## 22. Delegation by the Board

- 22.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles to such person or committee, by such means including by power of attorney, to such an extent, in relation to such matters and on such terms and conditions as they think fit.
- 22.2 If the Directors specify, any such delegation may authorise further delegation of the Director's powers by any person to whom or committee to which they are designated.
- 22.3 The Directors may revoke any delegation in whole or in part or alter its terms and conditions.
- 22.4 Delegation to a Committee
- 22.4.1 Any delegation to a Committee must specify those who are to serve on the Committee and the Board may Co-opt any person who is not a Director to serve on a Committee provided that a Committee dealing with financial matters must always include at least two Directors. The Board shall approve the terms of reference and policies of all Committees.
- 22.4.2 All acts and proceedings of any Committee must be reported to the Board as soon as possible.
- 22.4.3 A Committee must not knowingly incur expenditure or liability on behalf of the Company unless authorised by the Board in accordance with a budget approved by the Board.
- 22.4.4 The Board shall determine the Chairman of each Committee.
- 22.4.5 The Chair of the Committee shall chair the Committee's meetings but if at any meeting the Committee's chair is not present within 10 minutes of the appointed starting time, the Committee members present may choose one of their numbers to be the chair of that specific meeting.
- 22.4.6 Unless the terms of reference for a Committee provide otherwise:
- (a) A Committee may meet and adjourn wherever it chooses

- (b) Questions at a Committee meeting must be decided by a majority of votes of the Committee members present and in the case of an equity of votes the Chairman of the meeting shall have the casting vote.
- (c) A Committee must have minutes entered in minute books.

### **23. Council**

23.1 The Board shall create a Council who shall be subject to the regulations and whose purpose shall be to assist and advise the Board in delivering the strategic vision of the Society. To this end the Council will provide membership support and advice to the committees and subcommittees of the Society; support improving the breed of the Clydesdale Horse including promoting the breed and breeding; appointing judges in accordance with the Regulations; act as a point of communication and liaison with the membership of the company; advise on areas of membership; and deal with such other purposes as the Board shall determine from time to time.

23.2 The President of the Society shall be the chair of the Council.

Council shall be governed by regulations and procedures set by the Board and as set out in Appendix 1. For the avoidance of doubt all Board Members shall be members of Council

## **ADMINISTRATIVE MATTERS**

### **24. Administrative Matters - Editing Committee**

There shall be an Editing Committee which shall comprise the members of the Board together with such additional members (not exceeding 3 in number) nominated by the Board based on their knowledge of pedigrees and the Clydesdale Breed. The purpose of the Editing Committee is to oversee the completion and production of the Stud Book and the scrutiny of registrations submitted for that Stud Book (Article 36).

### **25. Administrative Matters - Company Secretary**

25.1 Subject to the provisions of the Companies Acts, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as they may think it fit; and any Secretary appointed may be removed by the Board.

- 25.2 The Secretary shall be immediately responsible to the Board for the discharge of the various duties they require to be performed. The Secretary shall attend all meetings of the Board and Council. The Secretary shall also attend on any Committee meetings as required and shall take the minutes of the Board Meetings, Council Meetings and meetings of Committees.
- 25.3 The Secretary shall be responsible for all money received at the office and shall pay such sums into the hands of the Society's bankers; and with the exception of the amount allowed for petty cash, shall not retain any money belonging to the Society but shall pay it promptly with the Society's bankers, and shall make payments to all suppliers as far as possible using Internet banking facilities.
- 25.4 Payments for the Secretary services can only be made with the prior authority of two directors.
- 25.5 Any Secretary wishing to vacate office shall give three months' prior written notice thereof to the Board.
- 25.6 The Secretary shall, where appropriate, have immediate superintendence over other employees of the Society.

## **26. Administrative Matters - Minutes**

- 26.1 The Board must keep records of all proceedings at Board meetings including the names of the Directors present, all written resolutions, all reports of Council and Committees, all proceedings at General Meetings and all professional advice received.

Board minutes must be kept for a minimum of 10 years from the date of the meeting and must show the appointment of Officers made by the Board.

