

[ART FUND LOGO TO BE INSERTED]

Royal Charter and Byelaws

[DATE]

**Royal Charter of the
National Art-Collections Fund**

(as amended on [DATE])

George the Fifth by the Grace of God of Great Britain, Ireland and the British Dominions beyond the Seas, King, Defender of the Faith, Emperor of India.

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING !

Whereas the National Art-Collections Fund have petitioned US for a Charter of Incorporation such as is in and by these Presents granted:

AND WHEREAS WE are minded to comply with the prayer of such Petition:

NOW, THEREFORE, WE Of Our Special Grace, certain knowledge and mere motion, DO hereby for US Our Heirs and Successors will, grant, direct, appoint and declare:

1. THE persons, corporations and institutions (whether incorporated or unincorporated) now members of the National Art-Collections Fund, and all such persons, corporations and institutions (whether incorporated or unincorporated) as may hereafter become members of the body corporate hereby constituted under the style of the National Art-Collections Fund (hereinafter referred to as "Art Fund") pursuant to or by virtue of the powers granted by these Presents, and their successors, shall for ever hereafter be by virtue of these Presents, one Body Corporate and Politic by the same name, and have perpetual succession and a Common Seal with power to break, alter and make anew the said seal from time to time at their will and pleasure, and by the same name shall and may implead and be impleaded in all Courts and in all manner of actions and suits, and shall have power to do all other matters and things incidental or appertaining to a Body Corporate.
2. WE do also hereby for Us, Our Heirs and Successors, licence, authorise and for ever hereafter enable Art Fund, or any person on its behalf, to acquire any lands, tenements or hereditaments whatsoever within Our United Kingdom, and to hold the same in perpetuity and from time to time grant, demise, alienate, or otherwise dispose of the same or any part thereof.
3. The provisions of this Charter (but not the recitals thereto or clauses 1 and 2) have been amended by resolution in accordance with s.280C Charities Act 2022, and in accordance with that statute have taken effect from the date on which that resolution was approved by His Majesty King Charles the Third by Order in Council (the "Effective Date").

4. **Purposes**

Art Fund exists for the following charitable purposes, for the public benefit:

- 4.1 To promote art and culture, including (without limitation) by:
 - (a) securing (or assisting others to secure) works of art, and objects of national and historical importance, for presentation or loan to public art collections in the United

Kingdom and elsewhere, for public exhibition on such terms as the Trustees consider appropriate; and

(b) increasing public access to art and culture.

4.2 To advance education in art and culture; and

4.3 To support the effectiveness of museums and other organisations concerned with the purposes set out in clauses 4.1 and 4.2.

5. **Powers**

Art Fund has power to do anything which helps to promote its purposes. For the avoidance of doubt (and without limitation) it may:

Manage its finances

5.1 raise funds;

5.2 borrow money (including, without limitation, for the purposes of investment or raising funds);

5.3 accept or disclaim gifts (of money and/or other property);

5.4 lend money and give credit to, take security for such loans or credit, and guarantee or give security for the performance of contracts by, any person or organisation;

5.5 invest money not immediately required for its purposes in or upon any investments, securities, or property;

5.6 set aside funds for particular reasons, or as reserves;

5.7 open and operate bank accounts and other facilities for banking and draw, accept, endorse, issue or execute promissory notes, bills of exchange, cheques and other instruments; and

5.8 give guarantees or other security for the repayment of money borrowed, for a grant, or for the discharge of an obligation (but only in accordance with the restrictions in the Charities Act 2011).

Manage its property affairs

5.9 dispose of, or deal with, all or any of its property (but only in accordance with the restrictions in the Charities Act 2011);

5.10 acquire or rent property of any kind and any rights or privileges in and over property and construct, maintain, alter and equip any buildings or facilities;

5.11 arrange for investments or other property of Art Fund to be held in the name of a nominee or nominees (and pay any reasonable fee for this);

5.12 impose (revocable or irrevocable) restrictions on the use of any property of Art Fund, including (without limitation) by creating permanent endowment;

5.13 incorporate and acquire subsidiary companies; and

- 5.14 insure the property of Art Fund against any foreseeable risk and take out other insurance policies as are considered necessary by the Trustees to protect Art Fund;

Work with other organisations

- 5.15 establish and support (or aid in the establishment and support of) any other organisations, execute charitable trusts and subscribe, lend or guarantee money or property for charitable purposes;
- 5.16 become a member, associate or affiliate of or act as trustee of, or appoint trustees, agents, nominees or delegates for any other organisation (including without limitation any charitable trust, including a charitable trust of permanent endowment property held for any of the charitable purposes included in Art Fund's purposes);
- 5.17 co-operate with and assist charities, voluntary bodies, statutory authorities and other bodies and exchange information and advice with them; and
- 5.18 amalgamate or merge with or acquire or undertake all or any of the property, liabilities and engagements of any body;

