

**Dated 27<sup>th</sup> June 2012**

---

**Constitution of the Guild of Freemen of the City of London's  
Charity**

**(Charity number 227063)**

---

**Bates Wells & Braithwaite London LLP  
2-6 Cannon Street  
London EC4M 6YH  
Telephone: 020 7551 7777  
[www.bwllp.com](http://www.bwllp.com)  
PK/LMS/208416/0002**

## **Constitution of the Guild of Freemen of the City of London's Charity**

### **Background**

- (A) The charity originally known as the Guild of Freemen of the City of London Benevolent Fund was established by a Constitution and Rules dated 13 November 1918 (“**the Constitution and Rules**”),
- (B) Under Rule 7 of the Constitution and Rules, the Court of Assistants of the Guild of Freemen of the City of London has power to amend all and any of the provisions of the Constitution and Rules, by a resolution approved by a two-thirds majority of those present and voting at a special meeting of the Court called for that purpose.
- (C) At a meeting held on 27<sup>th</sup> June 2012, the Court resolved, with the requisite majority, that:
  - (a) The name of the charity should be changed to the Guild of Freemen of the City of London's Charity; and
  - (b) Its property shall be administered and managed in accordance with the provisions in this constitution, which amends and replaces the Constitution and Rules of the charity.
- (D) It is acknowledged that the following charities were amalgamated with the charity in 2005:
  - (a) The Guild of Freemen of the City of London Christ's Hospital Presentation Fund (former charity number 810372) which was set up in 1920 to enable the Guild to present children for education at Christ's Hospital;
  - (b) The Francis Sully Educational and Charity Fund (former charity number 313155) which was established in 1949 in memory of Francis Sully, a former Master of the Guild;
  - (c) Dunfee Hogg Bequest Fund which was established with a legacy from Colonel Vickers Dunfee who died in office as Master in 1926, and was augmented by a gift from Dr Philip Hogg in remembrance of his year as Master in 1980; and
  - (d) Ronald Ward Bequest Fund (former charity number 227063.1) which was set up by a bequest from Ronald Ward, in remembrance of his year as Master in 1963.

**Now this deed witnesses as follows:**

### **1. Definitions**

In this deed the following words and phrases shall have the following meanings, unless the context otherwise requires:

- 1.1 **“the Act”** the Charities Act 2011 including any statutory modification or re-enactment for the time being in force;
- 1.2 **“the Charity”** the charity governed by this constitution;
- 1.3 **“the Charity Commission”** the Charity Commission for England and Wales;
- 1.4 **“Connected Person”** (a) any spouse, parent, child, brother, sister, grandparent or grandchild of a Trustee; or (b) any other person in a relationship with a Trustee which may reasonably be regarded as equivalent to such a relationship; or (c) any company or firm of which a Trustee is a paid director, partner or employee, or shareholder holding more than 1% of the capital;
- 1.5 **“Court”** the Court of Assistants of the Guild;
- 1.6 **“Dependant”** the spouse, widow, widower, child of and any person who is or was dependent on a member, former member or deceased member of the Guild;
- 1.7 **“Financial Expert”** an individual, company or firm who is authorised to give investment advice under the Financial Services and Markets Act 2000 (or any statutory modification or re-enactment thereof);
- 1.8 **“the Guild”** the Guild of Freemen of the City of London, a company limited by guarantee and not having any share capital (company no.109150);
- 1.9 **“the Objects”** the objects of the Charity set out in clause 3;
- 1.10 **“the Secretary”** the person appointed in accordance with clause 22.

**2. Name**

The Charity and its property shall be administered and managed by the Trustees under the name of the Guild of Freemen of the City of London’s Charity or such other name or names as the Trustees from time to time decide with the prior consent of the Guild by a resolution of the Court.

**3. Objects**

The Trustees shall hold the Charity’s property and its income upon trust to apply them for the following objects:

- 3.1 the relief of financial hardship of members and former members of the Guild and their Dependants; and
- 3.2 the advancement of education and such other objects which are regarded as exclusively charitable under the law of England and Wales as the Trustees from time to time think fit for the benefit of individuals, groups, organisations and/or institutions with preference to those living (in the case of individuals) or operating (in the case of groups, organisations and institutions) in the Greater London area or with a connection to the Greater London area.