## **26 Administrative Matters - Executions**

Under the Companies Acts, the Society need not have a seal. The Board may determine who shall sign any documents on behalf of the Society and, unless otherwise so determined, it shall be signed by two members of the Board or by two signatories authorised by the Council.

If the Society decides to use a company seal, the seal may only be used by the authority of the Board or by Council or a Committee authorised by the Board.

## **27 Administrative Matters - Honorary Presidents**

27.1 The current Royal Patron of the Society is King Charles III

27.2 The Society may in General Meeting appoint such senior members of the Society not exceeding three in all, as they think fit, to be Honorary Presidents. Such Honorary Presidents shall be exempt from superintending or managing the affairs of the Society and shall be invited to meetings of the Council.

Honorary Presidents shall not be entitled to join the Board nor to vote at meetings of the Council. Honorary Presidents shall hold office for three years, at which point they may be reappointed.

## **28 Administrative Matters - Independent Examiner**

The company must appoint a properly qualified Independent Examiner to examine the annual accounts of the Society made up to 31<sup>st</sup> December each year and to report on them.

## **29 Administrative Matters - Articles, Accounts and other Statutory Records**

29.1 The accounts, the Articles and all Regulations must be kept at the office or at a single alternative inspection location decided by the Board.

29.2 The Articles and any Regulations must be available for inspection by the Members of the Society. Any Member who requests a copy of the Articles is entitled to receive one.

- 29.3 The accounts must always be open to inspection by the Board who must decide whether how, far, when, where, and under what rules the accounts may be inspected by Members who are not Directors. A member who is not a Director may only inspect the accounts or any records of the Society if the right is given by law or authorised by the Directors at a General Meeting.

### **30 Administrative Matters - Accounts and Returns**

- 30.1 The Directors must comply with the requirements of the Companies Act and of all Charity law to keeping financial records, the audit or examination of accounts and the preparation of accounts and annual reports and returns.
- 30.2 The Board must for each financial year send a copy of the annual accounts and reports to every person who is entitled to receive notice of General Meetings. The accounts must also be submitted to Companies House within nine months of the end of the company's financial year and to the Office of the Scottish Charity Regulator within the same deadline.
- 30.3 Copies of accounts need not be sent to people for whom the company does not have a current address.

### **31 Administrative Matters - Service of Notice**

- 31.1 The Society may provide notices, accounts or other documents to any Member either in person or by hand delivery or by email or ordinary post to the Members registered address. If the Member has provided the company with an email address, by email to that address, subject to the Member having consented to receipt of these notices in this way. The Society may provide notices, accounts or other documents in accordance with the provisions for communication by website set out below.
- 31.2 If a member lacks a registered postal address within the United Kingdom, the notice, accounts and documents may be sent to any postal address which the Member has provided to the Company for that purpose, or accordance other methods set out in article 31

- 31.3 However, a Member without a registered postal address in the United Kingdom who has not provided a postal address for that purpose, shall not be entitled to receive any notice, accounts or other documents served by the Society, irrespective of whether they have consented to receiving notices by email.
- 31.4 If a notice, accounts or other documents are sent by post they will be treated as having been served by the Society, correctly addressing, prepaying and posting a sealed envelope containing them. If sent by email they will be treated as properly sent if the Society receives no indication that they were not received.
- 31.5 Any notice or other documents sent in accordance with these Articles is treated as having been received:
- 31.5.1 If sent by post, 48 hours after the envelope containing them was posted if posted by first class post and 72 hours after posting if posted by second class post or by overseas post.
- 31.5.2 If sent by email, 24 hours after having been properly sent;  
or
- 31.5.3 Immediately after being handed to the recipient personally.
- 31.6 The Society may assume that any email address provided to it by a member remains valid unless the member informs the Society that it is not.
- 31.7 Where a Member has informed the Society in writing of their consent, or has given deemed consent in accordance with the Companies Act, to receive notices, accounts or other documents from the Society by means of a website, such information will be validly given if the Society sends that Member a notification informing them that the documents forming part of the notice, the accounts or other documents may be viewed on a specified website throughout the notice period until the end of the meeting in question. The notification must provide the website address, and the place on the website where the information may be accessed and an explanation of how it might be accessed. If the information relates to a General Meeting the notification must state that it concerns a notice of a General Meeting and gives the place, date and time of the meeting.

