



SCVO SCIO Constitution (two tier)

CONSTITUTION OF Carradale Community Trust

SCVO Model SCIO Constitution (two tier)

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In this constitution, the following definitions apply throughout:

- “**AGM**” means an Annual General Meeting.
- “**Board**” means the Board of Charity Trustees.
- “**Charity**” means a body entered in the Scottish Charity Register as defined under section 106 of Charities and Trustee Investment (Scotland) Act 2005.
- “**Charity Trustees**” means the persons having the general control and management of the organisation (The Board).
- “**Clauses**” means any clause.
- “**Clear days**” means a period excluding the day when notice is given and the day of the meeting.
- “**Community**” means the Community area described in Clause 4.
- “**GM**” means a General Meeting.
- “**Group**” means those other organisations (incorporated or not) that are not this organisation (SCIO).
- “**Individual**” means a human/person.
- “**Land Reform Act**” means the Land Reform (Scotland) Act 2003 and every statutory modification or re-enactment thereof for the time being in force.
- “**Members**” means those individuals and groups who have joined this organisation.
- “**Organisation**” means the SCIO whose constitution this relates to.
- “**OSCR**” Means Office of the Scottish Charity Regulator”
- “**Property**” means any property, assets or rights, heritable or moveable, wherever situated in the world.
- “**SCIO**” means Scottish Charitable Incorporated Organisation.
- “**Them & their**” means individual or groups (either he, she or they).
- “**The 2005 Act**” means the Charities and Trustee Investment (Scotland) Act 2005 and every statutory modification and re-enactment thereof for the time being in force.

Words importing the singular number only shall include the plural number, and vice versa; and words importing the masculine gender only shall include the feminine gender.

These Clauses supersede any model Clauses and any regulations pertaining thereto. Subject to the aforesaid, any words or expressions defined in the 2005 Act shall, if no inconsistent with the subject or context, bear the same meanings in the Clauses.

The Schedule to these Clauses is deemed to form an integral part of these Clauses.

GENERAL

Type of organisation

- 1 The organisation will, upon registration, be a Scottish Charitable Incorporated Organisation (SCIO).

Scottish principal office

- 2 The principal office of the organisation will be in Scotland (and must remain in Scotland).

Name

- 3 The name of the organisation is **Carradale Community Trust**.

Definition of Community and Purposes

- 4 The organisation has been formed to benefit the community as defined by the boundaries of East Kintyre Community Council with the purposes listed in the sub clauses hereto ("the Purposes") to be exercised whilst furthering the achievement of sustainable development (where sustainable development means development which meets the needs of the present without compromising the ability of future generations to meet their own needs.

The organisation's main purpose is consistent with furthering the achievement of sustainable development.

The organisations purposes are:

- 4.1 To advance community development and rural regeneration through the establishment and operation of schemes of a charitable nature.
- 4.2 To provide facilities for persons suffering from physical disability, illness or impairment through provision of recreational and other activities.
- 4.3 To provide facilities for recreation and other leisure time activity available to the public at large with a view to improving their conditions of life.
- 4.4 The advancements of the arts, heritage or culture.
- 4.5 To provide relief for those in need by reason of age

Powers

- 5 The organisation has power to do anything which is calculated to further its purposes or is conducive or incidental to doing so. In particular (but without limiting the range of powers under the 2005 Act), the SCIO has power:-
- 5.1 To encourage and develop a spirit of voluntary or other commitment by, or co-operation with, individuals, unincorporated associations, societies, federations, partnerships, corporate bodies, agencies, undertakings, local authorities, unions, co-operatives, trusts and others and any groups or groupings thereof willing to assist the Organisation to achieve the Purposes.
 - 5.2 To promote and carry out research, surveys and investigations and to promote, develop and manage initiatives, projects and programmes.
 - 5.3 To provide advice, consultancy, training, tuition, expertise and assistance.
 - 5.4 To prepare, organise, promote and implement training courses, exhibitions, lectures, seminars, conferences, events and workshops, to collect, collate, disseminate and exchange information and to prepare, produce, edit, publish, exhibit and distribute clauses, pamphlets, books and other publications, tapes, motion and still pictures, music and drama and other materials, all in any medium.
 - 5.5 To register an interest in land and to exercise the right to buy land under Part 2 or Part 3A of the Land Reform (Scotland) Act 2003 including any statutory amendment or re-enactment thereof for the time being in force ("the Land Reform Act").
 - 5.6 To purchase, take on lease, hire, or otherwise acquire any property suitable for the organisation
 - 5.7 To construct, convert, improve, develop, conserve, maintain, alter and demolish any buildings or erections whether of a permanent or temporary nature, and manage and operate or arrange for the professional or other appropriate management and operation of the organisation's property.
 - 5.8 To sell, let, hire, license, give in exchange and otherwise dispose of all or any part of the property of the organisation.
 - 5.9 To establish and administer a building fund or funds or guarantee fund or funds or endowment fund or funds.