**4. Powers**

In furtherance of the Objects but not otherwise the Trustees may exercise any of the following powers:

- 4.1 to make grants to any individual, group, organisation or institution;
- 4.2 to provide and assist in the provision of money, materials or other help;
- 4.3 to publish or distribute information;
- 4.4 to promote, commission or carry out research;
- 4.5 to provide or procure the provision of advice;
- 4.6 to acquire or rent any property of any kind and any rights or privileges in and over property and to construct, maintain, alter and equip any buildings or facilities;
- 4.7 subject to any consent required by law, to dispose of or deal with all or any part of the Charity's property with or without payment and subject to such conditions as the Trustees think fit;
- 4.8 subject to any consent required by law, to borrow or raise money for any purpose including for the purposes of investment or of raising funds, and to charge the whole or any part of the Charity's property with repayment of money so borrowed or raised;
- 4.9 to set aside funds for special purposes or as reserves against future expenditure;
- 4.10 to invest the Charity's property and its income anywhere in the world in the purchase of or at interest upon the security of such stocks, funds, shares, securities or other investments or property of whatsoever nature and wheresoever situate (including without limitation any property not within the word "investment" as strictly construed) and whether involving liability or not (whether for investment purposes or in the course of carrying out the Objects) as the Trustees shall in their absolute discretion think fit to the extent that the Trustees shall have the same full unrestricted powers of varying and transferring investments and layout of monies in all respects as if they were absolutely entitled thereto beneficially;
- 4.11 to arrange for any of the Charity's property to be held in the name of a nominee (being a corporate body registered or having an established place of business in England and Wales) acting under the control of the Trustees or under the control of a

Financial Expert acting under the Trustees' instructions and to pay any reasonable fee required;

- 4.12 to 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 company;
- 4.13 subject to clause 5 to open and operate bank accounts and other facilities for banking and to draw, accept, endorse, issue or execute promissory notes, bills of exchange, cheques and other instruments;
- 4.14 to raise funds by way of subscription, donation or otherwise;
- 4.15 to accept (or disclaim) gifts of money and any other property;
- 4.16 to trade in the course of carrying out the Objects and carry on any other trade which is not expected to give rise to taxable profits;
- 4.17 subject to clause 19:
  - 4.17.1 to engage and pay employees, consultants and professional or other advisers; and
  - 4.17.2 to make reasonable provision for the payment of pensions and other retirement benefits to or on behalf of employees and their spouses and dependants;
- 4.18 to appoint and constitute such advisory committees as the Trustees may think fit;
- 4.19 to establish and support or aid in the establishment and support of any other organisations and to subscribe, lend or guarantee money or property for charitable purposes;
- 4.20 to amalgamate with or acquire or undertake all or any of the property, liabilities and engagements of any body having objects wholly or in part similar to those of the Charity;
- 4.21 to co-operate with charities, voluntary bodies, statutory authorities and other bodies and to exchange information and advice with them;
- 4.22 to insure the property of the Charity against any foreseeable risk and take out other insurance policies as are considered necessary by the Trustees to protect the Charity;
- 4.23 to provide indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Charity, provided that any such insurance shall not extend to the provision of any indemnity for a person in respect of:
  - 4.23.1 any act or omission which he or she knew to be a breach of trust or breach of duty or which was committed by him or her in reckless disregard as to whether it was a breach of trust or breach of duty or not; or

4.23.2 any liability incurred by him or her in defending any criminal proceedings in which he or she is convicted of an offence arising out of any fraud or dishonesty, or wilful or reckless misconduct by him or her; or

4.23.3 any liability incurred by him or her to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising);

4.24 to do all such other lawful things as shall further the Objects.

## **5. Bank Account**

Any bank account in which any part of the Charity's property is deposited shall be operated by the Trustees and shall be held in the name of the Charity. All cheques and orders (including standing orders and direct debits) for the payment of money from such account shall be signed by any two Trustees.

## **6. Power to Delegate**

6.1 The Trustees may delegate any of their powers or functions to committees consisting of two or more persons appointed by them but at least one member of every committee must be a Trustee and all proceedings of committees must be reported promptly to the Trustees.

6.2 The Trustees may delegate day to day management of the affairs of the Charity to any person including the Secretary.

6.3 The Trustees may delegate the management of investments to a Financial Expert provided that:

6.3.1 the investment policy is set down in writing for the Financial Expert by the Trustees;

6.3.2 every transaction is reported promptly to the Trustees;

6.3.3 the performance of the investments is reviewed regularly by the Trustees;

6.3.4 the Trustees are entitled to cancel the delegation arrangement at any time;

6.3.5 the investment policy and the delegation arrangements are reviewed at least once a year;

6.3.6 all payments due to the Financial Expert are on a scale or at a level which is agreed in advance and are notified promptly to the Trustees on receipt; and

6.3.7 the Financial Expert may not do anything outside the powers of the Trustees.