The notice must be available throughout the notice until the end of the meeting in question.

- 31.8 A Member present at any meeting shall be deemed to have received notice of the meeting and come up where requisite of the purposes for which it was called.

### **32 Administrative Matters - Irregularities**

- 32.1 The making of a decision, or the proceedings at any meeting of the Directors, Members or a Committee shall not be invalidated by reason of:

32.1.1 Any accidental informality or irregularity (including any accidental omission to give, or any non-receipt of notice),  
or

32.1.2 The lack of qualification in any of the people present and voting.

unless a provision of the Companies Act specifies that the informality, irregularity or lack of qualification shall exclude it.

### **33 Administrative Matters - Who is entitled to notice of General Meetings**

- 33.1 Notice of every General Meeting must be given to:

33.1.1 Every Member, except those Members who lack a registered postal address within the United Kingdom and have not given the Society postal address for notices within the United Kingdom;

33.1.2 The Independent Examiner of the company;

33.1.3 All trustees; and

33.1.4 Any President or other honorary position.

### **34 Administrative Matters - Regulations**

The Board may make such regulations by law or standing orders as it sees fit. These must not be inconsistent with the Articles nor such that they would otherwise need to be made by Special Resolution. No regulations may be made which invalidate any prior act by the Board which would otherwise have been valid.

### **35 Winding up of the Charity**

35.1 If the Society is wound up or dissolved and there remain any assets after all debts and liabilities have been met, the assets must be applied in one or more of the following ways:

35.1.1 By transfer to one or more other bodies established for exclusively charitable purposes within, the same as, or similar to the objects of the Society, or

35.1.2 Directly for the objects or for exclusively charitable purposes which are within or similar to the objects.

35.2 The recipients of the remaining assets of the Society shall be chosen by the Board, in consultation with Council.

### **36 The Stud Book**

36.1 The Stud Book shall be published annually as a public record and shall be sold at a price to be decided by the Society. The framing of rules regarding the admission of pedigrees into the Stud Book is left in the hands of the Board and Council. Any changes to Stud Book rules must be ratified by the Membership at the subsequent Annual General Meeting of the Society.

36.2 The expression "horse" includes Stallion, Mare, Filly, Colt and Gelding.

36.3 Communications to the Society regarding the Stud Book must be made in writing and addressed to the Secretary.

36.4 All cases of suspicious or doubtful pedigree of Clydesdale horses and all cases of other alleged misrepresentation relating to them which are brought under the notice of the Society shall be dealt with by the Board in consultation the Council.

The following procedure shall be observed

36.4.1 The case shall be referred to the Board who, in consultation with the Council shall make a preliminary report to be circulated to all Board and Council Members, stating whether *prima facie*, the case requires investigation.

- 36.4.2 If the Board and Council resolve to investigate the case it shall be referred to the Stud Book Editing Committee to investigate accordingly, with power to call the member before it and the report to a subsequent meeting of the Board and Council.
- 36.4.3 Fourteen days before the meeting at which such report is intended to be considered Notice of such intention shall be given to all members of the Board and Council.
- 36.4.4 The Board shall have discretionary power of publishing or not the results of any such inquiry and of expressing or withholding any opinion upon the case and of otherwise dealing with the same in the manner it thinks fit.
- 36.4.5 All cases of disputes or questions referred to by the Society for Arbitration and Settlement shall be dealt with by the Board and Council, and the following procedure shall be observed:
- (a) 28 days before the meeting of the Board and Council at which the case is intended to be brought forward, statements in writing by both parties shall be sent to the Secretary, setting forth all the facts in dispute and the contentions of the respective parties.  
The Secretary shall inform the Chairman of the Board accordingly and these statements shall be laid before The Board and Council who shall make a preliminary report stating whether prima facie the case is one which the Board or Council may properly undertake.
  - (b) If the Board and Council resolve to undertake the arbitration and settlement of the case it shall be referred to as a special committee with instructions to investigate and to report, thereon to a subsequent meeting of the Board and Council.
  - (c) Fourteen days before the meeting of the Board and Council at which such a report is intended to be considered Notice of such intention shall be given to the Board and Council appropriately.

