

**ARTICLES OF ASSOCIATION
OF
HARROGATE AND NIDDERDALE ART CLUB
Private company limited by guarantee**

INDEX TO THE ARTICLES

**PART 1
INTERPRETATION AND LIMITATION OF LIABILITY**

1. Defined terms
2. Liability of members

**PART 2
OBJECT**

3. Object of the Club

**PART 3
DIRECTORS
DIRECTORS' POWERS AND RESPONSIBILITIES**

4. Directors' general authority
5. Members' reserve power
6. Directors may delegate
- 7 Committees

DECISION-MAKING BY DIRECTORS

8. Directors to take decisions collectively
9. Unanimous decisions
10. Calling a directors' meeting
11. Participation in directors' meetings
12. Quorum for directors' meetings
13. Chairing of directors' meetings
14. Casting vote
15. Conflicts of interest
16. Records of decisions to be kept
17. Directors' discretion to make further rules

APPOINTMENT OF DIRECTORS

18. Methods of appointing directors
19. Termination of director's appointment
20. Directors' remuneration
21. Directors' expenses

PART 4
APPOINTMENTS AND ELECTED POSITIONS

- 22. Patron and friends
- 23. Officers

PART 5
MEMBERS
BECOMING AND CEASING TO BE A MEMBER

- 24. Applications for membership
- 25. Conditions of membership
- 26. Termination of membership

ORGANISATION OF GENERAL MEETINGS

- 27. Annual general meetings
- 28. Attendance and speaking at general meetings
- 29. Quorum for general meetings
- 30. Chairing general meetings
- 31. Attendance and speaking by directors and non-members
- 32. Adjournment

VOTING AT GENERAL MEETINGS

- 33. Voting: general
- 34. Errors and disputes
- 35. Poll votes
- 36. Content of proxy notices
- 37. Delivery of proxy notices
- 38. Amendments to resolutions

PART 6
ADMINISTRATIVE ARRANGEMENTS

- 39. Means of communication to be used
- 40. Rules

DIRECTORS' INDEMNITY AND INSURANCE

- 41. Indemnity
- 42. Insurance

PART 7
NON-PROFIT DISTRIBUTION AND DISSOLUTION

- 43. Non-profit distribution
- 44. Dissolution

PART 1
INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise—

“articles” means the company’s articles of association;

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

“Chairman” means the person elected from time to time in accordance with these articles as the Chairman of the Club;

“chairman of the meeting” has the meaning given in article 30;

“Club” means the above named company

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

“director” means a director of the company, and includes any person occupying the position of director, by whatever name called;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“electronic form” has the meaning given in section 1168 of the Companies Act 2006;

“Friend” is a person who not a member but has been of special service to the club and is recognised as such in accordance with article 22;

“member” means a person who is admitted to membership of the Club in accordance with article 24 and any Rules from time to time in force;

“officer” means Chairman, Vice Chairman, Secretary or Treasurer of the Club

“Patron” has the meaning set out in article 22

“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006;

“participate”, in relation to a directors’ meeting, has the meaning given in article 10;

“proxy notice” has the meaning given in article 36;

“Rules” means the rules and regulations of the Club made by the directors or by the Club in general meeting, as amended from time to time;

“special resolution” has the meaning given in section 283 of the Companies Act 2006;

“subsidiary” has the meaning given in section 1159 of the Companies Act 2006;
and

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

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

Liability of members

2. The liability of each member is limited to £1, being the amount that each member undertakes to contribute to the assets of the company in the event of its being wound up while he is a member or within one year after he ceases to be a member, for—
- (a) payment of the company’s debts and liabilities contracted before he ceases to be a member,
 - (b) payment of the costs, charges and expenses of winding up, and
 - (c) adjustment of the rights of the contributories among themselves.

PART 2

OBJECT

3. The object of the Club is to further the advancement of art.

PART 3

DIRECTORS

DIRECTORS’ POWERS AND RESPONSIBILITIES

Directors’ general authority

4. Subject to the articles, the directors are responsible for the management of the Club’s business, for which purpose they may exercise all the powers of the Club.

Members’ reserve power

5. (1) The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.
(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

Directors may delegate

6. (1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—

- (a) to such person or committee;
- (b) by such means (including by power of attorney);
- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions;

as they think fit.

(2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

(3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

Committees

7. (1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

(2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

8. The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 9.

Unanimous decisions

9. (1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.

(2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.

