

SCVO Model SCIO Constitution (two tier)

CONSTITUTION

of

Strathnairn Development Company



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Change Record

This page records all changes to SDC's constitution.

Version	Date of GM approving change	Description
v1	11 September 2019 (at incorporation)	Version as approved by OSCR 11 September 2019
v1.1	23 February 2021	Version includes changes to allow video meetings

Two signatures of trustees, who certify that the latest version of this constitution is agreed are to be entered below :-

Name	Signature	Date
Mrs. Raghnaid Sandilands		2 March 2021
Mr. Paul Robinson		2 March 2021

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 “Strathnairn Development Company”.

Defined terms

4. In this constitution, unless the context otherwise requires :-

(a) “*Act*” means the Charities and Trustee Investment (Scotland) Act 2005;

(b) “*Charity*” means a body which is either :-

- a “Scottish charity” within the meaning of section 13 of the *Act*; or
- a “charity” within the meaning of section 1 of the Charities Act 2011,

providing (in either case) that its objects are limited to charitable purposes;

(c) “*Charitable Purpose*” means a charitable purpose under section 7 of the *Act* which is also regarded as a charitable purpose in relation to the application of the Taxes Acts;

(d) “*Power*” means a function defined in this Constitution that may be performed by a *Charity Trustee* in pursuit of the Organisation’s objectives.

(e) “*Operating Area*” means the area defined by Schedule A, annexed to this constitution;

(f) “*Community*” means the people, living permanently within the *Operating Area*.

(g) “*Property*” means any property, assets or rights, heritable or moveable, wherever situated;

(h) “*Member(s)*” means an eligible resident living within the *Operating Area* who has the right to attend *Members’* meetings (including any annual general meeting) and has important powers under the constitution; in particular, the *Members* elect *Members* willing to serve on the *Board*, and also take decisions on changes to this constitution;

(i) “*Board*” means the body generally controlling the activities of the Organisation. For example, the *Board* is responsible for monitoring and controlling the financial position of the Organisation. The *Board* holds regular meetings;

(j) “*Charity Trustee(s)*” means an eligible *Member* who serves on the *Board*.

(k) “*Co-opted Charity Trustee*” means any eligible non-*Member* of the Organisation, appointed to the *Board* on the basis that they have specialist experience and/or skills which could be of assistance. *Co-opted Charity Trustees* have no voting rights on the *Board*;

(l) “*OSCR*” means the Office of the Scottish Charity Regulator;

Charitable Purposes

5. The Organisation has been formed to benefit the *Community*, with the *Charitable Purposes* listed in Clause 6. These *Charitable Purposes* are to be achieved in conjunction with the principles of sustainable development. Sustainable

development means development which meets the needs of the present without compromising the capacity of future generations to meet their own needs.

6. The Organisation's primary *Charitable Purpose* is the advancement of community development, including assessing the need for, advocating for, providing advice for, and the execution of plans for, community development. In discharging its primary *Charitable Purpose*, the Organisation may also carry out any of the secondary *Charitable Purposes* listed in Schedule B annexed to this Constitution.

Powers

7. The Organisation shall have the *Powers* as defined in Schedule C annexed to this Constitution. It may exercise these *Powers* only where calculated to further the *Charitable Purposes* defined in Clause 6 or is conducive or incidental to doing so. *Community* assets created or otherwise acquired as a result of the Organisation's efforts need not be located within the *Operating Area*, so long as they provide public benefit for the *Community*.
8. No part of the income or *Property* of the Organisation may be paid or transferred (directly or indirectly) to the *Members* - either in the course of the Organisation's existence or on dissolution - except where this is done in direct furtherance of the Organisation's *Charitable Purposes*. Furthermore, any surplus funds or assets of the Organisation are to be applied for the benefit of the whole *Community*.

Liability of members

9. The *Members* 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.
10. The *Members* and *Charity Trustees* have certain legal duties under the Act; and Clause 7 of the *Act* does not exclude (or

limit) any personal liabilities they might incur if they are in breach of those duties or in breach of other legal obligations or duties that apply to them personally.

