

**Special resolution to amend Articles**

**ANNUAL GENERAL MEETING 2021**  
**Held on 25 November 2021**



At the Annual General Meeting of CVS Falkirk & District on Thursday 25 November 2021, the members of CVS Falkirk & District, under the provisions of article 27 duly passed a special resolution to amend the provisions of its Articles of Association.

**Summary of the changes below.**

SECTION OF CURRENT ARTICLES	CHANGE
<b>3a - c: QUALIFICATIONS FOR MEMBERSHIP NEW subclause</b> We propose adding to this section to avoid conflicts of interest, using the wording of SCVO's model articles.	Employees of the company shall not be eligible for membership; a person who becomes an employee of the company after admission to membership shall automatically cease to be a member.
<b>22 -25: NOTICE OF GENERAL MEETINGS NEW</b> We propose adding to this section to allow the organisation to hold virtual AGMs and other General Meetings. Proposed wording uses SCVO model articles, or alternative wordings from other organisations which OSCR has highlighted as acceptable.	General meetings may be held as entirely virtual meetings or as hybrid meetings (as interpreted). Where arrangements have been made for a meeting to be held virtually or as a hybrid meeting, the notice calling the meeting must: (a) state that fact; (b) set out details, in the Notice or notes issued with the Notice, of the arrangements for participation by audio and/or audio-visual link by which a person may attend, hear and contribute to discussions; (c) draw members' attention to the option of appointing the chairperson of the meeting as proxy, and directing the chairperson on how they should use that proxy vote in relation to each resolution to be proposed at the meeting; (d) where a hybrid meeting is to be held, whether attendance is to be permitted on an open basis or whether a restriction will be placed on total numbers permitted to attend in person.
<b>AS ABOVE: NEW</b>	If participation in the meeting is to be entirely by way of audio and/or audio-visual links, with no intention for the meeting to involve attendance in person by two or more members in any particular location, the place of the meeting shall, for the purposes of the notice calling the meeting, be taken to be the registered office of the Company.
<b>26 SPECIAL RESOLUTIONS AND ORDINARY RESOLUTIONS AMENDED</b> We propose to delete the requirement for in person meetings to pass resolutions, so allowing for different meeting formats, and to add wording	For the purposes of these articles a special resolution means a resolution passed by at least 75% of the members who vote on the motion at an annual general meeting or extraordinary general meeting or more of the votes cast on the resolution at a general meeting providing...; for the avoidance of doubt, the reference to a 75% majority relates only to the number of votes cast in favour of the resolution as compared with the total number of votes cast in