Manage its day-to-day operations

- 5.19 promote, maintain or make grants in aid of and co-operate with others in opening and maintaining public or private exhibitions of works of art and objects of national and historical importance wherever held and to lend to and exhibit at such exhibitions;
- 5.20 publish for sale or otherwise and whether to Members or others books and pamphlets, reports, leaflets, journals, films tapes and instructional matter on any media, dealing with and reproductions of works of art and objects of national and historical importance;
- 5.21 make grants to any individual, group, organisation or institution;
- 5.22 without prejudice to clause 5.21, make grants to acquire particular artworks, commission new artworks and fund museums and other organisations to acquire, commission and exhibit art;
- 5.23 promote, encourage, carry out or commission research, surveys, studies or other work, making the useful results available;
- 5.24 organise and assist in the provision of conferences, courses of instruction, exhibitions, lectures and other educational activities;
- 5.25 provide or procure the provision of advice;
- 5.26 subject to clause 6 (Limitation on private benefit):
- (a) engage and remunerate staff and advisers;
 - (b) make reasonable provision for the payment of pensions and other benefits to or on behalf of employees and their spouses and dependants; and
 - (c) enter into compromise and settlement arrangements with them;

- 5.27 alone or with other organisations, seek to influence public opinion and make representations to and seek to influence governmental and other bodies and institutions regarding the reform, development and implementation of appropriate policies, legislation and regulations provided that all such activities shall be confined to those which a charity may properly undertake; and
- 5.28 provide indemnity insurance for:
- (a) the Trustees, in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011; and
 - (b) officers who are not Trustees, subject to such conditions as the Trustees shall determine.

Delegate powers and functions

- 5.29 Unless this Charter provides otherwise and in accordance with the Byelaws, the Trustees may delegate:
- (a) any of their powers or functions to any committee; and
 - (b) the implementation of their decisions, or the day-to-day management of Art Fund's affairs, to any person or committee.
- 5.30 The Trustees may delegate by such means; to such an extent; in relation to such matters or territories; and on such terms and conditions as they think appropriate. They may allow those to whom a responsibility has been delegated to delegate further; and may change or terminate the delegation arrangements at any time.
- 5.31 The Trustees may (by power of attorney or otherwise) appoint any person to be the agent of Art Fund for such purposes and on such conditions as they decide.
- 5.32 The Trustees may adopt a working name or names for Art Fund, and operate under that name in pursuit of its activities to further its charitable purposes.

6. Limitation on private benefits

- 6.1 Subject to clause 6.2, the income and property of Art Fund wheresoever derived shall be applied solely towards the promotion of its purposes, and:
- (a) no portion of the income and property of Art Fund shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to any Member; and
 - (b) no Trustee may sell goods, services or any interest in land to Art Fund, or be employed by or receive any remuneration from Art Fund, or receive any other financial benefit from Art Fund.
- 6.2 The following benefits are authorised notwithstanding clause 6.1:
- (a) A benefit to any person in their capacity as a beneficiary of Art Fund;

- (b) Reasonable expenses properly incurred by a Trustee or person Connected to them when acting on behalf of Art Fund;
- (c) Reasonable and proper remuneration for any goods or services supplied to Art Fund (so long as, once this sub-clause 6.2(c) has been relied upon, only a minority of Trustees will be receiving (or will be Connected to a person who is receiving) remuneration from Art Fund under this sub-clause);
- (d) Reasonable and proper payments to Members or persons Connected to Trustees in accordance with clause 5.26;
- (e) Reasonable and proper rent for premises let to Art Fund;
- (f) Reasonable and proper interest on money lent to Art Fund;
- (g) Premiums in respect of indemnity insurance in accordance with clause 5.28;
- (h) Payment under the indemnity in clause 7; and
- (i) Any other benefit authorised by the Charity Commission or the court (or in relation to which the Charity Commission has confirmed in writing that its authority is not required).

7. **Indemnity**

The Trustees, auditors, secretary and other officers for the time being of Art Fund (if any), and their heirs, executors and administrators shall be indemnified and secured harmless out of the assets of Art Fund from and against all actions, claims, charges, losses, damages and expenses which they or any of them or any of their executors or administrators shall or may incur or sustain, by or by reason of any act done, incurred in, or omitted in, or about the execution of their duty or supposed duty in the respective offices or trusts.

8. **Dissolution**

8.1 Art Fund may upon the recommendation of the Trustees and by a resolution passed by a majority of not less than three-quarters of the Members present and entitled to vote at a General Meeting duly convened for the purpose, surrender this Our Charter subject to the sanction of Us, Our Heirs or Successors in Council and upon such terms as We or They may consider fit and wind up or otherwise deal with the affairs of Art Fund in such manner as shall be directed by the Trustees having due regard to the liabilities of Art Fund for the time being.