- (d) The Board and Council may enlarge the time, if any, fixed for making any award and may conduct proceedings as they choose provided their actions do not breach these Articles.
- (e) The Board or Council will not undertake the arbitration upon or settlement of any dispute or question unless all parties to such dispute or question are members of the Society, nor unless both parties give satisfactory assurance to the Board and Council that they will be bound by the decision of the Board and Council as being final.

## Appendix 1

### **Rules for the Operation of Council**

1. The number of Council members shall not be more than 45 (excluding members of the Council who are *ex-officiis* members only of the Council). Council members shall be elected as hereinafter, and no person shall be eligible for election as a Council member who is not at the time of election a Member of the Society.
2. Council will be appointed by the Board and Council will report all its proceedings to the Board.
3. The President, the Vice-President, immediate past President (unless he shall have been expelled from office), and the Honorary Treasurer of the Society for the time being and shall be *ex officiiis* members of the Council. The Honorary Presidents and Members of the Disciplinary Committee are also *ex officiiis* but with no voting rights. All Board members shall be members of Council
4. At each Annual General Meeting of the Society one-third of the Council Members are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office; but if there is only one Council member who is subject to retirement by rotation, they shall retire. Subject to the provisions of the articles, each Council Member shall hold office for a period of three years from the date of their election.
  - 4.1 A retiring Council Member who has held office for one full term of three years, or part of one full term of three years, shall not be eligible for re-election until one year shall have elapsed from the date of retirement.
  - 4.2 Notwithstanding the foregoing, a Council Member who would otherwise retire as aforesaid shall, in the event of there being no other Members in his area wishing to stand for the election to the Council, be eligible for re-election for a further term of office of three years.
  - 4.3 A retiring Council Member who has held office for two consecutive terms of three years each, or for part of two such consecutive terms, shall not be eligible for re-election until one year shall have elapsed from the date of their retirement.

4.4 To facilitate the election of Council Members, and for securing the due representation of the various areas in which Members reside, there shall be the following 15 areas: -

Area 1 - North of Scotland

(Orkney, Shetland, Caithness, Sutherland, Ross and Cromarty, Inverness, Nairn, Banff, and Moray).

Area 2 - Aberdeen

(Aberdeen and Kincardine).

Area 3 - Perth and Angus.

Area 4 - Edinburgh

(The Lothians, Peebles, Selkirk, Berwick, and Roxburghshire).

Area 5 - Glasgow

(Renfrewshire, Paisley, Bute, Dumbarton, and Argyll).

Area 6 - Dumfries and Castle Douglas

(Dumfries and Kirkcudbright).

Area 7 - Wigtownshire

(Wigtown).

Area 8 - Ayr

(Ayrshire).

Area 9 - Stirling and Fife

(Stirling, Falkirk, Fife, Clackmannan and Kinross).

Area 10 - Lanarkshire

(Lanark).

Area 11 - Northwest England

(Cumberland, Westmorland, Lancaster, and the Isle of Man).

Area 12 - Northeast England

(Northumberland, Durham, and Yorkshire).

Area 13 - South of England

(the whole of England and Wales (not included in areas 11 and 12) and the Channel Islands).

Area 14 - Northern Ireland.

Area 15 - Europe (Ireland and all other member counties of the EU and EEA)

Each of the areas defined above shall be represented on the Council by three Members.