## **7. Appointment of Trustees**

7.1 There shall be at least three and no more than five Trustees.

- 7.2 The Guild may appoint new and additional Trustees by a resolution of the Court which shall be notified to the Secretary in writing.
- 7.3 Each Trustee shall hold office for an initial term of up to three years, renewable by re-appointment for two further terms of up to three years provided that a Trustee who has served a term of nine consecutive years shall remain out of office for at least three years before he or she may be re-appointed.
- 7.4 No person may be appointed a Trustee:
  - 7.4.1 unless he or she has attained 18 years;
  - 7.4.2 unless he or she is a member and a director of the Guild at the time of his or her first appointment and is a member of the Guild on any re-appointment;
  - 7.4.3 unless he or she is under the age of 80 years at the time of his or her appointment or re-appointment; or
  - 7.4.4 in circumstances such that, had he or she already been a Trustee, he or she would have been disqualified from acting under the provisions of this constitution.
- 7.5 A technical defect in the appointment of a Trustee of which the Trustees are unaware at the time does not invalidate decisions taken by the Trustees.
- 7.6 So long as there are fewer than three Trustees none of the powers or discretions conferred on the Trustees by this constitution or by law (except the power to appoint new Trustees insofar as it is exercisable by the Trustees) shall be exercisable until the requisite number of new Trustees are appointed to bring their number up to three.

**8. Determination of Trusteeship**

- 8.1 A Trustee shall immediately cease to hold office if he or she:
  - 8.1.1 is removed by the Guild by a resolution of the Court which is notified to the Secretary in writing;
  - 8.1.2 ceases to be a member of the Guild;
  - 8.1.3 is disqualified under the Act from acting as a Trustee;
  - 8.1.4 in the reasonable opinion of the Trustees is incapable, whether mentally or physically, of managing his or her own affairs;
  - 8.1.5 resigns by giving written notice at a biannual meeting of the Trustees to retire at the subsequent biannual meeting provided that the Trustees may agree to any shorter notice period, but only if at least three Trustees will remain in office when the notice of resignation is to take effect;
  - 8.1.6 fails to attend two consecutive biannual meetings and the Trustees resolve that he or she be removed for this reason; or

- 8.1.7 is removed by a resolution passed at a meeting of the Trustees at which at least half of the Trustees are present. Such a resolution shall not be passed unless the Trustee has been given at least 14 days' notice in writing that the resolution is to be proposed, specifying the circumstances alleged to justify removal from office, and has been afforded a reasonable opportunity of being heard by or of making written representations to the Trustees.
- 8.2 The Trustees shall, as soon as practicable, notify the Guild of any vacancy in the office of Trustee (other than under clause 8.1.1 above).
- 8.3 If a Trustee ceases to hold office pursuant to clause 8.1 the Trustees may by resolution passed at a Trustees' meeting discharge such person from the trusts of the Charity.
- 8.4 A Trustee ceasing to hold office is entitled on written request to an indemnity from the continuing Trustees at the expense of the Charity in respect of any liabilities properly incurred during his or her trusteeship.
- 8.5 A technical defect in the appointment of a Trustee of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

**9. Meetings and Proceedings of Trustees**

- 9.1 The Trustees shall hold two meetings in each year (the “**biannual meetings**”) at which, together with such other matters as they think appropriate, the Trustees shall review the investments of the Charity with the Financial Expert.
- 9.2 In addition to the biannual meetings, special meetings may be held at any time and for any purpose.
- 9.3 Biannual meetings and special meetings shall be called as follows:
  - 9.3.1 Future meetings may be arranged by the Trustees at their meetings.
  - 9.3.2 The chair of the Trustees may call a meeting at any time upon not less than 7 days' notice being given to the other Trustees.
  - 9.3.3 The chair of the Trustees must on the written request of any two Trustees call a meeting at any time upon not less than 7 days' notice being given to the other Trustees (and must in any event call such meeting within 3 months of receipt of the request).
  - 9.3.4 Notwithstanding clauses 9.3.2 and 9.3.3, the Trustees may by unanimous agreement waive the requirement to give advance notice of a meeting, in relation to a particular meeting, or Trustees' meetings generally.
- 9.4 Meetings of the Trustees shall be held either in person or by telephone, televisual or other electronic or virtual means agreed by the Trustees in which all participants may communicate simultaneously with all other participants.
- 9.5 If a Trustee is unable to attend a meeting, he or she may provide to the Chair in advance of the meeting a view on any of the items of business to be considered at the



meeting. The chair shall communicate the view to those present at the meeting and the Trustees may take into account the view in reaching their decision.

**10. Chair**

10.1 The Trustees may appoint one of their number to be the chair of the Trustees and may at any time remove him or her from that office. The chair, if any, of the Trustees or in his or her absence another Trustee nominated by the Trustees present shall preside as chair of each meeting.