8.2 If on the winding up or the dissolution of Art Fund there shall remain, after the satisfaction of all its debts and liabilities, any property whatsoever, that property shall not be paid or distributed among the Members or any of them, but shall be transferred to some other charitable organisation or organisations having purposes similar to the purposes of Art Fund to be determined by the Trustees at or before the time of dissolution.

9. **Members**

8.1 The Members of Art Fund are:

- (a) Those persons who were Ordinary Members or Life Members / Honorary Life Members of Art Fund at the Effective Date; and
- (b) Any additional Members admitted to membership from time to time; but
- (c) Subject to any Members removed from time to time;

in accordance with the Byelaws and Regulations.

9.2 The Byelaws and Regulations may make further provision in relation to membership of Art Fund, including:

- (a) The creation of categories of Member;
- (b) The subscriptions payable by Members;
- (c) The admission and removal of Members from membership; and
- (d) The conduct of General Meetings.

10. **Trustees**

10.1 There shall be a Board of Trustees, who are responsible for the management of the business of Art Fund and who, for such purpose, may exercise all the powers of Art Fund (except those which are exercisable by the Members in accordance with the Byelaws).

10.2 The Trustees shall be constituted in such manner, shall hold office on such terms and for such periods, and shall follow such procedures as are prescribed in the Byelaws and Regulations.

11. **Byelaws**

11.1 The Trustees shall have the power to make such Byelaws as appear to them useful for the regulation of Art Fund and for the management of Art Fund's assets; provided they are not inconsistent with this Our Charter or any rule of law.

11.2 The first Byelaws following the Effective Date shall be those attached to this Our Charter, and shall be effective from the Effective Date.

11.3 Once made, the Byelaws may from time to time be revoked, amended or supplemented, provided that no such revocation, addition or amendment to the Byelaws shall take effect until the same has been:

- (a) confirmed by a majority of not less than two thirds of those Members present, entitled to vote and voting at a General Meeting of Art Fund; and
- (b) approved by the Lords of Our Most Honourable Privy Council, of which approval a Certificate under the hand of the Clerk of Our said Privy Council shall be conclusive evidence.

12. **Amendment**

12.1 Any of the provisions of this Our Charter may be revoked, amended or supplemented by a resolution passed by a majority of not less than two thirds of the Members present and entitled to vote at a General Meeting of Art Fund duly convened for that purpose and any such revocation, amendment or addition shall when approved by Us, Our Heirs or Successors in Council, become effectual so that this Our Charter shall henceforth continue and operate as though it had been originally granted and made accordingly.

12.2 This provision shall apply to this Our Charter as altered, amended or supplemented in the above manner, provided that no such revocation, amendment or addition shall be made which shall cause Art Fund to cease to be a charity in law.

13. **Interpretation**

The interpretation provisions set out in the Byelaws apply to this Our Charter.

14. **Validity**

And We do hereby for Us, Our Heirs and Successors grant and declare that this Our Charter shall be in all things valid and effectual in law according to its true intent and meaning and shall be taken, construed and adjudged in all Our Courts and elsewhere in the most favourable and beneficial sense and for the best advantage of Art Fund, any misrecital, non-recital, omission, defect, imperfection notwithstanding.

IN WITNESS whereof WE have caused these Our Letters to be made Patent.

Witness Ourselves at Westminster the nineteenth day of December in the Year of Our Lord 1928, and in the nineteenth year of Our Reign.

By warrant under the hands of the Counsellors of State.

(Seal).

SCHUSTER.]

Byelaws of the
National Art-Collections Fund
(as amended on [DATE])

1. Membership

1.1 A person may become a Member of Art Fund if:

- (a) they are admitted under Byelaw 1.2; or
- (b)
 - (i) they have applied to become a Member; and
 - (ii) the application is approved and they are admitted as a Member, either by the Trustees or in accordance with a procedure approved by them.

1.2 A Trustee shall automatically become a Member of Art Fund when they become a Trustee in accordance with the Regulations.

1.3 The Trustees may:

- (a) Create, amend and revoke categories of membership with different subscriptions or benefits and may alter such benefits and subscriptions at any time (but may not use this power to create categories of membership with different voting rights);
- (b) Levy subscriptions on Members at such rate or rates as they shall decide, in accordance with the Regulations;
- (c) Prescribe criteria for membership (but, for the avoidance of doubt, they shall not be required to accept people to be Members who fulfil those criteria).

1.4 Every Member of Art Fund who has paid the required subscriptions (as detailed in the Regulations) shall be entitled to a National Art Pass.