MEMBERS

Minimum numbers of members

11. The Organisation will have no fewer than 20 *Members*.
12. In the event that the number of *Members* falls below the minimum number of *Members* stated in Clause 11 then the *Charity Trustees* may not take any actions save the approval of new *Members* as described in Clauses 15-17, and the election/re-election of *Charity Trustees* as defined by Clauses 66-70.

Qualifications for membership

13. Membership is open to any member of the *Community*.
14. Employees of the Organisation are not eligible for membership.

Application for membership

15. Any person who wishes to become a *Member* must sign a written application for membership; the application will then be considered by the *Board* at its next *Board* meeting.
16. The *Board* may refuse to admit any applicant, who does not, in the view of the *Board*, meet the requirements of Clause 13 - 14, to membership.
17. The *Board* must notify each applicant promptly (in writing or by e-mail) of its decision on whether or not to admit them to membership.

Membership subscription

18. No membership subscription will be payable.

Register of members

19. The *Board* must keep a register of *Members*, setting out for each current *Member* :-
 - (a) their full name and address; and
 - (b) the date on which they were registered as a *Member*;
20. The *Board* must ensure that the register of *Members* is updated within 28 days of any change :-
 - (a) which arises from a resolution of the *Board* or a resolution passed by the *Members*; or
 - (b) which is notified to the Organisation.
21. 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 them within 28 days, providing the request is reasonable; if the request is made by a *Member* (rather than a *Charity Trustee*), the copy provided is subject to the terms of Clause 131.

Withdrawal from membership

22. Any person who wishes to withdraw from membership must give a written notice of withdrawal to the Organisation, signed by them; they will cease to be a *Member* from the time the notice is received by the Organisation.

Transfer of membership

23. Membership of the Organisation may not be transferred to any other person.

Re-registration of Members

24. 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*.

25. If a *Member* fails to provide confirmation to the *Board* (in writing or by e-mail) that they wish to remain as a *Member* of the Organisation before the expiry of the 28-day period referred to in Clause 24, the *Board* may expel them from membership.
26. A notice under Clause 24 will not be valid unless it refers specifically to the consequences (under Clause 25) of failing to provide confirmation within the 28-day period.

Expulsion of members

27. Any *Member* may be expelled from the organisation by way of a resolution passed by not less than two thirds of those voting at a *Members'* meeting, providing the following procedures have been observed :-
 - (a) at least 21 days' notice of the intention to propose the resolution must be given to the *Member* concerned, specifying the grounds for the proposed expulsion;
 - (b) the *Member* concerned will be entitled to be heard on the resolution at the *Members'* meeting at which the resolution is proposed.

Termination

28. Membership of the Organisation will terminate on death.

DECISION-MAKING BY THE MEMBERS

Members' meetings

29. The *Board* must arrange a meeting of *Members* (an annual general meeting or "AGM") in each calendar year.
30. The gap between one AGM and the next must not be longer than 15 months.
31. Notwithstanding Clause 30, 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.

32. The business of each AGM must include:-

(a) a report by the chair on the activities of the Organisation;

(b) consideration of the annual accounts of the Organisation;

(c) a declaration of the results of the election, when held, of *Charity Trustees*, referred to in Clause 72.

33. The *Board* may arrange a special *Members'* meeting at any time.

Power to request members' meeting

34. 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 :-

(a) the notice states the purposes for which the meeting is to be held; and

(b) those purposes are not inconsistent with the terms of this constitution, the *Act* or any other statutory provision.

