

Appendix 1 (2)

DURHAM AGED MINEWORKERS' HOMES ASSOCIATION

RULES

A REGISTERED HOUSING ASSOCIATION
NO. A3213

REGISTERED CHARITY NO. 222673

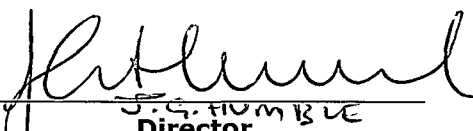
MEMBER OF THE NATIONAL ASSOCIATION OF ALMSHOUSES

AMENDED BY THE ANNUAL GENERAL MEETING OF
MEMBERS ON 22nd SEPTEMBER 2005

ALL PREVIOUS RULES RESCINDED

I CERTIFY THAT THIS IS A TRUE COPY

Signed:


J.G. FUMBLE
Director
22nd September 2005

DURHAM AGED MINEWORKERS' HOMES ASSOCIATION

RULES

1. NAME

The name of the Association is the DURHAM AGED MINEWORKERS' HOMES ASSOCIATION ("The Association").

2. OBJECTS

- 2.1 As an Almshouse Foundation and a 'Charitable Housing Association the Association has the following Objects ("the Objects")'.
- 2.2 To provide and maintain services and facilities for needy, aged, infirm or disabled persons, with particular regard for the needs of the Original Beneficiaries.
- 2.3 For that purpose to provide and maintain:-
 - 2.3.1 Almshouses, which may be houses, bungalows, apartments or sheltered homes, for such persons who (except in the case of Original Beneficiaries or in other special cases to be approved by the Trustees) are over the age of 50 at the time of appointment
 - 2.3.2 Residential homes in which additional care may be provided.
 - 2.3.3 Leasehold accommodation specially adapted for aged, infirm or disabled persons.
 - 2.3.4 Gardens, common rooms, workshops, garages and other ancillary facilities for the benefit of residents.
- 2.4 To manage or provide advice or assistance in the establishment or management of housing schemes provided or to be provided by other charities.
- 2.5 In this clause 'the Original Beneficiaries' means needy, aged, infirm or disabled persons who were formerly employed in or about coal mines in the County of Durham as constituted on 31 March 1974 or are or were the dependents of persons so employed.

2.A APPOINTMENT OF RESIDENTS

- 2.A.1 The selection of residents is in the discretion of the Association
- 2.A.2 The Association may advertise vacancies, investigate the character, lifestyle, qualifications for appointment and other circumstances of applicants, adopt suitable selection policies consistent with these Rules and maintain waiting lists.
- 2.A.3 In deciding whether to appoint an applicant to be a resident, the Association must take into account the interests of existing residents.

3. GENERAL POWERS

- 3.1 In furtherance of the Objects but not otherwise the Association has the following powers, exercisable subject to any consents required by law from time to time:-
 - 3.1.1 To acquire, construct and manage land, buildings and equipment for use for the Objects.
 - 3.1.2 To let, sell or otherwise dispose of any property not required for use for the Objects.
 - 3.1.3 To raise funds by any lawful means except for permanent trading otherwise than in direct furtherance of the Objects.
 - 3.1.4 To employ paid or unpaid staff, advisors and helpers as may be necessary for the proper administration of the Association, always provided that no member of the Executive Committee shall be appointed as a paid member of staff.
- 3.2 To make it a condition of appointment as a resident in the Association's Almshouses, that the person appointed shall abide by any regulations for the time being in force in relation to the Almshouses, and to pay such weekly contribution as may be necessary to meet the cost of maintaining the Almshouses and essential services therein, provided that:-
 - 3.2.1 Every resident shall be supplied with a copy of the regulations.
 - 3.2.2 The weekly sum charged shall not be such as to cause hardship to the resident.
 - 3.2.3 The Association must not grant a tenancy of any Almshouse.
- 3.3 To make such charges to the residents in the Association's residential homes as are necessary to meet the cost of maintaining the homes concerned and the services and facilities provided.
- 3.4 To grant leases to prospective residents of the Association's leasehold accommodation on such terms as are appropriate to the property concerned; (and which require the lease to be surrendered if the property is no longer required as a residence for the lessee).
- 3.5 To make charges to the residents of almshouses, residential homes and leasehold accommodation to meet the cost of heating, lighting, hot water or any other additional services or facilities provided by the Association.
- 3.6 To make charges of such reasonable amounts as the Association thinks fit for work or advice provide to other charities in furtherance of the Objects.
- 3.7 To levy subscriptions of such amounts as the Association thinks fit from time to time on the members of the Association.
- 3.8 To make regulations to govern the residents in the Almshouses and the residential homes.