1.5 The rights and privileges of a Member shall not be transferable.

1.6 A person shall cease to be a Member if:

- (a) they die;
- (b) they give written notice to Art Fund that they intend to withdraw from membership;
- (c) they are a Member under Byelaw 1.2, and they cease to be a Trustee and are not simultaneously admitted as a Member under Byelaw 1.1;
- (d) any subscription payable by a Member remains unpaid for such period as is specified in the Regulations (subject to any provision in the Regulations specifying that a

person's Membership is not be removed on these grounds, or that it may be reinstated); or

(e) at least three-quarters of the Trustees resolve to remove the Member.

1.7 The Trustees may make Regulations to provide further detail in relation to any of the matters specified in the Byelaws.

2. **General Meetings**

2.1 Subject to Byelaw 4 and as may be further particularised in the Regulations:

(a) Art Fund must hold an Annual General Meeting once in every calendar year;

(b) The Trustees may call a General Meeting at any time; and

(c) The Trustees must call a General Meeting if they receive a request to do so, which states the purpose of the proposed General Meeting and which has been signed by at least 250 Members (a "Requisition Notice"). If they do not call a meeting within 21 Clear Days of receipt of the Requisition Notice, with such meeting to take place within 14 Clear Days of their notice calling a meeting (in accordance with Byelaw 2.2), the requisitioning Members may themselves call a meeting in respect of the business stated in the Requisition Notice (only), providing the same amount of notice as the Trustees would be required to give under Byelaw 2.2; to take place between one and three calendar months after the date of delivery of the Requisition Notice.

2.2 All General Meetings must be called by at least 14 Clear Days' notice to the Members (including by Electronic Means in accordance with Byelaw 20).

2.3 Subject to the Regulations, the business of the Annual General Meeting will include:

(a) The presentation of Art Fund's accounts;

(b) A report by the Trustees on the period since the last Annual General Meeting; and

(c) Such other matters as the Trustees consider appropriate.

3. **Advance voting and Remote Attendance**

3.1 The Trustees may make such arrangements as they think fit consistent with Byelaw 5.2 to allow Members to:

(a) Cast Advance Votes on any resolution to be put to a General Meeting; and/or

(b) Vote by electronic means on any resolution put to a General Meeting.

3.2 The Trustees may make such lawful arrangements (in Regulations or otherwise) as they see fit in respect of Remote Attendance (and/or physical attendance) at a General Meeting, including (without limitation):

(a) Hybrid meetings (where some Members attend from a physical location and some attend remotely); and

- (b) Meetings taking place in multiple physical locations simultaneously.
- 3.3 For the avoidance of doubt, nothing in the Constitution precludes Remote Attendance at a General Meeting in accordance with any such arrangements, and a person attending a General Meeting by Remote Attendance shall be treated as being present and/or present in person at the meeting for the purposes of these Byelaws, including without limitation the provisions relating to the quorum for the meeting and rights to vote at the meeting.
- 3.4 Insofar as not disappplied by any arrangements made under Byelaw 3.2:
- (a) the arrangements for Remote Attendance may be changed or withdrawn in advance of the meeting by the Trustees, who must give the Members as much notice as practicable of the change;
 - (b) in the event of technical failure or other technical issues during the meeting (including, for example, difficulties in establishing whether the meeting is quorate) the chair of the meeting may adjust or withdraw the arrangements for Remote Attendance and/or adjourn the meeting if in their view this is necessary or expedient for the efficient conduct of the meeting; and
 - (c) under no circumstances shall the inability of one or more persons (being entitled to do so) to access, or continue to access, the technology being used for Remote Attendance at the meeting (despite adequate technology being made available by Art Fund) affect the validity of the meeting or any business conducted at the meeting, provided a quorum is present at the meeting.

4. Power to delay or postpone General Meetings

- 4.1 The Trustees may suspend the requirement to hold an Annual General Meeting for a particular calendar year, if they reasonably believe that it is an appropriate and proportionate measure to preserve the safety and security of attendees or the wider public, or to comply with law or government guidance. Such a decision must be kept under regular review and communicated to Members. Insofar as required in light of the delay, they must make appropriate arrangements to deal with any business usually dealt with at the meeting.
- 4.2 The Trustees may postpone a General Meeting if, after the notice of meeting (or adjourned meeting) is sent, but before the meeting (or adjourned meeting) is held, they reasonably believe that it is an appropriate and proportionate measure to preserve the safety and security of attendees or the wider public, or to comply with law or government guidance. The Trustees must then provide such notice of the date, time and place (and any Remote Attendance details) of the postponed meeting and any such other information as they shall determine. No business shall be dealt with by the postponed meeting that could not have been dealt with if it had not been postponed.

5. Conduct of General Meetings

5.1 Chair

The Chair (if any), or in their absence the Vice-Chair (if any), or in their absence some other Trustee nominated by the Trustees, or in the absence of all Trustees a Member chosen by the Members in attendance, shall preside as chair of every General Meeting.