- 5.10 To employ, contract with, train and pay such staff (whether employed or self-employed) as are considered appropriate for the proper conduct of the activities of the organisation.
- 5.11 To take such steps as may be deemed appropriate for the purpose of raising funds for the activities of the organisation.
- 5.12 To accept subscriptions, grants, donations, gifts, legacies and endowments of all kinds, either absolutely or conditionally or in trust.
- 5.13 To borrow or raise money for the Purposes and to give security in support of any such borrowings by the organisation and/or in support of any obligations undertaken by the organisation.
- 5.14 To set aside funds not immediately required as a reserve or for specific purposes.
- 5.15 To invest any funds which are not immediately required for the activities of the organisation in such investments as may be considered appropriate, which may be held in the name of a nominee organisation under the instructions of the Board of Trustees, and to dispose of, and vary, such investments.
- 5.16 To make grants or loans of money and to give guarantees.
- 5.17 To establish, manage and/or support any other charity, and to make donations for any charitable purpose falling within the purposes.
- 5.18 To establish, operate and administer and/or otherwise acquire any separate trading organisation or association, whether charitable or not.
- 5.19 To enter into any arrangement with any organisation, government or authority which may be advantageous for the purposes of the activities of the organisation and to enter into any arrangement for co-operation, mutual assistance, or sharing profit with any charitable organisation.
- 5.20 To enter into contracts to provide services to or on behalf of others.
- 5.21 To effect insurance of all kinds (which may include indemnity insurance in respect of Trustees and employees).
- 5.22 To oppose, or object to, any application or proceedings which may prejudice the interests of the organisation.

5.23 To pay the costs of forming the organisation and its subsequent development.

General structure

6 The structure of the organisation comprises:

6.1 **Members** – comprising:

6.1.1 Ordinary Members (who have the right to attend the AGM and any GM and have important powers under these Clauses and the Land Reform Act, who elect people to serve as Trustees and take decisions in relation to any changes to these Clauses), and:

6.1.2 Associate Members and Junior Members; and

6.2 **Charity Trustees** – comprising:

- a) Elected Charity Trustees and
- b) Appointed and/or co-opted Charity Trustees

who hold regular meetings between each AGM, in particular, are responsible for monitoring its financial position set the strategy and policy, generally control and supervise the activities of the organisation.

6.3 The following conditions apply to the structure:

6.3.1 The organisation shall have not fewer than 16 members at any time; and

6.3.2 At least three quarters of the members of the organisation are members of the Community; and

6.3.3 In the event that the number of members falls below 16 or that at least three quarters of the members of the organisation do not consist of members of the Community, the Board may conduct essential business and to ensure the admission of sufficient Ordinary Members to achieve the minimum number and/or take steps to maintain the majority.

MEMBERSHIP

- 7 The members of the organisation shall consist of those individuals who made the application for registration of the organisation and such other individual or group as are admitted to membership under the following clauses.
- 7.1 Membership of the organisation is open to:
- 7.2 **Ordinary Members:** those individuals aged 16 and over who:
- (a) are resident in the Community; and
 - (b) are entitled to vote at a local government election in a polling district that includes the Community or part of it; and
 - (c) who support the purposes;
- 7.3 **Associate Members:** those individuals who:
- a) are not resident in the Community and those groups wherever located and
 - b) support the purposes.
- 7.3.1 Associate Members are neither eligible to stand for election to the Board nor to vote at any General Meeting.
- 7.3.2 Each member which is a group shall appoint one named Authorised Representative to represent and act for such member at all General Meetings. Any change in the appointment of an Authorised Representative may be made at any time by the appointing member, but only by written notice to the Organisation. Such notice will take effect upon its receipt by the Organisation.
- 7.4 **Junior Members:** those individuals who:
- a) are aged between 12 and 15 and
 - b) who support the Purposes.
- 7.4.1 Junior Members are neither eligible to stand for election to the Board nor to vote at any General Meeting.
- 75 Declaring that, if a member ceases to comply with any of the criteria at Clauses **7.2, 7.3 & 7.4** they will be obliged to inform the organisation and will thereafter have membership reclassified in terms of either Clauses **7.2, 7.3 or 7.4** and that if the organisation becomes aware of changes itself it will so reclassify the member and notify them accordingly.