35. If the *Board* receive a notice under Clause 34, 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

36. At least 14 clear days' notice must be given of any *Members'* meeting (or any adjourned *Members'* meeting.)

37. The notice, given in Clause 36, must specify in general terms what business is to be dealt with at the meeting; and
- (a) in the case of a resolution to alter this constitution, must set out the exact terms of the proposed alteration(s); or
 - (b) in the case of any other resolution, falling within the terms of Clause 52, must set out the exact terms of the resolution.
38. The reference to “clear days” in Clause 36 shall be taken to mean that, in calculating the period of notice,
- (a) the day after the notices are posted (or sent by e-mail) should be excluded; and
 - (b) the day of the meeting itself should also be excluded.
39. Notice of every *Members'* meeting must be given to all *Members*, 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.
40. Any notice which must be given to a *Member* under this constitution must be :-
- (a) sent by post to the *Member*, at the address last notified by them to the Organisation; or
 - (b) sent by e-mail to the *Member*, at the e-mail address last notified by them to the Organisation.

Procedure at members' meetings

41. No valid decisions can be taken at any *Members'* meeting unless a quorum is present.
42. The quorum for a *Members'* meeting is 25% of the total number of *Members*, or 20 *Members*, which ever is the lower. In calculating the number of *Members* present, the number of

proxies appointed by Members shall be taken into account. Members or their proxies may be present in person, or remotely by phone/video link.

43. 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.
44. The chairperson of the Organisation should act as chairperson of each *Members'* meeting.
45. If the chairperson 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 *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

46. Every *Member* shall have one vote, which (whether on a show of hands or on a secret ballot) may be given either personally or by proxy.
47. Any *Member* who wishes to appoint a proxy to vote on his/her behalf at any *Members'* meeting (or adjourned *Members'* meeting) shall lodge with the Organisation, a completed instrument of proxy, in such form as the *Charity Trustees* require :-
 - (a) at the Organisation's registered office, signed by him/her;
or
 - (b) sent by electronic means, to such email address as may have been notified to the *Members* by the Organisation for that purpose;

providing (in either case), the instrument of proxy is received by the Organisation at the relevant address not less than 48 hours before the time for holding the *Members'* meeting (or, as the case may be, adjourned *Members'* meeting).

48. An instrument of proxy which does not conform with the provisions of Clause 47 shall be invalid.
49. A *Member* shall not be entitled to appoint more than one proxy to attend on the same occasion.
50. A proxy appointed to attend and vote at any *Members'* meeting must be either a *Member* of the Organisation or be eligible for membership.
51. All decisions at *Members'* meetings will be made by majority vote - with the exception of the types of resolution listed in Clause 52.
52. 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 :-
 - (a) a resolution amending the constitution;
 - (b) a resolution expelling a *Member* under Clause 27;
 - (c) a resolution directing the *Board* to take any particular step (or directing the *Board* not to take any particular step);
 - (d) 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);
 - (e) 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);

(f) a resolution for the winding up or dissolution of the Organisation.

53. 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.
54. 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.
55. The chairperson will decide how any secret ballot is to be conducted, and they will declare the result of the ballot at the meeting.

Minutes

56. The *Board* must ensure that proper minutes are kept in relation to all *Members'* meetings.
57. 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.
58. The *Board* must ensure that a copy of the minutes referred to in Clause 56 is supplied, within 28 days, to any *Member* requesting them.
59. The copies of the minutes, referred to in Clause 58, shall be treated by the *Member*, in possession of them, in a manner consistent with the Organisation's Data Privacy Notice.
60. The *Board* must ensure that a copy of the minutes referred to in Clause 56 is supplied, within 28 days, to any member of the

public requesting them; but the copy provided is subject to the terms of Clause 129.

BOARD

Number of Charity Trustees

61. The maximum number of *Charity Trustees* is 12.
62. The minimum number of *Charity Trustees* is 6.

Eligibility

63. A person will not be eligible for election or appointment to the *Board* if they :-
 - (a) are disqualified from being a *Charity Trustee* under the *Act*; or
 - (b) are an employee of the Organisation; or
 - (c) have irresolvable conflicts of interest, as identified in Clause 109.
64. A *Member* will not be eligible for election or appointment to the *Board* while they are the subject of a resolution to expel them from the Organisation under Clause 27.
65. A *Member* will not be eligible for election to the *Board* if they have served in the capacity of a *Charity Trustee* for a continuous period of 3 years, and less than 1 year has elapsed since their final retirement.