3.9 · To remove any resident in the Almshouses or in a residential home who is:-

- 3.9.1 No longer qualified to be a resident
 - 3.9.2 No longer physically or mentally fit to remain in the accommodation concerned.
 - 3.9.3 Unwilling or unable to observe the regulations.
 - 3.9.4 Responsible for serious misconduct or anti-social behaviour
- 3.10 Provided that before taking possession of the accommodation occupied by a resident the Association shall take such steps as it thinks fit to assist in finding alternative accommodation for the resident concerned.
- 3.11 To accept gifts either for the general purpose of the Association or for some special purpose within the Objects.
- 3.12 To do all such other lawful things as are necessary or incidental in furthering the Objects.

4. MEMBERSHIP

- 4.1. The members of the association shall be the persons whose names are entered in the Register of Members.
- 4.1.1 The Membership of the Association shall be open to persons employed or formerly employed in the Coal Mining Industry in the Durham Coal Field (as constituted on the 31 March 1974) or its ancillary activities including related welfare education training and trade unions activities or the spouses or family members of such persons and to any other individual persons (including the nominees or trustees of unincorporated bodies societies companies and local authorities) which the Executive Committee in its discretion admit to membership. Where a person is admitted to membership in the capacity of a nominee or Trustee of a trade union, the relevant trade union shall be responsible for informing the Association of any relevant changes in its Trustees or nominees and supplying details of names and addresses of new retiring Trustees or nominees who are members or former members of the Association.
 - 4.1.2 An applicant for membership shall forward to the registered office a formal application, which shall include a statement of the reasons for seeking membership, together with the sum of £1.00 (or such other sum as the Executive Committee determines from time to time) in respect of the costs of registration of the application (which sum shall be returned to him or her if the application is not approved) and every application shall be considered by the Executive Committee at its next meeting after it is made or as soon thereafter as is practicable. If the application is approved the name of the applicant and other necessary particulars shall be entered into the Register of Members.
 - 4.1.3 Any members who fail to participate in two consecutive General Meetings (unless apologies for absence are received by the President or Vice President in advance) will automatically cease to be a member.

- 4.1.4 The provisions of preceding clause 4.1.3 shall not apply to members who are also Members of the Executive Committee.

5. BORROWING

- 5.1. Subject to any Consents required by law, the Association shall have power to borrow money for application in furtherance of the Objects on such reasonable terms as to repayment and interest as the Executive Committee thinks fit and for that purpose to charge as security any of the property of the Association.
- 5.2 The Association shall not have power to lend money otherwise than in direct furtherance of the Objects, and shall not have power to accept any deposit of money as an investment.

6. GENERAL MEETINGS

- 6.1 The Association shall within six calendar months after the close of each financial year of the Association hold an Annual General Meeting at a time and place determined by the Executive Committee.
- 6.2 The functions of the Annual General Meeting shall be:-
- 6.2.1 To receive the accounts and balance sheet.
- 6.2.2 To appoint an auditor
- 6.2.3 To elect members of the Executive Committee
- 6.2.4 To discuss or determine any other matters concerning the Association included in the notice convening the meeting.
- 6.3 A Special General Meeting of the Association may be convened by the Executive Committee whenever they may consider it necessary or upon the written request of any ten members of the Association.
- 6.4 Written notice of all General Meetings shall be given not less than 14 days before the meeting and shall specify the matters to be discussed.