- 7.7 The members of the organisation have no liability to pay any sums to help to meet the debts (or other liabilities) of the organisation if it is wound up; accordingly, if the organisation is unable to meet its debts, the members will not be held responsible.

Application for membership

- 8 Any individual or group who wishes to become a member shall in such written form as the Board prescribe submit a written application for membership (in the case of a group the application must be signed by an appropriate officer of that group).

- 8.1 The Board shall promptly consider applications for membership, made in such written form as it shall prescribe from time to time, determining if the terms of Clause **7.2, 7.3 or 7.4** apply and into which category of membership each applicant shall belong, and immediately thereafter shall approve any valid application provided the applicant is not excluded by virtue of Clause **6.3.1, 6.3.2 or 6.3.3** or has previously been a member of the organisation and continues to be excluded from membership by virtue of clause

Membership subscription

- 9 A one off subscription of £5.00 will be payable on acceptance for all categories of membership. Membership of the Organisation may not be transferred by a member.

Register of members

- 10 The board must keep a register of members, setting out

10.1 for each current member:

10.1.1 his/her full name and address; and

10.2.2 the date on which he/she was registered as a member of the organisation;

10.2 for each former member - for at least six years from the date on he/she ceased to be a member:

10.2.1 his/her name; and

10.2.2 the date on which he/she ceased to be a member.

- 11 The board must ensure that the register of members is updated within 28 days of any change:
- 11.1 which arises from a resolution of the board or a resolution passed by the members of the organisation; or
 - 11.2 which is notified to the organisation.
- 12 If a member or charity trustee of the organisation requests a copy of the register of members, the board must ensure that a copy is supplied to him/her within 28 days, providing the request is reasonable; if the request is made by a member (rather than a charity trustee), the board may provide a copy which has the addresses blanked out.

Withdrawal from membership

Re-registration of members

- 13 The board may, at any time, issue notices to the members requiring them to confirm that they wish to remain as members of the organisation, and allowing them a period of 28 days (running from the date of issue of the notice) to provide that confirmation to the board.
- 14 If a member fails to provide confirmation to the board (in writing or by e-mail) that he/she wishes to remain as a member of the organisation before the expiry of the 28-day period referred to in clause 13 the board may expel him/her from membership.
- 15 A notice under clause 13 will not be valid unless it refers specifically to the consequences under clause 14 of failing to provide confirmation within the 28-day period.

Cessation of membership

- 16 A member shall cease to be a member if:
- 16.1 Any individual or group who/which wants to withdraw from membership gives a written notice of withdrawal to the organisation, signed by them or (in the case of a group) signed on its behalf by an appropriate officer of that group; they will cease to be a member as from the time when the notice is received by the organisation; or
 - 16.2 Being a group, it goes into receivership, liquidation, dissolves or otherwise ceases to exist (the right of membership not being assignable); or
 - 16.3 A resolution that a member be expelled is passed by a majority of at least two thirds of the members present and voting at a General Meeting, of which not less than 21 days' previous notice specifying the intention to propose such resolution and the grounds on which it is proposed shall have been sent to all Charity Trustees, all members

and the Office Bearers (if applicable) and also to the member whose removal is in question, such member being entitled to be heard at that meeting; or

16.4 Being an individual, they die (the right of membership not being assignable) or

16.5 Failure to comply with the code of conduct for Trustees which would result in cessation of Trustee and membership; or

DECISION-MAKING BY THE MEMBERS

Members' meetings

- 17 The board must arrange a meeting of members (an annual general meeting or "AGM") in each calendar year.
- 18 The gap between one AGM and the next must not be longer than 15 months.
- 19 Notwithstanding clause 17 an AGM does not need to be held during the calendar year in which the organisation is formed; but the first AGM must still be held within 15 months of the date on which the organisation is formed.
- 20 The business of each AGM must include:-
 - 20.1 a report by the chair on the activities of the organisation;
 - 20.2 consideration of the annual accounts of the organisation;
 - 20.3 the election/re-election of charity trustees, as referred to in clauses 49 to 52.
- 21 The board may arrange a special members' meeting at any time.