Initial Charity Trustees

66. 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

67. Through the election process, described in Clause 72, held prior to an AGM, and when there are vacancies on the *Board, Members* may elect any *Member*, who is eligible under Clauses 63 and 65, to be a *Charity Trustee*.
68. For the purposes of Clause 67, the number of vacancies shall be the maximum number of *Charity Trustees*, permitted by Clause 61, less the number of elected *Charity Trustees*, who have not completed a 3-year term on the *Board at the conclusion an AGM*.
69. The *Board* may at any time appoint any *Member*, who is eligible under Clauses 63 and 64, to be a *Charity Trustee*, except where the number of *Charity Trustees* would then exceed the maximum permitted by Clause 61.
70. At each AGM, the following *Charity Trustees* shall retire from office :-
- (a) those elected under Clause 67, who have completed a 3-year term on the *Board*; and
 - (b) those appointed by the *Board* under Clause 69; and
 - (c) in the case of the first AGM, those deemed to have been appointed under Clause 66.
71. A *Charity Trustee* retiring at an AGM will be deemed to have been re-elected unless :-
- (a) they advise the *Board* prior to the commencement of the election process, described in Clause 72, that they do not wish to be re-appointed as a *Charity Trustee*; or
 - (b) they have served in the capacity of a *Charity Trustee* for a continuous period of 3 years; or

(c) an election process, described in Clause 72, was held prior to the AGM and they were not among those elected.

72. Prior to the commencement of each AGM, an election will be held, if necessary, in accordance with the process described in Schedule D, annexed to this constitution, to fill any vacancies on the *Board*, that may occur after the AGM.

73. In addition to their powers under Clause 69, the *Board* may at any time appoint any number of *Co-opted Charity Trustee*.

74. At each AGM, all of the *Co-opted Charity Trustees* appointed under Clause 73 shall retire from office – but shall then be eligible for re-appointment under that Clause.

Termination of office

75. A *Charity Trustee* will automatically cease to hold office if :-

(a) they become disqualified from being a *Charity Trustee* under the *Act*; or

(b) they become incapable for medical reasons of carrying out their duties as a *Charity Trustee* - but only if that has continued (or is expected to continue) for a period of more than six months; or

(c) in the case of a *Charity Trustee* elected/appointed under Clauses 66, 67 and 69, they cease to be a *Member* of the Organisation; or

(d) they become an employee of the Organisation; or

(e) they give the Organisation a notice of resignation, signed by them; or

(f) they are 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 them from office; or

(g) they are removed from office by resolution of the *Board* on the grounds that they are considered to have committed a material breach of the Code of Conduct for Charity Trustees (as referred to in Clauses 95 and 97); or

(h) they are removed from office by resolution of the *Board* on the grounds that they are considered to have irresolvable conflicts of interest (as referred to in Clause 109); or

(i) they are removed from office by resolution of the *Board* on the grounds that they are considered to have been in serious or persistent breach of their duties under section 66(1) or (2) of the Act; or

(j) they are removed from office by a resolution of the *Members* passed at a *Members'* meeting, in accordance with Clause 51.

76. A resolution under Sub-clauses 77(g), 77(h), 77(i) ,or 77(j) shall be valid only if :-

(a) the *Charity Trustee* who is the subject of the resolution is given reasonable prior written notice of the grounds upon which the resolution for their removal is to be proposed; and

(b) 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.

77. A resolution under Sub-clauses 77(g), 77(h) or 77(i) shall be valid only if at least two thirds (rounded up to the nearest integer) of the *Charity Trustees*, then in office, vote in favour of the resolution.