5.2 Attendance and speaking

- (a) 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.
- (b) A person is able to exercise the right to vote at a General Meeting when:
 - (i) that person is able to vote on any resolutions put to the vote at the meeting; and
 - (ii) 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.
- (c) In determining attendance at a General Meeting, it is irrelevant whether any two or more Members attending it are in the same physical location as each other.
- (d) Two or more persons who are not in the same physical location 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.
- (e) The chair of the meeting may permit other persons who are not Members (or are not otherwise entitled to exercise the rights of Members in relation to General Meetings) to attend and speak at a General Meeting.

5.3 Quorum

- (a) No business (other than the appointment of the chair of the meeting) may be transacted at a General Meeting unless a quorum is present.
- (b) The quorum shall be 30 Members present and entitled to vote on the business to be transacted, or such higher number as set out in the Regulations.
- (c) If a quorum is not present within half an hour from the time appointed for the meeting; (or such longer time as is decided by the chair of the meeting) or a quorum ceases to be present during the meeting:
 - (i) where the meeting has been called in response to a Requisition Notice, it shall be dissolved; or
 - (ii) otherwise, the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such day, time and place (and with such arrangements for Remote Attendance (if any)) as the Trustees may decide, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting those present and entitled to vote shall be a quorum.

5.4 Voting

- (a) A resolution put to the vote at a General Meeting must be decided on a show of hands unless:

- (i) A poll is duly demanded in accordance with the Regulations;
 - (ii) Advance Votes have been cast in accordance with the Regulations and any arrangements made under Byelaw 3.1; or
 - (iii) Alternative arrangements are made in accordance with Byelaw 3.2.
- (b) A demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which a poll is demanded.
- (c) In the case of an equality of votes, either on a show of hands or at a poll, the chair of the meeting shall be entitled to a further or casting vote.
- (d) Every Member, whether on a show of hands or on a poll, shall have one vote but no Member shall be entitled to vote unless they can produce a valid National Art Pass.

5.5 **Adjournment**

- (a) The chair of the meeting may adjourn a General Meeting from time to time and from place to place as they shall determine, including in the following circumstances:
- (i) with the consent of the meeting;
 - (ii) in the event of technical failure; or
 - (iii) if it appears to the chair that adjournment is necessary to protect the safety of any person attending the meeting or to ensure the business of the meeting is conducted in an orderly manner.
- (b) When adjourning a General Meeting, the chair of the meeting must:
- (i) 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 Trustees; and
 - (ii) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (c) 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.

PART II - TRUSTEES

6. The Trustees must take decisions collectively

Any decision of the Trustees must be either:

- 6.1 a decision of a majority of the Trustees present and voting at a quorate Trustees' meeting (subject to the casting vote described in Byelaw 10.5); or
- 6.2 a decision without a meeting taken in accordance with Byelaw 11.

7. Chair and Vice-Chair

7.1 The Trustees shall appoint, and may remove, a Chair of Trustees.

7.2 The Trustees may also appoint and remove a Vice-Chair of Trustees.

8. **Delegation**

Delegating to a committee

8.1 When delegating to a committee, the Trustees must confirm:

- (a) the composition of that committee (although they may permit the committee to co-opt its own additional members, up to a specified number);
- (b) how the committee will report regularly to the Trustees; and
- (c) any other regulations relating to the functioning of the committee.

8.2 No committee shall knowingly incur expenditure or liability on behalf of Art Fund except where authorised by the Trustees or in accordance with a budget which has been approved by the Trustees.

8.3 The Trustees may delegate the management of investments to a Financial Expert or Financial Experts provided that:

- (a) the investment policy is set down in writing for the Financial Expert or Financial Experts by the Trustees;
- (b) timely reports of all transactions are provided to the Trustees;
- (c) the performance of the investments is reviewed regularly with the Trustees;
- (d) the Trustees are entitled to cancel the delegation arrangement at any time;
- (e) the investment policy and the delegation arrangements are reviewed regularly;
- (f) all payments due to the Financial Expert or Financial Experts are on a scale or at a level which is agreed in advance; and
- (g) the Financial Expert or Financial Experts must not do anything outside the powers of the Trustees.

9. **Calling a Trustees' meeting**

9.1 The Chair or any two Trustees may call a Trustees' meeting or instruct the secretary of Art Fund (if any) to do so.

9.2 Subject to the Regulations:

- (a) A Trustees' meeting must be called by at least four Clear Days' notice unless all the Trustees agree otherwise, or urgent circumstances require shorter notice;
- (b) The notice need not be in writing; and

- (c) The notice should include the date and time of the meeting, detail about how the individual can attend the meeting (such as a meeting place and/or video conferencing details), and the general nature of business to be discussed.