Power to request the board to arrange a special members' meeting

- 22 The board must arrange a special members' meeting if they are requested to do so by a notice (which may take the form of two or more documents in the same terms, each signed by one or more members) by members who amount to 5% or more of the total membership of the organisation at the time, providing:
 - 22.1 the notice states the purposes for which the meeting is to be held; and
 - 22.2 those purposes are not inconsistent with the terms of this constitution, the Charities and Trustee (Investment) Scotland Act 2005 or any other statutory provision.
- 23 If the board receive a notice under clause 22, the date for the meeting which they arrange in accordance with the notice must not be later than 28 days from the date on which they received the notice.

Notice of members' meetings

- 24 At least 14 clear days' notice must be given of any AGM or any general members' meeting as defined in Clause 26.
- 25 The notice calling a members' meeting must specify in general terms what business is to be dealt with at the meeting; and

- 25.1 in the case of a resolution to alter the constitution, must set out the exact terms of the proposed alteration(s); or
- 25.2 in the case of any other resolution falling within clause 36 (requirement for two-thirds majority) must set out the exact terms of the resolution.
- 26 The reference to “clear days” in clause 24 shall be taken to mean that, in calculating the period of notice,
 - 26.1 the day the notices are posted (or sent by e-mail) should be excluded; and
 - 26.2 the day of the meeting itself should also be excluded.
- 27 Notice of every members' meeting must be given to all the members of the organisation, and to all the charity trustees; but the accidental omission to give notice to one or more members will not invalidate the proceedings at the meeting.
- 28 Any notice which requires to be given to a member under this constitution must be: -
 - 28.1 sent by post to the member, at the address last notified by him/her to the organisation; *or*
 - 28.2 sent by e-mail to the member, at the e-mail address last notified by him/her to the organisation.

Procedure at members' meetings

- 29 No valid decisions can be taken at any members' meeting unless a quorum is present.
- 30 The quorum for a members' meeting shall be 15 persons entitled to vote each being an Ordinary member or a proxy for an Ordinary member.
- 31 If a quorum is not present within 15 minutes after the time at which a members' meeting was due to start - or if a quorum ceases to be present during a members' meeting - the meeting cannot proceed; and fresh notices of meeting will require to be sent out, to deal with the business (or remaining business) which was intended to be conducted.
- 32 The chair of the organisation should act as chairperson of each members' meeting.
- 33 If the chair of the organisation is not present within 15 minutes after the time at which the meeting was due to start (or is not willing to act as chairperson), the Elected the charity trustees present at the

meeting must elect (from among themselves) the person who will act as chairperson of that meeting.

Voting at members' meetings

- 34 Every member has one vote, which may be given personally or by proxy. Any member holding a proxy vote must declare this at the outset at the meeting.
- 34.1 A member who wishes to appoint a proxy vote on his/her behalf at any members' meeting:-
- 34.1.1 must give to the Organisation a proxy form (in such terms as the board requires) signed by him/her; or
- 34.1.2 must send by electronic means to the Organisation at the email address notified to the members for the purpose, a proxy form (in such terms as the board requires)
- providing (in either case) the proxy form is received by the SCIO at the relevant address not less than 48 hours before the time for holding the members' meeting.
- 35 All decisions at members' meetings will be made by majority vote - with the exception of the types of resolution listed in clause 36.
- 36 The following resolutions will be valid only if passed by not less than two thirds of those voting on the resolution at a members' meeting (or if passed by way of a written resolution under clause 40):
- 36.1 a resolution amending the constitution;
- 36.2 a resolution expelling a person from membership under clause 16.3.
- 36.3 a resolution directing the board to take any particular step (or directing the board not to take any particular step);
- 36.4 a resolution approving the amalgamation of the organisation with another SCIO (or approving the constitution of the new SCIO to be constituted as the successor pursuant to that amalgamation);
- 36.5 a resolution to the effect that all of the organisation's property, rights and liabilities should be transferred to another SCIO (or agreeing to the transfer from another SCIO of all of its property, rights and liabilities);

- 36.6 a resolution for the winding up or dissolution of the organisation.
- 37 If there is an equal number of votes for and against any resolution, the chairperson of the meeting will be entitled to a second (casting) vote.
- 38 A resolution put to the vote at a members' meeting will be decided on a show of hands - unless the chairperson (or at least two other members present at the meeting) ask for a secret ballot.
- 39 The chairperson will decide how any secret ballot is to be conducted, and he/she will declare the result of the ballot at the meeting.

