

Scottish Youth Hostels Association

Special Resolution – Changes to Articles of Association

Proposal

The members are being asked to consider the following amendments to the Articles of Association, brought forward by the Board of Trustees, which will require a 75% majority of positive votes to be approved.

Proposed Change to Articles

We have consulted with our legal advisers (Lindsays LLP) on the following proposed changes, which will allow for all future correspondence with our members to be by electronic means, as part of our continued efforts to operate sustainably across our activities and improve operational and financial efficiency. We will also take the opportunity to propose further minor amendments to bring the Articles up to date.

Please note that you will be voting for all of the proposed amendments to the Articles of Association and the table below provides an outline of the key changes. Deletions have been marked by a ~~strike through~~ and proposed new wording is highlighted in blue. **A tracked copy of the changes to the current Articles of Association is also available within our AGM Reports.**

Page/Article No.	Changes proposed
Front page	Date of Articles being adopted by a Special Resolution will be 14 th September 2024
Page 3/No. 1 "Members"	means the persons admitted to Membership the different memberships of SYHA capitalised and described in terms of Article 8
Article 7(a)	The structure of SYHA consists of: Members – some of whom (see Article 8 below) have the right to attend and vote at the annual general meeting (and any other general meetings), and who also have important powers under the Articles of Association and the Companies Acts, including taking decisions in relation to changes to the Articles themselves, the election of Trustees in advance of the annual general meeting (see Article 20) and any proposals brought forward by the Trustees for the appointment of a Patron, Honorary Presidents and Vice Presidents or Honorary Life Lifetime Member.
Article 8(c)	<u>Honorary Members</u> Honorary Membership means a Patron, Honorary President or Honorary Life Lifetime Member who has been proposed as such by the Trustees and whose appointment is confirmed at the annual general meeting. Honorary Members shall be entitled to attend and vote at general meetings but are not entitled to put themselves forward to be nominated for election to the Board of Trustees.
Article 11(e)	the Member is removed from membership by a resolution of the Trustees that it is in the best interests of SYHA that his or her their or its membership is terminated.
Article 12(e)	The Trustees: may propose any appointment of a Patron, Honorary Presidents and Vice Presidents or Honorary Life Lifetime Member.
Article 14(d)	notice of every general meeting shall be given either in writing or (where the party to whom notice is given has notified SYHA of an address to be used for the purpose of electronic communications) in writing by way of an electronic communication to all the Members and Trustees, and to the auditors/independent examiners. The Trustees may, but are not obliged to, consider any requests from any specific member to send notices in writing.
Article 15	A Member may participate All Members participating in a general meeting (including, for the avoidance of doubt, an annual general meeting) may do so by means of electronic communication, in person or by proxy, provided that throughout the meeting all persons participating in the meeting are able to communicate interactively with all other parties

	participating in the meeting. Participation in this manner is deemed to constitute presence in person at the meeting.
Article 16	No business shall be dealt with at any general meeting unless a quorum is present and where: (a) the quorum for a general meeting shall be 20 Members entitled to vote and who are present: either in person; ii. by proxy; or by electronic means pursuant to Article 15.
Article 18	Every Member shall have one vote, which (whether on a show of hands or on a secret ballot) must be given: a) personally; b) by such electronic means as directed either: (a) in person (as per article 15); (b) by proxy; i.(c) in the notice of the general meeting; or ii.(d) by the Chair during that meeting; or c) by proxy.
Article 20	The appointment of the Trustees at the annual general meeting shall be determined by a ballot of the Members to be conducted in advance of the meeting, pursuant to Article 15 or as otherwise determined by the Board. Other resolutions may also be decided by a ballot of the Members if so decided by the Board. If there are an equal number of votes for and against any resolution, the Chair of the meeting shall be entitled to a casting vote.
Article 21	A resolution put to the vote at a general meeting shall be decided on a show of hands unless one or more members are participating by electronic means, in which case the vote shall be conducted by such means conducted by a show of hands or as the Chair may direct, providing such means allow for all participating Members to exercise their vote.
Article 22	Notwithstanding the provisions of Article 21, a secret ballot may be demanded by the Chair (or by at least two Members present in person at the meeting); in such case: a secret ballot may be demanded either before or immediately after the result of the vote taken pursuant to Article 21 is declared.
Article 23	If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such a manner as the Chair may direct; (provided any Member participating by electronic means shall be able to exercise their vote); the result of the ballot shall be declared at the meeting at which the ballot was demanded.
Article 24	A proxy appointed to attend, whether in person or by electronic means, and vote at any meeting in place of a Member shall have the same right as the Member who appointed him/her them to speak at the meeting. No person shall be entitled to act as a proxy who is not himself/herself themselves a Member and entitled to be present in person or by electronic means and vote in his/her their own right.
Article 25	An instrument appointing a proxy shall be in writing and shall be signed by the appointer or his/her their attorney where applicable. The Trustees may, but shall are not be required obliged to, require evidence of the authority of any such attorney. The instrument appointing a proxy does not require need to be witnessed.
Article 26	An instrument appointing a proxy must be left at delivered electronically to SYHA's registered office or such other place (if any) as otherwise specified for that purpose in the notice convening the meeting not less than forty-eight hours before the start time of the meeting or adjourned meeting (or in the case of a poll, before the time appointed for taking the poll) at which it is to be used, and in default it shall not be treated as valid.
Article 28	A vote given by a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the instrument of proxy was executed, provided that no intimation in writing of such death, insanity or revocation shall have