10. **Procedure for Trustees' meetings**

Quorum

- 10.1 The Trustees cannot conduct any business at a Trustees' meeting unless a quorum is participating. However, if the total number of Trustees for the time being is less than the quorum required, the Trustees may still act to appoint further Trustees, or call a General Meeting to enable the members to do so.
- 10.2 The Trustees may decide the quorum from time to time, but it must never be less than two. Unless they decide otherwise, it is one-third of the total number of Trustees.

Virtual / hybrid meetings are acceptable

- 10.3 Meetings do not need to take place in one physical place. Trustees participate in (and form part of the quorum in relation to) a Trustees' meeting, or part of a Trustees' meeting, when they can contemporaneously communicate with each other by any means. If all the Trustees 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.

Chairing Trustee meetings and casting vote

- 10.4 The Chair, if any, or in their absence the Vice-Chair, if any, or in their absence another Trustee nominated by the Trustees present, shall preside as chair of each Trustees' meeting.
- 10.5 If the numbers of votes for and against a proposal at a Trustees' meeting are equal, and the chair of the meeting is eligible to vote at the meeting, they will have a casting vote in addition to any other vote they may have.

11. **Decisions without a meeting**

- 11.1 A decision is taken in accordance with this Byelaw 11 when at least two-thirds of the Trustees indicate by any means that they share a common view on a matter, which may be further prescribed by Regulations.
- 11.2 Such a decision may, but need not, adopt the following process:
 - (a) Circulation of the proposed decision with an indication of the time period for discussion and the date by which Trustees are asked to cast their votes;
 - (b) The nomination of a person to whom all Trustee's votes must be communicated;
 - (c) If at least two-thirds of the Trustees vote in favour of the decision, the nominated person shall communicate the decision to all the Trustees and the date of the decision shall be the date of the communication from the nominated person confirming formal approval; and

- (d) The nominated person must prepare a minute of the decision in accordance with Byelaw 22.

12. Conflicts

Declaration of interests

12.1 A Trustee must declare the nature and extent of:

- (a) any direct or indirect interest which they have in a proposed transaction or arrangement with Art Fund; and
- (b) any duty, or any direct or indirect interest, which they have which conflicts or may conflict with the interests of Art Fund or their duties to Art Fund.

Involvement in decision-making

12.2 A Trustee's entitlement to participate in decision-making in relation to a matter depends on whether:

- (a) their situation could reasonably be regarded as likely to give rise to a conflict of interest or duties in respect of Art Fund (a "Potential Conflict Situation"); or
- (b) this is not the case (a "No Conflict Situation").

Any uncertainty about whether a situation is a Potential Conflict Situation or a No Conflict Situation in relation to a matter shall be decided by a majority decision of the other Trustees taking part in the relevant decision.

12.3 A Trustee in a No Conflict Situation can participate in the decision-making process, be counted in the quorum and vote in relation to the relevant matter.

12.4 A Trustee in a Potential Conflict Situation can participate in the decision-making process, be counted in the quorum and vote in relation to the relevant matter, unless:

- (a) a majority of the other Trustees taking part in the relevant decision decide otherwise; or
- (b) the decision could result in the Trustee or any person who is Connected with them receiving a benefit. The following benefits are not counted for the purposes of this Article:
 - (c) any benefit received by any person in their capacity as a beneficiary of Art Fund (see clause 6.2(a) of the Charter) which is available generally to the beneficiaries of Art Fund;
 - (d) the payment of premiums in respect of indemnity insurance (see clause 6.2(g) of the Charter);
 - (e) payment under the indemnity in clause 7 of the Charter;
 - (f) reimbursement of expenses (see clause 6.2(b) of the Charter)]; or

- (g) any benefit authorised by the court or the Charity Commission under clause 6.2(i) of the Charter, so long as any conditions accompanying that authorisation are complied with;

in which case Byelaw 12.5 applies to the decision.

12.5 If this Byelaw 12.5 applies, the relevant Trustee must:

- (a) take part in the relevant decision-making process only to such extent as in the view of the other Trustees is necessary to inform the debate;
- (b) not be counted in the quorum for that part of the process; and
- (c) withdraw during the vote (if applicable) and have no vote on the matter.

Continuing duties to Art Fund

12.6 Where a Trustee or person Connected with them has a conflict of interest or conflict of duties and the Trustee has complied with their obligations under these Byelaws in respect of that conflict:

- (a) the Trustee shall not be in breach of their duties to Art Fund by withholding confidential information from Art Fund if to disclose it would result in a breach of any other duty or obligation of confidence owed by them; and
- (b) the Trustee shall not be accountable to Art Fund for any benefit expressly permitted under these Byelaws which they or any person Connected with them derives from any matter or from any office, employment or position.

13. Validity of Trustee Actions

All acts done by a person acting as a Trustee shall be valid, notwithstanding that it is afterwards discovered that there was a defect in their appointment, or that they were disqualified from holding office or had vacated office, or that they were not entitled to vote on the matter in question.