(3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

(4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

Calling a directors' meeting

- 10.** (1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
- (2) Notice of any directors' meeting must indicate—
- (a) its proposed date and time;
 - (b) where it is to take place; and
 - (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- (3) Notice of a directors' meeting must be given to each director, but need not be in writing.
- (4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Club not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

Participation in directors' meetings

- 11.** (1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—
- (a) the meeting has been called and takes place in accordance with the articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- (3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

Quorum for directors' meetings

- 12.** (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors and incorporated in the Rules, but it must never be less than two, and unless otherwise fixed it is two.
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—
- (a) to appoint further directors, or
 - (b) to call a general meeting so as to enable the members to appoint further directors.

Chairing of directors' meetings

- 13.** If present, the Chairman will chair meetings of the directors. If he or she is not present, the directors may appoint a director to chair their meetings.

Casting vote

14. (1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

(2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

Conflicts of interest

15. (1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the Club in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.

(2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the Club is to be counted as participating in the decision-making process for quorum and voting purposes.

(3) This paragraph applies when—

(a) the Club by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;

(b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or

(c) the director's conflict of interest arises from a permitted cause.

(4) For the purposes of this article, the following are permitted causes—

(a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the Club or any of its subsidiaries;

(b) subscription, or an agreement to subscribe, for securities of the Club or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and

(c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the Club or any of its subsidiaries which do not provide special benefits for directors or former directors.

(5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

(6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

(7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

Records of decisions to be kept

16. The directors must ensure that the Club keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

Directors' discretion to make further rules

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

APPOINTMENT OF DIRECTORS

Methods of appointing directors

18.(1)The number of directors shall be not less than five nor more than twelve.

(2)The first directors, who shall hold office until immediately prior to the annual general meeting following incorporation, shall be:

Helen Cassidy
Robin Corner
Marie Cousens
Marina Emptage
Manchula Foulkes
John Harcourt
Leisa Mark
Gwen Puckrin
Chris Rushton

(2)At the annual general meeting each year the directors shall retire and shall be eligible for re-election in accordance with these Articles.

(3)The election of directors will be carried out at the annual general meeting in accordance with the Rules.

(4)Subject to the stated maximum number of directors, the directors may from time to time co-opt as a director until the next annual general meeting such other person or persons as they think fit.

(5)Any member who is willing to act as a director, and is permitted by law to do so, shall be appointed to be a director if so elected or co-opted.

Termination of director's appointment

19. A person ceases to be a director as soon as—

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;

- (d) a registered medical practitioner who is treating that person gives a written opinion to the Club stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- (f) notification is received by the Club from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms;
- (g) that person ceases to be a member.

Directors' remuneration

- 20.** No remuneration will be paid to a director.

Directors' expenses

- 21.** The Club may pay any reasonable expenses which the directors properly incur in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Club.

PART 4

APPOINTMENTS AND ELECTED POSITIONS

Patron and Friends

- 22.** (1) The Patron of the Club at incorporation is Sir Thomas Ingilby. In the event of that Sir Thomas or any subsequent Patron resigns or in the event that otherwise he or she ceases to be Patron, the directors may nominate a replacement for election at the next annual general meeting;
- (2) Friends of the Club may be appointed from time to time by the directors;

Officers

- 23.** (1) The officers of the Club at incorporation are:

Chairman: Helen Cassidy

Vice Chairman: Kate Stephens

Secretary: Marie Cousens

Treasurer: Robin Corner.

- (2) At the Annual General Meeting in 2011 and each year thereafter the officers shall retire but shall be eligible for re-election in accordance with these Articles and the Rules.

PART 5
MEMBERS

BECOMING AND CEASING TO BE A MEMBER

Applications for membership

24. (1) The members of the unincorporated association known as the Harrogate and Nidderdale Art Club as at the date of incorporation and such other persons as are admitted to membership by the directors in accordance with these Articles and the Rules, shall be members of the Club.

- (2) No other person shall become a member of the Club unless—
- (a) that person has completed an application for membership in the form set out in the Rules as amended from time to time by the directors, and
 - (b) the directors have approved the application.

Conditions of membership

25. Members shall pay an annual subscription set in accordance with the arrangements set out in the Rules from time to time. Any member failing to pay his subscription on or before the date set out in the Rules shall be deemed to have resigned his membership.

Termination of membership

- 26.** (1) A member may withdraw from membership of the Club by giving 7 days' notice to the Club in writing.
- (2) Membership is not transferable.
- (3) A person's membership terminates when that person dies or ceases to exist or when article 25 above deems him to have resigned.