Written resolutions by members

- 40 A resolution agreed to in writing (or by e-mail) by all the Ordinary members will be as valid as if it had been passed at a members' meeting; the date of the resolution will be taken to be the date on which the last member agreed to it.

Minutes

- 41 The board must ensure that proper minutes are kept in relation to all members' meetings.
- 42 Minutes of members' meetings must include the names of those present; and (so far as possible) should be signed by the chairperson of the meeting.
- 43 The board shall make available copies of the minutes referred to in clause 41 to any member of the public requesting them; but on the basis that the board may exclude confidential material to the extent permitted under clause 89.
- 43.1 On the request of any person for a copy of the minutes of a meeting of the Organisation, the Organisation must, if the request is reasonable, give the person within 28 days of the request a copy of those minutes
- 43.2 Where a request of the type mentioned in 43.1 is made, Organisation may -
- 43.2.1 Withhold information contained in the minutes, and
- 43.2.2 If it does so, must inform the person requesting a copy of the minutes of its reasons for doing so.

BOARD

Number of charity trustees

- 44 The maximum number of charity trustees is 18; out of that:
- 44.1 no more than 15 shall be charity trustees who were elected/appointed under clauses 48 and 49 (or deemed to have been appointed under clause 48); and
 - 44.2 no more than 3 shall be charity trustees who were co-opted under the provisions of clauses 50 and 51
- 45 The minimum number of charity trustees is 5. At any given time, charity trustees who are also Ordinary Members must form a majority of the total number of trustees in office.

Eligibility

- 46 A person shall not be eligible for election/appointment to the board under clauses 49 to 50 unless he/she is an Ordinary member of the Organisation; a person co-opted to the board under clause 53 need not, however, be a member of the organisation.
- 47 A person will not be eligible for election or appointment to the board if he/she is: -
- 47.1 disqualified from being a charity trustee under the Charities and Trustee Investment (Scotland) Act 2005; or
 - 47.2 an employee of the organisation.

Initial charity trustees

- 48 The individuals who signed the charity trustee declaration forms which accompanied the application for incorporation of the organisation shall be deemed to have been appointed by the members as charity trustees with effect from the date of incorporation of the organisation.

Election, retiral, re-election

- 49 At each AGM, the members may elect any member (unless he/she is debarred from membership under clause 47) to be a charity trustee.
- 50 The board may at any time appoint any member (unless he/she is debarred from membership under clause 47) to be a charity trustee.
- 51 At each AGM, all of the charity trustees elected/appointed under clauses 49 and 50 (and, in the case of the first AGM, those deemed to

have been appointed under clause 48) shall retire from office – but shall then be eligible for re-election under clause 49.

52 A charity trustee retiring at an AGM will be deemed to have been re-elected unless: -

52.1 he/she advises the board prior to the conclusion of the AGM that he/she does not wish to be re-appointed as a charity trustee; or

52.2 an election process was held at the AGM and he/she was not among those elected/re-elected through that process; or

52.3 a resolution for the re-election of that charity trustee was put to the AGM and was not carried.

Appointment/re-appointment of co-opted charity trustees

53 In addition to their powers under clause 44, the board may at any time co-opt any non-member of the organisation to be a charity trustee (subject to clause 44.2, and providing he/she is not debarred from membership under clause 47) either on the basis that he/she has been nominated by a body with which the organisation has close contact in the course of its activities or on the basis that he/she has specialist experience and/or skills which could be of assistance to the board.

54 At each AGM, all of the charity trustees appointed under clause 53 shall retire from office – but shall then be eligible for re-appointment under that clause.