from the SCVO model articles for clarity in eligible vote counts.	relation to the resolution, and accordingly no account shall be taken of abstentions or members absent from the meeting.
<b>29 – 36 PROCEDURES AT GENERAL MEETINGS NEW</b> We propose new Articles, as included in updated SCVO model articles, to set out procedures underpinning virtual AGMs and other General Meetings.	The Board of Directors may if they consider appropriate make arrangements for members and directors to participate in general meetings by way of audio and/or audio-visual link(s) which allow them to hear and contribute to discussions at the meeting, providing: (a) the notice calling the meeting (or notes accompanying the notice) contains the information required under article (NEW 26) and (b) the manner in which the meeting is conducted ensures, so far as reasonably possible, that those members and directors who participate via an audio or audio-visual link are not disadvantaged with regard to their ability to contribute to discussions at the meeting, as compared with those members and directors (if any) who are attending in person (and vice versa)
<b>29 – 36 PROCEDURES AT GENERAL MEETINGS NEW</b> We propose new Articles, as included in updated SCVO model articles, to set out procedures underpinning virtual AGMs and other General Meetings.	If restrictions arising from public health legislation or guidance are likely to mean that attendance in person at a proposed general meeting would not be possible or advisable for all or a significant proportion of the membership, the directors must arrange for members and directors to participate in that general meeting by way of audio and/or audio-visual link(s) which allow them to hear and contribute to discussions at the meeting.
<b>29 PROCEDURES AT GENERAL MEETINGS AMEND</b> We propose to delete the requirement for in person attendance at meetings to form a quorum, so allowing for different meeting formats.	No business shall be dealt with at any general meeting unless a quorum is present; the quorum for a general meeting shall be 5% of individuals entitled to vote (each being a member or a proxy for a member).
<b>29 PROCEDURES AT GENERAL MEETINGS NEW</b> We propose to clarify the treatment of those attending meetings virtually.	An individual participating in a general meeting via an audio or audio-visual link which allows them to hear and contribute to discussions at the meeting will be deemed to be present in person (or, if they are not a member [or the authorised representative of a member which is a corporate body]), will be deemed to be in attendance at the meeting.
<b>29 PROCEDURES AT GENERAL MEETINGS NEW</b> We propose that the Board sets and is able to manage method of attendance.	A member cannot insist on attending a general meeting, or in voting at a general meeting, by any particular means.
<b>32 PROCEDURES AT GENERAL MEETINGS AMEND</b> We propose to add to the end of this article to clarify arrangements for adjourned meetings, where these may be virtual. The wording is from the SCVO updated model articles.	Where participation in the adjourned meeting is to be by way of audio and/or audio-visual links - with no intention for the adjourned meeting to involve attendance in person by two or more members or directors in one place - the requirement under article [ ] for the chairperson to fix the place of the adjourned meeting shall not apply.
<b>32 PROCEDURES AT GENERAL MEETINGS AMEND</b> We propose to add provision for voting by proxy, per SCVO model articles	Vote... may be given personally or by proxy (subject to articles XX NEW above)
<b>35 PROCEDURES AT GENERAL MEETINGS AMEND</b>	A resolution put to the vote at a general meeting shall be decided on a show of hands or by poll. Any arrangements for a virtual or hybrid meeting shall include a means of voting by poll and counting

<p>We propose to insert provision for voting at a virtual or hybrid meeting an associated procedure, wording per example cited by OSCR.</p>	<p>of such votes. Where a vote is to be or may be taken by means of a secret ballot, any arrangements for a meeting to be held virtually or as a hybrid meeting shall include a means for those attending virtually to cast their vote secretly.</p>
<p><b>PROCEDURE AT GENERAL MEETINGS NEW</b> We propose provision for proxy voting, per SCVO model articles, as a practical approach to managing engagement of a large membership and encouraging and enabling participation even if the member is not able to attend a meeting in person or virtually.</p>	<p>Any member who wishes to appoint a proxy to vote on their behalf at any meeting (or adjourned meeting) shall (a) lodge with the company at its registered office a written instrument of proxy (in such form as the Board of Directors requires) signed by the member; or (b) send by electronic means to the company, at such electronic address as may have been notified to the members by the company for that purpose, an instrument of proxy (in such form as the Board of Directors requires); and providing (in either case) the instrument of proxy is received by the company at the relevant address not less than 48 hours before the time for holding the meeting (or adjourned meeting as the case may be).</p>
<p><b>PROCEDURE AT GENERAL MEETINGS NEW</b> We propose an abbreviated form of the SCVO model article to clarify terms for proxy voting.</p>	<p>The member representative by proxy need not be a member. A member shall not be entitled to appoint more than one proxy to attend on the same occasion and if there is any doubt about the authority of the proxy to speak on behalf of the member or to vote, the Chairperson will decide, and their decision will be final.</p>
<p><b>37 NUMBER OF BOARD OF DIRECTORS AMEND</b> Without changing the substance of the current article, we propose alternative wording to clarify the difference between elected and appointed Directors; and propose new arrangements for managing the term of office for non-elected Directors; and to require that all Directors, elected or appointed, can bring the necessary skills etc to be effective.</p>	<p>Unless otherwise directed...at a General Meeting, the Board of Directors shall comprise: (a) not more than 7 persons nominated and elected in accordance with the provisions of Articles XX - YY (Election, retiral, re-election); (b) not more than 3 persons who shall be appointed for a specified term of office, which shall not exceed 3 years, as Board Directors by the Board subject to such persons being willing and eligible to be so appointed ("Appointed Board Directors"); (c) where any Elected Board Director, any Director seeking re-election to the Board, or any Appointed Board Director is able to contribute the skills, knowledge, objectivity and diversity required to serve as an effective Board Director.</p>
<p><b>38 ELIGIBILITY AMEND</b> We propose to change the word "or" in the current articles to "and" to increase and safeguard the connection between elected Directors and the majority membership of organisation</p>	<p>A person shall not be eligible for election or continuation as an elected director unless he/she is a member of the company and has been nominated for election as a director by a member organisation.</p>
<p><b>42 ELECTION, RETIRAL, RE-ELECTION AMEND</b> We propose that directors retiring by rotation and who wish to stand for re-election can do so without nomination.</p>	<p>A retiring elected director shall be eligible for re-election without nomination.</p>
<p><b>43 ELECTION, RETIRAL, RE-ELECTION AMEND</b> We propose that instead of annual reappointment, non- elected Directors can be appointed for a fixed term of not more than 3 years, while retaining the right of the Board to revoke appointments.</p>	<p>Appointed Board Directors shall not retire in accordance with Article 41 but shall continue in office (subject to Article 43 as amended) until the specified term of office expires or such appointment is revoked by resolution of the Board.</p>