7. PROCEEDINGS AT GENERAL MEETINGS

- 7.1 No business shall be transacted at any General Meeting of the Association unless a quorum of members is present. 10 members shall form a quorum.
- 7.1.1 If no quorum is present within half an hour of the time appointed for the meeting, the meeting if convened at the request of the members shall be dissolved, but in any other case shall stand adjourned to the same day in the next week at the same time and place. If at the adjourned meeting a quorum is still not present within half an hour of the time appointed for the meeting, the members present shall form a quorum. Subject to the provisions of these rules or of any Act of Parliament a resolution put to the vote at a General Meeting or a Special Meeting shall, except

where a poll is demanded or redirected, be decided by simple majority upon a show of hands.

7.1.2 On a show of hands every member present in person and on a poll every member present in person shall have one vote. In the case of an equality of votes the Chairman of the meeting shall have a second or casting vote.

7.1.3 A poll may be demanded either before or immediately after a vote by a show of hands, by not less than one tenth of the members present at the meeting or may be directed by the Chairman.

7.1.4 Any question as to the acceptability of any vote shall be determined by the Chairman of the meeting, whose decision shall be final.

8. EXECUTIVE COMMITTEE

The Association shall have a Board (known historically and referred to herein as the Executive Committee) which shall direct the affairs of the Association in accordance with its Rules and Objects and whose members, for the purposes of section 97(1) of the Charities Act 1993, shall collectively act as Charity Trustees.

8.1 The Executive Committee shall consist of:-

8.1.1 The Property Trustees for the time being of the Association as appointed under Rule 15.

8.1.2 Up to 12 additional members to be known as Elected Trustees who (except at first) shall be elected by the membership at the Annual General Meeting.

8.1.3 In the event of a casual vacancy arising amongst the Elected Trustees on the Executive Committee the members of the Executive Committee shall have power to appoint a further member of the Association to fill the vacancy for the remainder of the appointed term of the retiring Elected Trustee.

8.2 No member of the Executive Committee may be an employee of the Association or receive any remuneration or other benefit at the cost of the Association except that:

8.2.1 Members of the Executive Committee may receive reimbursement of reasonable out-of-pocket expenses properly incurred in the administration of the Association.

8.2.2 Where an Elected Trustee is a Resident at the date of election or appointment, he or she may continue to be a Resident notwithstanding that he or she is also an Elected Trustee.

8.2.3 Where an Elected Trustee is appointed as a Resident, he or she may nevertheless continue to be a member of the Executive Committee;

Provided that no more than one third of the members of the Executive Committee shall be Residents at any one time, and that whenever an elected Trustee is also a Resident he or she must:

- (i) Declare an interest at every meeting of the Executive Committee at which matters are to be discussed which will directly or indirectly affect the terms on which he or she or a member of his or her family occupies Property of the Association; and
- (ii) Withdraw during the vote and not be counted in the quorum whenever the Executive Committee considers matters directly relating to his or her position as a Resident.'

8.3 The Elected Members shall be appointed as follows:-

8.3.1 Members of the Association may nominate or second other members of the Association for appointment to the Executive Committee as Elected Trustees for a period of 4 years. Nominations duly seconded must be submitted to the Association 30 days prior to the date of the Annual General Meeting and must be accompanied by a signed statement by the nominee in the Association's prescribed form giving formal consent to nomination and setting out details of his or her background and reasons for wishing to become a member of the Executive Committee. Notice of all nominees together with voting papers shall be incorporated into the Agenda documentation for the Annual General Meeting and dispatched to members at least 14 days prior to the Meeting.

8.3.2 The first Elected Trustees shall be the members of the Executive Committee holding office by virtue of nomination appointment and/or election under the former rules 9.1.1 and 9.1.3

8.3.3 At the Annual General Meeting following the Annual General Meeting at which this rule is adopted 3 pre-existing Elected Trustees shall stand for re-election for a term of 4 years. At each of the 3 following Annual General Meetings thereafter 3 existing Elected Trustees shall stand for re-election for a term of 4 years.