14. Number of Trustees

14.1 In the usual course of business and subject to the Regulations, there shall be between 10 and 20 Trustees.

14.2 If there are fewer than the minimum number of Trustees specified in Byelaw 14.1 (or the Regulations, if different), the Trustees may only act to fill vacancies in their number.

15. Appointment of Trustees

15.1 Individuals may be nominated for consideration to become a Trustee by the existing Trustees, in accordance with a process set out in the Regulations.

15.2 An individual who:

- (a) Has been duly nominated in accordance with Byelaw 15.1; and

- (b) Is not disqualified in accordance with Byelaw 16 may be appointed as a Trustee by a decision of the existing Trustees.
- 15.3 Trustees may serve for such terms of office as are specified in the Regulations made for the purpose, and may be re-appointed subject to any limitations in those Regulations. In the absence of any contrary Regulations:
 - (a) A Trustee may serve until the conclusion of the fourth Annual General Meeting after they are appointed; and
 - (b) A Trustee may then be reappointed for a second consecutive term, until the conclusion of the fourth Annual General Meeting after the commencement of that second term.
- 15.4 Notwithstanding Byelaw 15.3, in respect of the Trustees in post at the Effective Date, the terms of office are as set out in Regulations.
- 16. **Disqualification and removal of Trustees**

A Trustee ceases to hold office if:

 - 16.1 they become prohibited from being a company director or charity trustee, by law;
 - 16.2 the Trustees reasonably believe that they have become physically or mentally incapable of managing their own affairs and they resolve to remove the Trustee from office;
 - 16.3 they notify Art Fund in writing that they are resigning from office, and any period of time specified in such notice has passed (but only if at least a quorum of Trustees will remain in office when such resignation has taken effect);
 - 16.4 they fail to attend three consecutive meetings of the Trustees and the Trustees resolve that they be removed for this reason;
 - 16.5 they cease to be a Member of Art Fund for a period of one year or more and the Trustees resolve that they be removed for this reason;
 - 16.6 at a General Meeting of Art Fund, a resolution is passed that the Trustee be removed from office, provided the meeting has invited their views and considered the matter in the light of such views; or
 - 16.7 at a meeting of the Trustees at which at least half of the Trustees are present, a resolution is passed that the Trustee is removed from office. Such a resolution shall not be passed unless the Trustee has been given at least 14 Clear Days' notice that the resolution is to be proposed, specifying the circumstances underlying the proposal, and has been afforded a reasonable opportunity of either (at their option) being heard by or making written representations to the Trustees.
- 17. **Patron**

The Trustees may appoint or remove an honorary Patron in accordance with the Regulations.

PART III – ADMINISTRATIVE ARRANGEMENTS AND MISCELLANEOUS

18. Execution of Deeds and Documents and Common Seal

18.1 The Trustees shall provide for the safe custody of the Common Seal of Art Fund which shall be used in accordance with this Byelaw and the Regulations.

18.2 A deed shall be executed by Art Fund by the affixing of its Common Seal.

18.3 A simple contract may be made:

- (a) by Art Fund, by the affixing of the Common Seal; or
- (b) on behalf of Art Fund, by a person acting under the authority of the Trustees.

18.4 Subject to the Regulations, the Common Seal shall be affixed with the authority of the Trustees (which may be a general or specific authority) and in the presence of and attested by at least one of the Trustees and either:

- (a) another Trustee; or
- (b) the Director of Art Fund or secretary (if any); or
- (c) a member of Art Fund's senior management team as particularised in Regulations;

each of whom shall sign the instrument to which the Common Seal is affixed.

19. Regulations

19.1 The Trustees may from time to time make, revoke or alter such Regulations as they see fit, in relation to:

- (a) the matters specified in the Charter and these Byelaws; and
- (b) any other matters that it considers appropriate in relation to the management, administration or governance of Art Fund.

19.2 No Regulations will be inconsistent with the Charter or these Byelaws; and in the event of inconsistency the Charter and these Byelaws prevail.

19.3 The initial Regulations in force at the Effective Date will be those approved by the trustees of Art Fund (known as its Executive Committee) prior to the Effective Date.

20. Communications

20.1 Subject to the Regulations, notices and documents to be sent by Art Fund in accordance with the Charter, Byelaws and Regulations may be given in such manner as the Trustees consider appropriate, including:

- (a) by post;
- (b) by Electronic Means; or

- (c) by publication on Art Fund's website (if the recipient is duly notified of this publication by post or Electronic Means).
- 20.2 For the avoidance of doubt, the notice or document may be given by its inclusion in another publication (such as a magazine, circular or letter) sent by Art Fund to Members in accordance with this Byelaw 20.
- 20.3 Where any notice, document or information is sent by Art Fund:
 - (a) by post, it is deemed to have been received 48 hours (excluding Saturdays, Sundays and Public Holidays) after it was posted;
 - (b) by Electronic Means, it is deemed to have been received on the same day that it was sent;
 - (c) by means of a website, it is deemed to have been received:
 - (i) when the material was first made available on the website; or
 - (ii) if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

21. **Irregularities**

The making of any decision or resolution shall not be invalidated by reason of any accidental informality or irregularity (including any accidental omission to give or any non-receipt of notice) or any want of qualification in any of the persons present or voting or by reason of any business being considered which is not specified in the notice.