Register of Charity Trustees

78. The *Board* must keep a register of *Charity Trustees*, setting out :-
- (a) for each current *Charity Trustee*, records will be kept in accordance with the Organisation's Data Privacy Notice; and
 - (b) for each former *Charity Trustee*, records will be kept in accordance with the Organisation's Data Privacy Notice, for a period of 6 years from the date they ceased to be a *Charity Trustee*.
79. The *Board* must ensure that the register of *Charity Trustees* is updated within 28 days of any change :-
- (a) which arises from a resolution of the *Board* or a resolution passed by the *Members* of the Organisation; or
 - (b) which is notified to the Organisation.
80. If any person requests a copy of the register of *Charity Trustees*, the *Board* must ensure that a copy is supplied to them within 28 days, providing the request is reasonable; but the copy provided is subject to the terms of Clause 129.

Office-bearers

81. The *Charity Trustees* must elect (from among themselves) a chair and a treasurer.
82. In addition to the office-bearers required under Clause 81, the *Charity Trustees* may elect (from among themselves) further office-bearers if they consider that appropriate.
83. All of the office-bearers will cease to hold office at the conclusion of each AGM, but may then be re-elected under Clauses 81 and 82.

84. A *Charity Trustee* elected to any office will automatically cease to hold that office :-
- (a) if they cease to be a *Charity Trustee*; or
 - (b) if they give to the Organisation a notice of resignation from that office, signed by them; or
 - (c) if the *Board* resolves to remove them from their office.

Secretary

85. The *Charity Trustees* shall appoint a secretary, and on the basis that the term of the appointment, the remuneration (if any) payable to the secretary, and the such conditions of appointment shall be as determined by the *Charity Trustees*; the secretary may be removed by them at any time.

Powers of Board

86. 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.
87. If at any time the number of *Charity Trustees* in office falls below the minimum number stated in Clause 62, the remaining *Charity Trustee(s)* shall be unable to exercise the powers of the Organisation, save the power to appoint other *Charity Trustees*, approve *Members* or call a *Members'* meeting.
88. A meeting of the *Board* at which a quorum is present may exercise all powers exercisable by the *Board*.
89. The *Members* may, by way of a resolution passed in compliance with Clause 52 (requirement for two-thirds majority), direct the *Board* to (or not to) take any particular step; and the *Board* shall give effect to any such direction accordingly.

Charity Trustees - general duties

90. 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 :-
- (a) seek, in good faith, to ensure that the Organisation acts in a manner which is in accordance with its purposes; and
 - (b) act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person; and
 - (c) in circumstances giving rise to the possibility of a conflict of interest between the Organisation and any other party; and
 - (d) put the interests of the Organisation before that of the other party;
 - (e) where any other duty prevents them 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;
 - (f) ensure that the Organisation complies with any direction, requirement, notice or duty imposed under or by virtue of the Act.
91. In addition to the duties outlined in Clause 90, all of the *Charity Trustees* must take such steps as are reasonably practicable for the purpose of ensuring :-
- (a) that any breach of any of those duties by a *Charity Trustee* is corrected by the *Charity Trustee* concerned and not repeated; and
 - (b) that any *Charity Trustee* who has been in serious and persistent breach of those duties is removed as a *Charity Trustee*.

92. Provided they have declared their interest - and have 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 they have a personal interest; and (subject to Clause 90 and to the provisions relating to remuneration for services contained in the *Act*), they may retain any personal benefit which arises from that arrangement.
93. 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 their duties as a *Charity Trustee*.
94. 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

95. All *Charity Trustees* shall comply with the Code of Conduct Policy prescribed by the *Board* from time to time.
96. The Code of Conduct Policy referred to in Clause 95 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 *Act*; and all relevant provisions of this constitution shall be interpreted and applied in accordance with the provisions of the Code of Conduct Policy in force from time to time.