- 4.5 The Secretary shall keep a register of the Members according to areas by reference to postcodes and shall insert in the division of the register applicable to each area the names of all the Members resident within that area; but if any Member has a residence in more than one area, or has property in more than one area, they shall be registered in one area only, and may elect in which area they are to be registered. In the event of any question arising as to the area in which a Member is resident or as to the division of the register in which his name shall be entered, or otherwise as to the keeping of the register, the same shall be determined by the Council, whose decision shall be final and binding on all concerned.
- 4.6 Meetings shall be held in each area at the places and on the dates appointed by the retiring Council Member. It shall be permissible for Members to join and vote at such meetings using electronic means such as Zoom, Microsoft Teams or other readily available software, but responsibility for organising this aspect of such meetings will be the responsibility of the retiring Member of the area and not the Board or Society.
- 4.7 With respect to the nomination and election of Council Members, the following rules shall be observed:
- (a) A meeting shall be held each year in each of the areas by which one or more Council Members are to be nominated, for the purpose of nominating a Council Member to represent these areas on the Council.
  - (b) The date on which, and the place at which, the meeting in each area shall be held shall be fixed by the retiring Council Member once every calendar year prior to the Annual General Meeting. The meeting shall be held at a location in the area. Written Notice shall be given either by letter or by email to every Member in each respective area notifying the place and date of the area meeting. The primary purpose of these area meetings is to nominate a Council member to replace the retiring Council Member.
  - (c) The Members registered in each area shall assemble at the time and place fixed for such area. The Members present shall elect a Chairman of the meeting who shall have a casting vote if the retiring Council Member is not present. At such meeting, any Member

registered within the area may be proposed as Council Member to be nominated for the area.

Any such Member nominated does not have to be present at the meeting, but they must have given prior agreement that they would be prepared to serve on the Council, if elected.

In the event of only one Member being so proposed, and if only one Council Member is to be nominated, the meeting shall proceed to the nomination of a Council member, and if the Member so proposed has a majority of the votes of the Members of the area present at the meeting, he shall be held to be nominated a Council member for the area. If more than one Member is proposed as nominee of the area at any such meeting as above, the meeting shall proceed to a vote.

- (d) The Annual General Meeting may in their discretion elect either all or any of the persons nominated as aforesaid, or any other members of the Society that they may think proper, provided always that the Member or Members to be elected at any such meeting as Council Member(s) for an area shall be a member(s) registered within the area. If at any such Annual General Meeting any vacancy in the Council is not filled up the same shall be filled up by the Council from Members qualified as aforesaid.
- (e) If and whenever a Council Member dies, resigns, or is removed from, or ceases to be a Member of the Society before the expiration of their term of office, the Council may from time to time appoint a Member of the Society to serve on the Council as the substitute of the Council Member so dying, resigning or removed, or ceasing to be a member, for the remainder of the term during which they would but for their death, resignation or removal or ceasing to be a Member, have held office; and the like procedure shall be observed as often as occasion may require if and whenever the substitute for any such Council member dies, resigns, or is removed, or ceases to be a member.
- (f) A Member so appointed shall be eligible for re-election at the end of the term during which the Council Member who has died, resigned, or been removed or ceased to be a Member would but for his death, resignation or removal, or ceasing to be a Member, have held office, even if such Council Member would not have been so eligible.

The principal office bearers of the Society shall be a President, a Vice-President, the immediate past President (unless they shall have been expelled from office), and an Honorary Treasurer all of whom must be Members of the Society and who shall constitute the Board (alongside any co-opted Board Members and shall be responsible for the governance and regulation of the Society.

- 4.8 At each Annual General Meeting, the Members of the Society shall elect a President, a Vice-President, and Honorary Treasurer, each of whom shall hold office for a maximum of two years but who shall retire at each Annual General Meeting. A President or Vice-President retiring after one year in office shall in all cases be eligible for re-election for a further year only. A retiring Honorary Treasurer shall in all cases be eligible for re-election.
- 4.9 If and whenever a President, Vice-President or Honorary Treasurer dies, resigns, or is removed from the Society before the expiration of their term of office, the Council may, if they think proper, appoint a Council member to be President, Vice-President or Honorary Treasurer, as the case may be, for the remainder of the term for which the predecessor would, but for their death, resignation or removal, have held the office. A person so appointed President may, thereafter, be appointed President for a two-year term of office in his own right.
- 4.10 Subject to the provisions of the Act, the Memorandum and the Articles and any directions given by special resolution, the business of the Society shall be managed by the Board and delegated to Council who may exercise all the powers of the Society and shall have power to do all such things as may be incidental or conducive to the attainment of the objects of the Society as stated in the Society's Memorandum of Association. The powers given by this regulation shall not be limited by any special power given to the Council by the Articles and a meeting of the Board or Council at which a quorum is present may exercise all powers exercised by the Council.