	been received by SYHA at the registered office before the commencement of the meeting or the adjourned meeting or poll at which the vote is given.
Article 36	At each Annual General Meeting one-third of the Trustees from time to time, or, if their number is not a multiple of three, then the number nearest one-third, shall retire from office. The Trustees to retire each year shall be those who have been longest in office since their last election or co-option, but as between persons who became Trustees on the same day, those to retire shall (unless the Trustees agree amongst themselves) be determined by lot agreement of the Trustees .
Article 40	SYHA may remunerate any Trustee in respect of work carried out by him/her them on behalf of SYHA, provided always that SYHA complies with the conditions for remuneration set out in Section 67 of the Charities and Trustee Investment (Scotland) Act 2005.
Article 41	A Trustee shall automatically vacate office if: <ul style="list-style-type: none"> (a) he/she ceases they cease to be a Trustee through the operation of any provision of the Act or becomes prohibited by law from being a Trustee; (b) he/she is they are sequestrated; (c) he/she becomes they become debarred under any statutory provision from being involved in the management or control of a charity; (d) he/she becomes they become incapable for medical reasons of fulfilling the duties of his/her their office and such incapacity is expected to continue for a period of more than six months; (e) he/she resigns they resign office by notice to SYHA; (f) he/she is they are absent (without agreement of their fellow Trustees) from more than three consecutive meetings of the Trustees, and the Trustees resolve to remove him/her them from office; or (g) he/she is they are removed from office by a resolution of the Trustees, in which case such resolution shall only be valid if: <ul style="list-style-type: none"> (i) the Trustee who is the subject of the resolution is given reasonable prior written notice by the Trustees of the grounds upon which the resolution for his/her their removal is to be proposed; (ii) the Trustee concerned is given the opportunity to address the meeting of Trustees at which the resolution is proposed, prior to the resolution being put to the vote; and (iii) at least two thirds (to the nearest round number) of the Trustees then in office (excluding the Trustee subject to the vote) vote in favour of the resolution.
Article 42	The Trustees shall maintain a register of Trustees, setting out full details of each Trustee, including the date on which he/she they became a Trustee, the date on which any person ceased to hold office as a Trustee and details of all interests declared by Trustees.
Article 45	The Trustees may, in accordance with the requirements set out in Articles 51 to 55, authorise any matter proposed to them by any Trustee which would, if not authorised, involve or constitute a Trustee (an "Interested Trustee") breaching or infringing his/her their duty under section 175 of the Act to avoid conflicts of interest (the "Conflict").
Article 48	Notwithstanding the fact that the Trustees have made provisions (or otherwise) under this Article, the Interested Trustee whose Conflict has been authorised shall not be in breach of his/her their duties to SYHA where the Interested Trustee, of his/her their own accord, does not attend any discussions, refuses to receive any documents or information relating to the Conflict or refuses to vote on any resolution relating to the Conflict (or refuses to do or does any similar action).
Article 49(a)	the Interested Trustee will be obliged to conduct himself/herself themselves in accordance with any terms imposed by the Trustees in relation to the Conflict;
Article 49(b)	the Interested Trustee will not breach or infringe any duty he/she owes they owe to SYHA by virtue of sections 171 to 177 of the Act provided he/she acts they act in accordance with such terms, limits and conditions (if any) as the Trustees may impose in respect of its authorisation;