DECISION-MAKING BY THE CHARITY TRUSTEES

Notice of Board meetings

97. Any *Charity Trustee* may call a meeting of the *Board* or request that the secretary call a meeting of the *Board*.

98. 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

99. No valid decisions can be taken at a *Board* meeting unless a quorum is present; the quorum for *Board* meetings is half of all voting *Charity Trustees*, rounded up to the nearest integer, who are present in person, or who have appointed a proxy, who is attending the meeting.
100. The chair of the Organisation should act as chairperson of each *Board* meeting.
101. 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 *Charity Trustees* present at the meeting must elect (from among themselves) the person who will act as chairperson of that meeting.
102. Every *Charity Trustee* has one vote, which must be given in person, or by a proxy, appointed in accordance with Clauses 120 - 122.
103. All decisions at *Board* meetings will be made by majority vote.
104. 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.
105. All *Board* meetings are closed to non-*Board* members, but the *Board* may, at its discretion, permit *Members* to attend all or part of the meeting - but only on the basis that they may not participate in, or attempt to influence the *Board* in its, decision-making.
106. The *Board* may, at its discretion, allow any person to attend and speak at a *Board* meeting notwithstanding that they are

not a *Charity Trustee* - but only on the basis that they must not participate in decision-making.

Conflicts of Interest

107. 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 they have a personal interest or duty which conflicts (or may conflict) with the interests of the Organisation; they must withdraw from the meeting while an item of that nature is being dealt with.
108. For the purposes of Clause 107 :-
- (a) an interest held by an individual who is “connected” with the *Charity Trustee* under section 68(2) of the *Act* (husband/wife, partner, child, parent, brother/sister etc) shall be deemed to be held by that *Charity Trustee*; and
 - (b) a *Charity Trustee* will be deemed to have a personal interest in relation to a particular matter if a body in relation to which they are an employee, director, member of the management committee, officer or elected representative has an interest in that matter.
109. For the purposes of satisfying *OSCR*, that *Charity Trustees* have control of, and ensure the independence of, the Organisation's decision-making, all *Charity Trustees* shall be subject to the Organisation's Conflicts of Interest Policy, both :-
- (a) prior to their election or appointment, and
 - (b) following their election or appointment, at all times thereafter.
110. The Conflicts of Interest Policy referred to in Clause 109 shall be supplemental to the provisions relating to conflicts of interest contained in this constitution and the duties imposed

on *Charity Trustees* under the *Act*; and all relevant provisions of this constitution shall be interpreted and applied in accordance with the provisions of the Conflicts of Interest Policy in force from time to time.

Minutes

111. The *Board* must ensure that proper minutes are kept in relation to all *Board* meetings and meetings of sub-committees.
112. The minutes to be kept under Clause 111 must include the names of those present; and (so far as possible) should be signed by the chairperson of the meeting.
113. The *Board* must ensure that a copy of the minutes referred to in Clause 111 is supplied, within 28 days, to any member of the public requesting them; but the copies provided shall be subject to the terms of Clause 129.

ADMINISTRATION

Delegation to sub-committees

114. 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*.
115. 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.
116. When delegating powers under Clauses 114 and 115, the *Board* must set out appropriate conditions (which must include an obligation to report regularly to the *Board*).
117. Any delegation of powers under Clauses 114 and 115 may be revoked or altered by the *Board* at any time.

118. The rules of procedure for each sub-committee, and the provisions relating to membership of each sub-committee, shall be set by the *Board*.

Charity Trustee proxies

119. Any *Charity Trustee* who wishes to appoint a proxy to vote on his/her behalf at any *Board* meeting (or adjourned *Board* meeting) shall lodge with the Organisation, a completed instrument of proxy, in such form as the *Board* require :-

(a) at the Organisation's registered office, signed by him/her;
or

(b) sent by electronic means, to such email address as may have been notified to the *Charity Trustees* by the Organisation for that purpose;

providing (in either case), the instrument of proxy is received by the Organisation at the relevant address not less than 24 hours before the time for holding the *Board* meeting (or, as the case may be, adjourned *Board* meeting).