ORGANISATION OF GENERAL MEETINGS

Annual general meetings

27. The Club shall hold a general meeting in every calendar year at such time and place as may be determined by the directors subject to statutory requirements.

Attendance and speaking at general meetings

- 28.** (1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- (2) A person is able to exercise the right to vote at a general meeting when—
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - (b) that person'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 persons attending the meeting.

- (3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- (4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- (5) Two or more persons 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 at that meeting, they are (or would be) able to exercise them.

Quorum for general meetings

29. No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. A quorum shall be the number of members equal to 20% of the total membership as at the end of the immediately previous financial period.

Chairing general meetings

- 30.** (1) The Chairman shall chair general meetings if present and willing to do so.
- (2) If the Chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start—
- (a) the directors present, or
 - (b) (if no directors are present), the meeting,
- must appoint a director or member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- (3) The person chairing a meeting in accordance with this article is referred to as “the chairman of the meeting”.

Attendance and speaking by directors and non-members

31. The chairman of the meeting may permit other persons who are not members of the Club to attend and speak at a general meeting.

Adjournment

- 32.** (1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.
- (2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—
- (a) the meeting consents to an adjournment, or
 - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- (3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the chairman of the meeting must—
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Club must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—
 - (a) to the same persons to whom notice of the Club's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

Voting: general

33. A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

Errors and disputes

- 34.**(1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- (2) Any such objection must be referred to the chairman of the meeting whose decision is final.

Poll votes

- 35.** (1) A poll on a resolution may be demanded—
- (a) in advance of the general meeting where it is to be put to the vote, or
 - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- (2) A poll may be demanded by—
- (a) the chairman of the meeting;
 - (b) the directors;
 - (c) two or more persons having the right to vote on the resolution; or
 - (d) a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution.
- (3) A demand for a poll may be withdrawn if—
- (a) the poll has not yet been taken, and
 - (b) the chairman of the meeting consents to the withdrawal.
- (4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

Content of proxy notices

- 36.** (1) Proxies may only validly be 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 directors may determine; and
 - (d) is delivered to the Club in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The Club 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.
- (4) 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

- 37.** (1) 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 Club by or on behalf of that person.
- (2) An appointment under a proxy notice may be revoked by delivering to the Club a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- (3) 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.
- (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor’s behalf.

Amendments to resolutions

- 38.** (1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—
- (a) notice of the proposed amendment is given to the Club in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- (3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 6

ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

- 39.** (1) Subject to the articles, anything sent or supplied by or to the Club 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 Club.
- (2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- (3) A director may agree with the Club that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Rules

- 40.** The Members in general meeting may from time to time make, vary and revoke Rules. Rules made must be compliant with the Companies Acts and these articles in order to be valid. In the event of any conflict between the Rules and these articles then these articles shall prevail.

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

- 41.** (1) Subject to paragraph (2), a relevant director of the Club or an associated Club may be indemnified out of the Club's assets against—
- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Club or an associated Club,

(b) any liability incurred by that director in connection with the activities of the Club or an associated Club in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),

(c) any other liability incurred by that director as an officer of the Club or an associated Club.

(2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

(3) In this article—

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

(b) a “relevant director” means any director or former director of the Club or an associated Club.

Insurance

42. (1) The directors may decide to purchase and maintain insurance, at the expense of the Club, for the benefit of any relevant director in respect of any relevant loss.

(2) In this article—

(a) a “relevant director” means any director or former director of the Club or an associated Club,

(b) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant director in connection with that director’s duties or powers in relation to the Club, any associated Club or any pension fund or employees’ share scheme of the Club or associated Club, and

(c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

PART 7

NON-PROFIT DISTRIBUTION AND DISSOLUTION

Non-profit distribution

43. (1) The income and property of the Club shall be applied solely towards the promotion of its object set out in article 3 and no portion thereof shall be paid or transferred directly or indirectly, overtly or covertly by way of distribution, bonus or otherwise by way of profit to the members of the Club.

(2) Nothing in this article shall prevent the payment in good faith by the Club of:

(a) reasonable and proper remuneration for any goods or services provided on an arms length basis to the Club; or

(b) other payments as are permitted by these articles.

Dissolution

44. If upon the winding up or dissolution of the Club there remains after the satisfaction of all its debts and liabilities any property whatsoever the same shall be transferred to an organisation determined at the time as having objects similar to those of the Club.