<p><b>61 PERSONAL INTERESTS AMEND</b> We propose amending the wording to reflect SCVO model articles such that personal interest is declared irrespective of potential for conflict.</p>	<p>A director who has a personal interest in any transaction or other arrangement which the company is proposing to enter into, must declare that interest at a meeting of the directors; they will be debarred from voting on the question of whether or not the company should enter into that arrangement; he/she shall withdraw from the meeting while such items are dealt with.</p>
<p><b>62 PERSONAL INTERESTS AMEND</b> We propose adding to the descriptions of situations giving rise to requirement to declare a personal interest, adopting the full wording in the SCVO model article for this section.</p>	<p>...shall be deemed to have a personal interest in an arrangement if ... any limited company of which he/she is a substantial shareholder or any limited liability partnership of which they are a member or any Scottish charitable incorporated organisation of which they are a charity trustee or any registered society or unincorporated association of which they are a management committee member...</p>
<p><b>83 DELEGATION OF POWERS DELETE</b> We propose that article 83 is deleted. This is not an SCVO model article, ascribes to Directors some powers that do not align with employment or contract law, and other content is operational.</p>	<p>Article deleted</p>
<p><b>87 MINUTES AMEND</b> We propose to add to this section to ensure the equal treatment of members or Directors attending meetings virtually.</p>	<p>The minutes of a meeting shall record the names of all persons present at the meeting without distinction between those who attended in person and those who attended virtually</p>
<p><b>99 INDEMNITY AMEND</b> We propose to expand this section to provide the clarity of the SCVO model article and replace requirement to purchase with entitlement to purchase.</p>	<p>The Company shall (subject to the provisions of section 68A of the Charities and Trustee Investment (Scotland) Act 2005) be entitled to purchase Trustee Indemnity Insurance (to cover such costs) and maintain for any director insurance against any loss or liability which any director or other officer of the company may sustain or incur in connection with the execution of the duties of their office; and such insurance may (subject to the provisions of section 68A of the Charities and Trustee Investment (Scotland) Act 2005) extend to liabilities of the nature referred to in section 232(2) of the Act (negligence etc. of a director)</p>
<p><b>THROUGHOUT: AMEND</b> We propose to amend the articles to apply consistency in application of the change approved in 2015 to admit individuals as well as organisations to membership.</p>	<p>Insert "or individuals", "and individuals" "or individual members", "and individual members" where required</p>

*Wendy Turner*

Wendy Turner, Director

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