## **5 Removal of Council Members**

5.1 The office of a Council member shall be vacated if: -

- (a) They cease to be a Council member by virtue of any provision of the Companies Acts or Charity Regulations or they become prohibited by law from being a Council member; or

- (b) They become bankrupt or make any arrangement or composition with their creditors generally; or
- (c) They are, or may be, suffering from mental disorder and either: -
  - (i) be admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or
  - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for their detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to their property or affairs; or
- (d) They resign their office by giving notice to the Society; or
- (e) They shall for more than twelve consecutive months have been absent without permission from meetings of the Council held during that period and the Council resolves that their office be vacated; or
- (f) They cease to be a member of the Society; or
- (g) They shall fail in the observance of any rule, regulation, or byelaw made by the Council, or their conduct in any respect shall be, in the opinion of the Council derogatory to the character or prejudicial to the interests of the Society and the Council resolves that their office be vacated.

## **6 Proceedings at Council Meetings**

6.1 Subject to the provisions of the Articles, Council Members may regulate their proceedings as they think they are fit with the authority of the Board. Ordinary meetings of the Council shall be held at such times and places as may be determined by the Council. Council may choose to hold such meetings in full or in part using electronic means such as Zoom, Microsoft Teams or other readily available software in extraordinary circumstances, where it is considered expedient and effective to do so. In such circumstances, attendants joining meetings by electronic means will have the same rights and privileges as those joining the meeting in person.

- 6.2 Extraordinary meetings of the Council may be convened by the President, the Vice-President or any fifteen members of the Council and shall be held at such time and at such place as may be appointed by the Office Bearers.

Subject as after-mentioned, seven days before every meeting of the Council, notice of the meeting and the business to be transacted thereat shall be sent or emailed to every Member of the Council. In the case of emergency or special circumstances (such cases to be determined by the President, whom failing the Vice-President), Council Members shall be entitled to receive such notice as the President (whom failing the Vice-President) considers reasonable in the circumstances.

Questions, matters, and resolutions arising at a meeting shall be decided by a majority of votes of the Council members present (each Council member having one vote). In the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote. The Board must be informed of all decisions made by Council under powers delegated to them.

- 6.3 The quorum for the transaction of the business of the Council may be fixed by the Council and unless so fixed at any other number there will be fifteen.
- 6.4 The continuing Council members or a sole continuing Council member may act notwithstanding any vacancies in their number, but, if the number of Council members is less than the number fixed as the quorum, the continuing Council members or Council member may act only for the purpose of filling vacancies.
- 6.5 The President of the Society or, in his absence, the Vice-President shall be Chairman of the meetings of the Council. In the absence of both the President and Vice-President within five minutes after the time appointed for the meeting, the Council members present may appoint one of their number to be Chairman of the meeting.
- 6.6 All acts done by a meeting of the Council, or of a committee of Council members, or by a person acting as a Council member shall, notwithstanding that it be afterwards discovered there was a defect in the appointment of any Council member 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 continues to be a Council member and had been entitled to vote.

- 6.7 A Council Member may vote, at a meeting of the Council or of a committee of Council, on any resolution, notwithstanding that it in any way concerns or relates to a matter in which they have, directly or indirectly, any kind of interest whatsoever, and if they shall vote on any such resolution as aforesaid their vote shall be counted; and in relation to any such resolution as aforesaid they shall (whether or not he shall vote in the same) be taken into account in calculating the quorum present at the meeting.
- 6.8 A Council member shall not be counted in the quorum present at a meeting in relation to a resolution on which they are not entitled to vote.
- 6.9 The Society may, by ordinary resolution suspend or relax to any extent, either generally or in respect of any matter, any provision of the articles prohibiting a Council member from voting at a meeting of the Council or of a committee of Council members.
- 6.10 If a question arises at a meeting of the Council or of a committee of the Council members as to the right of a Council member to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any Council member other than himself shall be final and conclusive.