120. An instrument of proxy which does not conform with the provisions of Clause 119 shall be invalid.
121. A *Charity Trustee* shall not be entitled to appoint more than one proxy to attend on the same occasion.
122. A proxy appointed under Clauses 119 - 121 shall be a *Charity Trustee*.

Operation of accounts

123. Subject to Clause 114, the signatures of two out of three signatories appointed 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; at least one out of the two signatures must be the signature of a *Charity Trustee*.

124. 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 123.

Accounting records and annual accounts

125. The *Board* must ensure that proper accounting records are kept, in accordance with all applicable statutory requirements.
126. 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.

MISCELLANEOUS

Winding-up

127. If the Organisation is to be wound up or dissolved, the winding-up or dissolution process will be carried out in accordance with the procedures set out under the Act.
128. Any surplus assets available to the Organisation immediately preceding its winding up or dissolution must be used for purposes which are the same as - or which closely resemble - the purposes of the Organisation as set out in this constitution.

Release of records

129. The *Board* reserves the right to edit or redact the content of any records, that are the subject of any request for release, from any source, so as to be consistent with the Organisation's Data Privacy Notice. Where content is edited or redacted, the *Board* must provide an explanation.

Alterations to the constitution

130. This constitution may, subject to Clause 131, be altered by resolution of the *Members* passed at a *Members'* meeting,

subject to achieving the two thirds majority referred to in Clause 52.

131. The *Act* prohibits taking certain steps (eg change of name, an alteration to the purposes, amalgamation, winding-up) without the consent of *OSCR*.

Indemnity

132. Every *Charity Trustee*, *Co-opted Charity Trustee*, officer, auditor, secretary, or employee of the Organisation shall be indemnified out of the assets of the Organisation against any loss or liability which he/she may sustain or incur in connection with the execution of the duties of his/her office, to the extent permitted by the Act.
133. The Organisation shall be entitled (subject to the provisions of section 68A of the Act) to purchase and maintain for any *Charity Trustee* insurance against any loss or liability which any *Charity Trustee* or officer of the Organisation may sustain or incur in connection with the execution of the duties of his/her office.

SCHEDULE A

OPERATING AREA

The *Operating Area* of the Organisation is hereby defined as the area enclosed by the boundary, as defined by the Highland Council under its Schemes for the Establishment of Community Councils, current in September 2018, of the Strathnairn Community Council.

The following postcode units lie, wholly, or partly, within the *Operating Area* :-

IV13 7YB	IV13 7YE	IV13 7YT	IV13 7ZA
IV2 5BF	IV2 5BP	IV2 5BS	IV2 5BT
IV2 5BU	IV2 5ED	IV2 5EE	IV2 5EH
IV2 5EL	IV2 5EJ	IV2 5EN	IV2 5EP
IV2 5EQ	IV2 5ER	IV2 5EU	IV2 5EW
IV2 5FS	IV2 5XL	IV2 5XQ	IV2 6AE
IV2 6AL	IV2 6AN	IV2 6AP	IV2 6AW
IV2 6AX	IV2 6UA	IV2 6UB	IV2 6UD
IV2 6UE	IV2 6UG	IV2 6UJ	IV2 6UY
IV2 6WG	IV2 6XA	IV2 6XB	IV2 6XD
IV2 6XE	IV2 6XF	IV2 6XG	IV2 6XH
IV2 6XJ	IV2 6XN	IV2 6YJ	

It should be noted that Loch Duntelchaig lies wholly within the *Operating Area*, but is not represented by a postcode unit.

SCHEDULE B

SECONDARY CHARITABLE PURPOSES

In discharging its primary Charitable Purpose, the Organisation may also carry out the secondary Charitable Purposes listed below (if any.) Secondary Charitable Purposes shall be added to the list as deemed necessary, following a resolution in accordance with Clause 130, to amend this constitution, and only with the express permission of OSCR, as noted in Clause 131.

It is hereby declared that the order in which these *Charitable Purposes* are listed is of no significance in terms of their respective priority which is deemed to be equal.