Termination of office

55 A charity trustee will automatically cease to hold office if: -

55.1 he/she becomes disqualified from being a charity trustee under the Charities and Trustee Investment (Scotland) Act 2005;

55.2 he/she becomes incapable for medical reasons of carrying out his/her duties as a charity trustee - but only if that has continued (or is expected to continue) for a period of more than six months;

55.3 (in the case of a charity trustee elected/appointed under clauses 49 to 50 he/she ceases to be a member of the organisation;

55.4 he/she becomes an employee of the organisation;

55.5 he/she gives the organisation a notice of resignation, signed by him/her;

- 55.6 he/she is absent (without good reason, in the opinion of the board) from more than three consecutive meetings of the board - but only if the board resolves to remove him/her from office;
 - 55.7 he/she is removed from office by resolution of the board on the grounds that he/she is considered to have committed a material breach of the code of conduct for charity trustees (as referred to in clause 72);
 - 55.8 he/she is removed from office by resolution of the board on the grounds that he/she is considered to have been in serious or persistent breach of his/her duties under section 66(1) or (2) of the Charities and Trustee Investment (Scotland) Act 2005; or
 - 55.9 he/she is removed from office by a resolution of the members passed at a members' meeting.
- 56 A resolution under paragraph 55.7, 55.8 or 55.9 shall be valid only if: -
- 56.1 the charity trustee who is the subject of the resolution is given reasonable prior written notice of the grounds upon which the resolution for his/her removal is to be proposed;
 - 56.2 the charity trustee concerned is given the opportunity to address the meeting at which the resolution is proposed, prior to the resolution being put to the vote; and
 - 56.3 (in the case of a resolution under paragraph 55.7 or 55.8) at least two thirds (to the nearest round number) of the charity trustees then in office vote in favour of the resolution.

Register of charity trustees

- 57 The board must keep a register of charity trustees, setting out
- 57.1 for each current charity trustee:
 - 57.1.1 his/her full name and address and email address where appropriate;
 - 57.1.2 the date on which he/she was appointed as a charity trustee; and
 - 57.1.3 any office held by him/her in the organisation;
 - 57.2 for each former charity trustee - for at least 6 years from the date on which he/she ceased to be a charity trustee:
 - 57.2.1 the name of the charity trustee;
 - 57.2.2 any office held by him/her in the organisation; and

57.2.3 the date on which he/she ceased to be a charity trustee.

58 The board must ensure that the register of charity trustees is updated within 28 days of any change:

58.1 which arises from a resolution of the board or a resolution passed by the members of the organisation; or

58.2 which is notified to the organisation.

59 If any person requests a copy of the register of charity trustees, the board must ensure that a copy is supplied to him/her within 28 days, providing the request is reasonable; if the request is made by a person who is not a charity trustee of the organisation, the board may provide a copy which has the addresses blanked out - if the Organisation is satisfied that including that information is likely to jeopardise the safety or security of any person or premises.

Office-bearers

60 The charity trustees must elect (from among themselves) a chair, a treasurer and a secretary.

61 In addition to the office-bearers required under clause 60, the charity trustees may elect (from among themselves) further office-bearers if they consider that appropriate.

62 All of the office-bearers will cease to hold office at the conclusion of each AGM, but may then be re-elected under clause 60 or 61.

63 A person elected to any office will automatically cease to hold that office: -

63.1 if he/she ceases to be a charity trustee; *or*

63.2 if he/she gives to the organisation a notice of resignation from that office, signed by him/her.

Powers of board

64 Except where this constitution states otherwise, the organisation (and its assets and operations) will be managed by the board; and the board may exercise all the powers of the organisation.

65 A meeting of the board at which a quorum is present may exercise all powers exercisable by the board.

66 The members may, by way of a resolution passed in compliance with clause 36 (requirement for two-thirds majority), direct the board to take any particular step or direct the board not to take any particular step; and the board shall give effect to any such direction accordingly.