22. **Minutes**

The Trustees must ensure minutes are made:

- 22.1 of all appointments of Trustees;
- 22.2 of all resolutions of Art Fund and of the Trustees (including, without limitation, decisions of the Trustees made without a meeting); and
- 22.3 of all proceedings at meetings of Art Fund and of the Trustees, and of committees of Trustees, including the names of the Trustees present at each such meeting;

and any such minute, if purported to be signed (or in the case of minutes of Trustees' meetings signed or authenticated) by the chair of the meeting at which the proceedings were had, or by the chair of the next succeeding meeting, shall, as against any Member or Trustee of Art Fund, be sufficient evidence of the proceedings.

23. **Records and accounts**

- 23.1 The Trustees shall ensure that proper books of account are kept in compliance with relevant accounting standards, and shall lay before each Annual General Meeting accounts for the previous financial year containing an income and expenditure account and a balance sheet, with the auditors' report on those accounts.

23.2 The auditors to Art Fund shall be appointed (and their remuneration set) by the Trustees. The auditors shall be entitled to receive notice of and attend every General Meeting.

24. Interpretation

In the Charter and these Byelaws, unless the context requires otherwise, the following terms shall have the following meanings:

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| 24.1 | Advance Votes | Votes cast prior to the commencement of a General Meeting (or adjourned or postponed General Meeting) in accordance with the Regulations and any arrangements under Byelaw 3.1; |
| 24.2 | Art Fund | The National Art Collections Fund |
| 24.3 | Annual General Meeting | The annual General Meeting of Art Fund held in accordance with Byelaw 2.1(a). |
| 24.4 | Byelaws | The Byelaws of Art Fund; |
| 24.5 | Chair | The Chair of Trustees appointed in accordance with Byelaw 7.1; |
| 24.6 | Charter | The Royal Charter of Art Fund, as amended from time to time; |
| 24.7 | Clear Days | In relation to a period of notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect; |
| 24.8 | Common Seal | The Common Seal of Art Fund, governed by Byelaw 18; |
| 24.9 | Connected | Means in respect of a Trustee: <ul style="list-style-type: none">(a) the Trustee's parent, child, sibling, grandparent or grandchild;(b) the spouse or civil partner of the Trustee or another person described in paragraph (a);(c) a person carrying on business in partnership with the Trustee, or a person described in paragraph (a) or (b);(d) an institution controlled by the Trustee and/or one or more person(s) described in paragraph (a), (b) or (c); or(e) a body corporate in which the Trustee and/or one or more person(s) described in paragraph (a), (b) or (c) have a substantial interest. |

Sections 350 – 352 of the Charities Act 2011 apply for the purposes of interpreting the terms used in this definition;

24.10	Constitution	Means the Charter, Byelaws and Regulations of Art Fund as effective from time to time;
24.11	Effective Date	Has the meaning given in clause 3 of the Charter;
24.12	Electronic Form and Electronic Means	Have the meanings given to it in section 1168 of the Companies Act 2006;
24.13	Financial Expert	An individual, company or firm who, or which, is authorised to give investment advice under the Financial Services and Markets Act 2000;
24.14	General Meeting	A General Meeting of the Members of Art Fund (including an Annual General Meeting);
24.15	Member	The Members of Art Fund as described in clause 9.1 of the Charter;
24.16	National Art Pass	A membership card, in physical, electronic or other form, issued by Art Fund;
24.17	Regulations	Regulations made by the Trustees, as amended revoked and supplemented from time to time in accordance with Byelaw 19;
24.18	Remote Attendance	Means remote attendance at a General Meeting by such means as are approved by the Trustees in accordance with Byelaw 3.2;
24.19	Requisition notice	Has the meaning provided in Byelaw 2.1(c);
24.20	Trustee	The Board of Trustees of Art Fund; and
24.21	Vice-Chair	The Vice-Chair of Trustees appointed in accordance with Byelaw 7.2.

24.22 **Interpretation: general provisions**

- (a) Unless the context requires, references to “writing” and “document” should be interpreted (without limitation) as allowing for the transmission of information in Electronic Form. A reference to a “document” includes summons, notice, order or other legal process.
- (b) Any reference in the Constitution to an enactment includes a reference to that enactment as re-enacted or amended from time to time and to any subordinate legislation made under it.