8.3.4 The order in which existing Elected Trustees shall stand for re-election pursuant to the provisions of the preceding sub-clause shall be determined by drawing lots.

8.4 Any member of the Executive Committee who is absent from Executive Committee Meetings for a consecutive period of 12 months without offering a reasonable explanation for the absence will be removed from office upon the members of the Executive Committee passing a Resolution to that effect.

8.5 As far as practicable, the following constraints will apply:-

8.5.1 The number of Elected Trustees under sub-clause 8.1.2 hereof shall always exceed the number of Property Trustees under sub-clause 8.1.1 thereof.

8.5.2 A majority of Executive Committee members shall always be comprised of persons involved or formerly involved in the coal mining community as workers in the coal mining industry or its ancillary activities including related welfare education training and trade union activities or the spouses or the family members of such persons.

8.5.3 The Executive Committee shall include members who have special skills or experience in the professional disciplines required to direct assist or manage the affairs of the Association.

8.6 For that purpose the composition of the Executive Committee may be varied:-

8.6.1 Until the Annual General Meeting following the Annual General Meeting at which this Rule is adopted by the Executive Committee.

8.6.2 After the next Annual General Meeting following the Annual General Meeting at which this Rule is adopted by the Association in General Meeting.

9. PRESIDENT AND VICE-PRESIDENT

9.1 At the first meeting of the Executive Committee after the Annual General Meeting the members of the Executive Committee shall elect from amongst themselves a President and Vice President and such other honorary officers as they consider necessary.

9.2 The President shall chair all meetings of the Executive Committee and all General Meetings of the Association.

9.3 In the absence of the President the Vice President shall chair all meetings of the Executive Committee and all General Meetings of the Association.

9.4 In the absence of the President and Vice President from any Executive Committee Meeting or General Meeting the members present shall select one of their number to act as Chairman.

9.5 If the post of President becomes vacant because of death, resignation, incapacity or any other form of force majeure then the Vice President shall assume the position of President until the first meeting of the Executive Committee after the next Annual General Meeting.

9.6 If the post of Vice President becomes vacant because of death, resignation, incapacity, appointment as President under the provisions of the preceding sub-clause or any other form of force majeure then the Executive Committee shall elect one of their number as Vice President until the first meeting of the Executive Committee after the next Annual General Meeting.

10. STANDING ORDERS

10.1 The Association shall maintain Standing Orders, which will set out and govern the operations and working practices of the Association, provided that all Standing Orders are consistent with these Rules and in accordance with the provisions of charity law.

11. MEETINGS

11.1 No business shall be transacted by the Executive Committee unless a quorum of members is present. The quorum shall be not less than 50% of the members for the time being of the Executive Committee.

11.2 All Executive Committee meetings and Sub-Committee meetings shall be conducted in accordance with the provisions of the Association's Standing Orders, which are from time to time in force.

12. POWERS OF THE EXECUTIVE COMMITTEE

12.1 The work of the Association shall be managed and controlled by the Executive Committee who may exercise all such powers as may be exercised by the Association.

12.1.1 The Executive Committee shall in all things act for and on behalf of the Association.

12.1.2 The Executive Committee may maintain one or more bank accounts in the name of the Association, provided that all cheques are signed in accordance with the signature requirements as determined from time to time by Standing Orders or the Executive Committee.

12.1.3 The Executive Committee may pay all such expenses, including travelling expenses, as are properly incurred by any member of the Executive Committee in the execution of his or her duties.

12.1.4 The Executive Committee may appoint Sub-Committees from amongst themselves and other members and delegate appropriate powers to such Sub-Committees to transact Association business provided that all acts and proceedings of all Sub Committees are reported promptly to the Executive Committee.

12.1.5 No person who is for the time being an employee or otherwise remunerated at the cost of the Association may be a member of a Sub Committee.