Charity trustees - general duties

- 67 Each of the charity trustees has a duty, in exercising functions as a charity trustee, to act in the interests of the organisation; and, in particular, must:-
- 67.1 seek, in good faith, to ensure that the organisation acts in a manner which is in accordance with its purposes;
 - 67.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;
 - 67.3 in circumstances giving rise to the possibility of a conflict of interest between the organisation and any other party:
 - 67.3.1 put the interests of the organisation before that of the other party;
 - 67.3.2 where any other duty prevents him/her from doing so, disclose the conflicting interest to the organisation and refrain from participating in any deliberation or decision of the other charity trustees with regard to the matter in question;
 - 67.4 ensure that the organisation complies with any direction, requirement, notice or duty imposed under or by virtue of the Charities and Trustee Investment (Scotland) Act 2005.
- 68 In addition to the duties outlined in clause 67, all of the charity trustees must take such steps as are reasonably practicable for the purpose of ensuring: -
- 68.1 that any breach of any of those duties by a charity trustee is corrected by the charity trustee concerned and not repeated; and
 - 68.2 that any trustee who has been in serious and persistent breach of those duties is removed as a trustee.
- 69 Provided he/she has declared his/her interest - and has not voted on the question of whether or not the organisation should enter into the arrangement - a charity trustee will not be debarred from entering into an arrangement with the organisation in which he/she has a personal interest; and (subject to clause 70 and to the provisions relating to remuneration for services contained in the Charities and Trustee Investment (Scotland) Act 2005), he/she may retain any personal benefit which arises from that arrangement.
- 70 No charity trustee may serve as an employee (full time or part time) of the organisation; and no charity trustee may be given any remuneration by the organisation for carrying out his/her duties as a charity trustee.

- 71 The charity trustees may be paid all travelling and other expenses reasonably incurred by them in connection with carrying out their duties; this may include expenses relating to their attendance at meetings.

Code of conduct for charity trustees

- 72 Each of the charity trustees shall comply with the code of conduct (incorporating detailed rules on conflict of interest) prescribed by the board from time to time.
- 73 The code of conduct referred to in clause 72 shall be supplemental to the provisions relating to the conduct of charity trustees contained in this constitution and the duties imposed on charity trustees under the Charities and Trustee Investment (Scotland) Act 2005; and all relevant provisions of this constitution shall be interpreted and applied in accordance with the provisions of the code of conduct in force from time to time

DECISION-MAKING BY THE CHARITY TRUSTEES

Notice of board meetings

- 74 Any charity trustee may call a meeting of the board *or* ask the secretary to call a meeting of the board.
- 75 At least 7 days' notice must be given of each board meeting, unless (in the opinion of the person calling the meeting) there is a degree of urgency which makes that inappropriate.

Procedure at board meetings

- 76 No valid decisions can be taken at a board meeting unless a quorum is present; the quorum shall be not less than 50% of all the trustees provided that the Elected Charity Trustees are always in the majority at any Board meeting.
- 77 If at any time the number of charity trustees in office falls below the number stated as the quorum in clause 76, the remaining charity trustee(s) will have power to fill the vacancies or call a members' meeting - but will not be able to take any other valid decisions.
- 78 The chair of the organisation should act as chairperson of each board meeting.
- 79 If the chair is not present within 15 minutes after the time at which the meeting was due to start (or is not willing to act as chairperson), the Elected charity trustees present at the meeting must elect (from among themselves) the person who will act as chairperson of that meeting.
- 80 Every charity trustee has one vote, which must be given personally.
- 81 All decisions at board meetings will be made by majority vote.
- 82 If there is an equal number of votes for and against any resolution, the chairperson of the meeting will be entitled to a second (casting) vote provided that the chairperson should always be an Ordinary Member of the SCIO.
- 83 The board may, at its discretion, allow any person to attend and speak at a board meeting notwithstanding that he/she is not a charity trustee - but on the basis that he/she must not participate in decision-making.
- 84 A charity trustee must not vote at a board meeting (or at a meeting of a sub-committee) on any resolution which relates to a matter in which he/she has a personal interest or duty which conflicts (or may conflict) with the interests of the organisation; he/she must withdraw from the meeting while an item of that nature is being dealt with.
- 85 For the purposes of clause 84: -

- 85.1 an interest held by an individual who is “connected” with the charity trustee under section 68(2) of the Charities and Trustee Investment (Scotland) Act 2005 (husband/wife, partner, child, parent, brother/sister etc) shall be deemed to be held by that charity trustee;
- 85.2 a charity trustee will be deemed to have a personal interest in relation to a particular matter if a body in relation to which he/she is an employee, director, member of the management committee, officer or elected representative has an interest in that matter.