Article 49(c)	<p>the Trustees may decide (whether at the time of giving the authority or subsequently) that, if a Trustee has obtained any information through his/her their involvement in the Conflict otherwise than as a Trustee of SYHA and in respect of which he/she owes they owe a duty of confidentiality to another person, the Trustee is under no obligation to:</p> <ol style="list-style-type: none"> i. disclose such information to the Trustees or to any Trustee or other officer or employee of SYHA; ii. use or apply any such information in performing his/her their duties as a Trustee; <p>where to do so would amount to a breach of that confidence and, accordingly, by not disclosing, using or applying such information, the Trustee shall not be in breach or infringe his/her their duties to SYHA in terms of Sections 171 to 177 of the Act.</p>
Article 50	<p>A Trustee is not required, by reason of being a Trustee (or because of the fiduciary relationship established by reason of being a Trustee) to account to SYHA for any remuneration, profit or other benefit which he/she derives they derive from or in connection with a relationship involving a Conflict which has been authorised by the Trustees or by SYHA (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract, agreement or arrangement relating to a Conflict that has been authorised by the Board of Trustees shall be liable to be avoided on such grounds.</p>
Article 51	<p>A Trustee who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with SYHA shall declare the nature and extent of his/her their interest to the other Trustees before SYHA enters into the transaction or arrangement in accordance with the Act. For the purposes of this Article, a Trustee shall be deemed to have a personal interest in an arrangement if any partner or other close relative of his/hers them or any firm of which he/she is they are a partner or any limited company of which he/she is they are a substantial shareholder or Trustee (or any other party who/which is deemed to be connected with him/her them for the purposes of the Act), has a personal interest in that arrangement.</p>
Article 52	<p>A Trustee who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by SYHA shall declare the nature and extent of his/her their interest to the other Trustees as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under Article 51.</p>
Article 53	<p>Subject, where applicable, to the disclosures required in terms of these Articles, and to any terms and conditions imposed by the Trustees in accordance with these Articles, a Trustee shall be entitled to vote in respect of any proposed or existing transaction or arrangement with SYHA in which he/she is they are interested and if he/she they shall do so their his vote shall be counted and he/she they shall be taken into account in ascertaining whether a quorum is present.</p>
Article 54(b)	<p>of which the Trustee is not aware, although for this purpose a Trustee is treated as being aware of matters of which he/she they ought reasonably to be aware;</p>
Article 54(d)	<p>if, or to the extent that, it concerns the terms of his/her their service contract that have been, or are to be, considered at a meeting of the Board of Trustees.</p>
Article 55	<p>Provided he/she has they have declared his/her their interest a Trustee will not be debarred from entering into an arrangement with SYHA in which he/she has they have a personal interest and may retain any personal benefit which he/she gains they gain from his/her their participation in that arrangement.</p>
Article 57	<p>Unless he/she is they are unwilling to do so, the Chair shall preside as Chair at every Trustee and Members' meeting at which he/she is they are present; if the Chair is unwilling to act as Chair or is not present within 5 minutes after the time when the meeting was due to commence, one of the Vice Chairs shall act as Chair of the meeting, failing whom the Trustees present shall elect from among themselves the person who will act as Chair of the meeting.</p>
Article 64	<p>A Trustee shall not vote at a Trustees' meeting (or at a meeting of a committee) on any resolution concerning a matter in which he/she has they have a personal interest which conflicts (or may conflict) with the interests of SYHA unless authorised to do so by the other Trustees in accordance with procedures set out in these Articles.</p>
Article 65	<p>A Trustee shall not be counted in the quorum present at a meeting in relation to a resolution</p>

	on which he/she is they are not entitled to vote.
Article 73	<p>Standing Orders heading replaced with Terms of Reference</p> <p>The operation and remit of the Board and any sub-committees of the Board shall be governed by such Standing Orders terms of reference as may be promulgated approved by the Board from time to time, which shall also provide for the governance and management of SYHA.</p>
Page 16	Deletion of 'Notices' heading which is not required.
Article 75	<p>Without prejudice to Articles 76 to 78, and subject to the provisions of and to the extent permitted by the Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every Trustee or other officer of SYHA (other than any person, whether an officer or not, engaged by SYHA as auditor or independent examiner) shall be indemnified out of the assets of SYHA against any loss or liability incurred by him them for negligence, default, breach of duty or breach of trust in relation to the affairs of SYHA and the execution of his/her their duties, provided that this Article shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause this Article, or any element of it, to be treated as void under the Act.</p>
Article 80	<p>The liability of the Members is limited to One pound. Every Member of SYHA undertakes to contribute to the assets of SYHA in the event of the same being wound up while he/she is they are a Member, or within one year after he/she ceases they cease to be a Member, for payment of the:</p> <ul style="list-style-type: none"> (a) debts and liabilities of SYHA contracted before he/she they ceases to be a Member; (b) costs, charges and expenses of winding up, <p>and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding £1.</p>