12.1.6 The Executive Committee may invite other persons to attend their meetings or meetings of Sub-Committees in a non voting capacity as observers or advisers.

12.1.7 All acts and proceedings of Sub-Committees must be reported promptly to the Executive Committee.

13. FINANCE AND INVESTMENT

13.1 All property of every description which belongs to the Association shall be held or applied for furthering the Objects and for no other purpose.

13.2 Subject to the provisions contained in sub clause 13.4, all sums of cash not required for immediate working purposes shall be invested in trust for the Association, either in the names of the Trustees or in the name of a corporation acting at the direction of the Trustees as their nominee.

13.3 The funds of the Association may be deposited or invested in any manner (but invested only after obtaining advice from a financial expert and having regard to the suitability of investments and the need to diversify).

13.4 The management of the investments belonging to the Association may be delegated to an independent financial expert, but only on terms that:-

13.4.1 The investment policy is recorded in writing for the financial expert by the Executive Committee.

- 13.4.2 Every transaction is reported promptly to the Executive Committee
- 13.4.3 The performance of the investments is reviewed regularly by the Executive Committee.
- 13.4.4 The Executive Committee is entitled to cancel the delegation arrangement at any time.
- 13.4.5 The investment policy and the delegation arrangement are reviewed at least once a year.
- 13.4.6 Any payments due to the financial expert are in a scale or at a level which is agreed in advance and notified promptly to the Executive Committee on receipt.
- 13.4.7 The financial expert must not do anything outside the powers of the Executive Committee.
- 13.5 "A financial expert" in the two preceding Rules means a reputable independent individual, firm or company experienced in the management of investments and authorised or accepted within the meaning of the Financial Services and Markets Act 2000.
- 13.6 Any part of the accumulated surplus income may be expended for the benefit of residents, in such a manner as the Executive Committee think fit from time to time.

14. AUDITOR

- 14.1 The Auditor shall be a qualified accountant who shall audit the books and accounts of the Association yearly or half-yearly as the Executive Committee shall decide, and certify the balance sheet for the Annual General Meeting.

15. PROPERTY TRUSTEES

- 15.1 There will be a minimum of four and a maximum of eight Property Trustees who shall be appointed by the Executive Committee and shall, subject to the provisions hereinafter contained for determination of trusteeship, hold office for life. Any Property Trustee who is adjudged bankrupt or make a composition or arrangement with his or her creditors or who is incapacitated from acting or who communicates in writing to the Executive Committee a wish to resign shall cease thereupon to be a Property Trustee. Any vacancy in the office of Property Trustee may be filled by a person appointed by resolution of the Executive Committee. All real and leasehold property acquired by the Association shall be conveyed or transferred to the Property Trustees, who shall hold the same in trust for the purposes of the Association to be appropriated and housed in accordance with the directions of the Executive Committee.
- 15.2 A Resident shall not be eligible to be a Trustee of the Property of the Association and no Property Trustee may be appointed as a Resident.

16. INTERPRETATION

- 16.1 The Executive Committee shall have power to determine any question, doubt or difficulty arising under these Rules, or to make provision for any matter not covered by these Rules, provided that the Executive Committee shall if they think fit consult the National Association of Almshouses or the Charity Commissioners before making such a determination.

17. ALTERATION OF RULES

- 17.1 Alterations and additions can only be made to these rules at an Annual General Meeting or at a Special General Meeting convened for that purpose, provided that no alteration or addition shall be made that would cause the Association to cease to be a charity in law, and no alteration or addition shall be made which would confer any benefit on any member of the Executive Committee unless the prior written approval of the Charity Commission has been given.

18. DISSOLUTION OF THE ASSOCIATION

- 18.1 The Association may be dissolved by the consent of four-fifths of the members present at the Annual General Meeting or a Special General Meeting convened for that purpose.

Upon winding up or dissolution of the Association the assets remaining after payment of the debts and liabilities of the Association shall be applied to such charitable purposes for the benefit of retired mineworkers or their dependants as the members of the Association shall by resolution determine.