Minutes

- 86 The board must ensure that proper minutes are kept in relation to all board meetings and meetings of sub-committees.
- 87 The minutes to be kept under clause 86 must include the names of those present; and (so far as possible) should be signed by the chairperson of the meeting.
- 88 The board shall (subject to clause 89) make available copies of the minutes referred to in clause 86 to any member of the public requesting them.
- 88.1 On the request of any person for a copy of the minutes of a meeting of the Organisation, the Organisation must, if the request is reasonable, give the person within 28 days of the request a copy of those minutes
- 88.2 Where a request of the type mentioned in 43.1 is made, Organisation may -
- 88.2.1 Withhold information contained in the minutes, and
- 88.2.2 If it does so, must inform the person requesting a copy of the minutes of its reasons for doing so.
- 89 The board may exclude from any copy minutes made available to a member of the public under clause 88 any material which the board considers ought properly to be kept confidential - on the grounds that allowing access to such material could cause significant prejudice to the interests of the organisation or on the basis that the material contains reference to employee or other matters which it would be inappropriate to divulge.
- 90 Subject to the aforementioned clauses regarding minutes, the organisation upon request of any person for a copy of any minutes must, if the request is reasonable, give the person within 28 days of the request a copy of the requested minutes.

ADMINISTRATION

Delegation to sub-committees

- 91 The board may delegate any of their powers to sub-committees; a sub-committee must include at least one charity trustee, but other members of a sub-committee need not be charity trustees.
- 92 The board may also delegate to the chair of the organisation (or the holder of any other post) such of their powers as they may consider appropriate.
- 93 When delegating powers under clause 91 or 92 the board must set out appropriate conditions (which must include an obligation to report regularly to the board).
- 94 Any delegation of powers under clause 91 or 92 may be revoked or altered by the board at any time.
- 95 The rules of procedure for each sub-committee, and the provisions relating to membership of each sub-committee, shall be set by the board.

Operation of accounts

- 96 Subject to clause 97, the signatures of two out of three signatories elected by the board will be required in relation to all operations (other than the lodging of funds) on the bank and building society accounts held by the organisation; and both signatures must be the signature of a charity trustee.
- 97 Where the organisation uses electronic facilities for the operation of any bank or building society account, the authorisations required for operations on that account must be consistent with the approach reflected in clause 96.

Accounting records and annual accounts

- 98 The board must ensure that proper accounting records are kept, in accordance with all applicable statutory requirements.
- 99 The board must prepare annual accounts, complying with all relevant statutory requirements; if an audit is required under any statutory provisions (or if the board consider that an audit would be appropriate for some other reason), the board should ensure that an audit of the accounts is carried out by a qualified auditor.

Constraint on Payments

- 100 The income and property of the organisation shall be applied solely towards promoting the Purposes and do not belong to the members. Any surplus income or assets of the organisation are to be applied for the benefit of the Community.
- 101 No part of the income or property of the organisation shall be paid or transferred (directly or indirectly) to the members of the organisation, or to any other individual, whether by way of dividend, bonus or otherwise.

MISCELLANEOUS

Dissolution

- 102 The winding-up of the Organisation may take place only on the decision of not less than two thirds of its Ordinary Members who are present and voting at a General Meeting called specifically (but not necessarily exclusively) for the purpose.
- 103 If, on the winding-up of the Organisation, any property or assets remains, after satisfaction of all its debts and liabilities, such property (including any land acquired by it in terms of the Land Reform Act) shall be given or transferred to such other Community body or bodies or charitable group as may be:
- (a) determined by not less than two thirds of the Ordinary Members of the Organisation who are present and voting at a General Meeting called specifically (but not necessarily exclusively) for the purpose; and
 - (b) ensuring such assets are transferred to another body which has purposes which resemble closely the purposes of the Organisation
 - (c) approved by the Office of the Scottish Charity Regulator (and its successors);
- 104 And during wind-up notify the Scottish Ministers, through the Scottish Government Rural Directorate (or its successors).

Alterations to the constitution

- 105 Any alteration to this constitution should comply with the following conditions:

- 105.1 upon the decision of not less than two thirds of the Ordinary Members present and voting at a General Meeting called specifically (but not necessarily exclusively) for the purpose in terms of Clause **36**;
- 105.2 any changes to the purposes are subject to written consent being obtained from the Office of the Scottish Charity Regulator (and its successors) in terms of section 16 of The Charities and Trustee Investment (Scotland) Act 2005
- 105.3 Notify the Office of the Scottish Charity Regulator (and its successors) of any other changes to the Clauses not covered under Clause **103.2** (i.e. not related to purposes) in terms of section 17 of The Charities and Trustee Investment (Scotland) Act 2005
- 105.4 notify the Scottish Ministers of any alterations to the Articles under Section 35(1) of the Land Reform Act