SCHEDULE C

POWERS AVAILABLE TO THE ORGANISATION

The Organisation shall have the *Powers* defined below, but may only use them to further its *Charitable Purposes* defined in Clause 6 of this constitution. It is hereby declared that the order in which these *Powers* are listed is of no significance in terms of their respective priority, which shall be deemed to be equal.

A. General

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 *Charitable Purposes*.
2. To promote and carry out research, surveys and investigations and to promote, develop and manage initiatives, projects and programmes;
3. To provide advice, consultancy, training, tuition, expertise and assistance.
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 articles, pamphlets, books and other publications, tapes, motion and still pictures, music and drama and other materials, all in any medium.
5. To make any participation request under Part 3 of the Community Empowerment (Scotland) Act 2015, and to take any appropriate steps following the making of any such request.

B. Property

1. To register an interest in land and to exercise the right to buy under Part 2 of the Land Reform (Scotland) Act 2003 including any statutory amendment or re-enactment thereof for the time being in force.
2. To register a right to buy under Part 5 of the Land Reform (Scotland) Act 2016 including any statutory amendment or re-enactment thereof for the time being in force.
3. To request any asset transfer under Part 5 of the Community Empowerment (Scotland) Act 2015, and to take any appropriate steps following the making of any such request.
4. To purchase, take on lease, hire, or otherwise acquire any property suitable for the Organisation and 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. To sell, let, hire, license, give in exchange and otherwise dispose of all or any part of the *Property* of the Organisation.
6. To establish and administer a building fund or funds or guarantee fund or funds or endowment fund or funds.
7. To manage community land and associated assets.

C. Employment

1. 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.

D. Funding and Financial

1. To take such steps as may be deemed appropriate for the purpose of raising funds for the activities of the Organisation.
2. To accept subscriptions, grants, donations, gifts, legacies and endowments of all kinds, either absolutely or conditionally or in trust.
3. 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.
4. To set aside funds not immediately required as a reserve or for specific purposes.
5. 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 company under the instructions of the *Board*, and to dispose of, and vary, such investments.
6. To make grants or loans of money and to give guarantees.
7. To establish, manage and/or support any other charitable organisation, and to make donations for any charitable purpose falling within the Purposes.
8. To establish, operate and administer and/or otherwise acquire any separate trading company or association, whether charitable or not.
9. 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.

10. To enter into contracts to provide services to or on behalf of others.

E. Insurance and Protection

1. To effect insurance of all kinds (which may include indemnity insurance in respect of Trustees and employees).
2. To oppose, or object to, any application or proceedings which may prejudice the interests of the Organisation.

F. Ancillary

1. To carry out the *Charitable Purposes* as principal, agent, contractor, trustee or in any other capacity.
2. To do anything which may be incidental or conducive to the *Charitable Purposes* so long as they are charitable.

SCHEDULE D

ELECTION OF TRUSTEES

Nominations

Members eligible to stand for election shall complete a Nomination Form. These must be submitted to the Organisation's Secretary, by the date and time set by the *Board*. No Nomination Forms submitted after that date and time will be accepted.

Election Process

At the close of the nomination period, a ballot shall be implemented. Candidates shall have the option of publishing a 250 word statement on the Organisation's website.

Elections will be carried out by means of a postal ballot having first confirmed that all those nominated :-

- (a) have no irresolvable conflicts of interest as described in the Organisation's Conflict of Interests Policy; and
- (b) are still willing to do so.

Each *Member* shall be entitled to vote for all those *Members* standing. No proxies may be appointed.

A Member will be elected on a simple majority basis. For the avoidance of all doubt, this means that candidates are elected only if the number of votes in favour exceeds the number of votes not in favour. The total number of votes cast for each candidate shall be 25% of the total number of *Members*, or 20 *Members*, which ever is the lower.

Ballot

The Organisation's Secretary shall distribute ballot papers.

Counting of ballot papers and determination of the election results will be carried out by the Organisation's Secretary.