**11. Quorum**

11.1 There shall be a quorum when three Trustees are present at a meeting.

**12. Voting**

12.1 Every matter shall be determined by a majority of votes of the Trustees present and voting on the question.

12.2 The chair of the meeting shall have a casting vote, whether he or she has or has not voted previously on the same question, but no Trustee in any other circumstances shall have more than one vote.

12.3 A procedural defect of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting of the Trustees.

**13. Decisions without a meeting**

Except as otherwise required by this constitution, the Trustees may take a unanimous decision without a Trustees' meeting by indicating to each other by any means, including without limitation by electronic means including by email, that they share a common view on a matter. Such a decision may, but need not, take the form of a written resolution passed in accordance with clause 14.

**14. Written resolutions**

14.1 A written resolution signed by all the Trustees shall be as valid and effectual as if it had been passed at a meeting of the Trustees duly convened and held and, to this end:

14.1.1 a written resolution may be contained in more than one document and will be treated as passed on the date of the last signature;

14.1.2 a Trustee signifies agreement to a proposed written resolution either by signing it in hard copy form or by indicating his or her agreement by email sent from his or her usual email address.

**15. Notice**

15.1 Any written notice to be given by or sent to any person pursuant to this constitution may be given or sent in hard copy form or in electronic form or by electronic means, including by email.

- 15.2 Any notice given or sent to a Trustee by electronic means should be sent to the Trustee's usual email address, unless otherwise agreed by the Trustee.
- 15.3 Notice by electronic means shall be deemed to be served on the same day on which it is sent. In proving such service it shall be sufficient to prove that it was properly addressed.
- 15.4 Where notice is served by electronic means and notice is received that the message is undeliverable, notice shall be served in hard copy and shall be deemed to be served in accordance with clause 15.5 below.
- 15.5 Notice by hard copy shall be deemed to be served at the expiration of 48 hours after the envelope containing it was posted. In providing such service it shall be sufficient to prove that such envelope was properly addressed and posted.

**16. Minutes**

The Trustees shall keep minutes of the proceedings at their meetings.

**17. Records and Accounts**

The Trustees shall comply with their obligations under the Act with regard to keeping financial records, the audit or examination of accounts and the preparation and transmission to the Charity Commission of:

- 17.1 annual reports;
- 17.2 annual returns; and
- 17.3 annual statements of account.

**18. Regulations**

The Trustees shall have power from time to time to make regulations consistent with this constitution for the management and administration of the Charity including without limitation their proceedings, the proceedings of committees and the operation of bank accounts.

**19. Benefits to Trustees**

19.1 The Charity's property and its income shall be applied solely towards the promotion of the Objects and (except as provided below) no Trustee may receive any remuneration or other benefit in money or money's worth from the Charity. This shall not prevent any payment in good faith by the Charity of:

- 19.1.1 any payments made to any Trustee or Connected Person in their capacity as a beneficiary of the Charity;
- 19.1.2 reasonable and proper remuneration to any person (not being a Trustee) for any goods or services supplied to the Charity (including services performed under a contract of employment) provided that:

- (a) if such person is a Connected Person the procedure described in clause 20.1 must be followed by the relevant Trustee in relation to any decisions regarding such Connected Person; and
  - (b) this provision together with clause 19.1.8 may not apply to more than half of the Trustees in any financial year (and for these purposes such provisions shall be treated as applying to a Trustee if they apply to a person who is a Connected Person in relation to that Trustee);
- 19.1.3 interest on money lent by any Trustee or Connected Person at a reasonable and proper rate;
- 19.1.4 any reasonable and proper rent for premises let by any Trustee or Connected Person;
- 19.1.5 fees, remuneration or other benefits in money or money's worth to a company of which a Trustee or Connected Person holds less than 1% of the capital;
- 19.1.6 reasonable and proper out-of-pocket expenses of Trustees in accordance with the Guild's rules on directors' expenses (which shall apply to the Trustees of the Charity) from time to time in force;
- 19.1.7 reasonable and proper premiums in respect of indemnity insurance effected in accordance with clause 4.23;
- 19.1.8 reasonable and proper remuneration to any Trustee for any goods or services supplied to the Charity on the instructions of the Trustees (excluding the service of acting as Trustee and services performed under a contract of employment with the Charity) provided that:
- (a) the procedure described in clause 20.1 must be followed in considering the appointment of the Trustee and in relation to any other decisions regarding the remuneration authorised by this provision; and
  - (b) this provision together with clause 19.1.2 may not apply to more than half of the Trustees in any financial year (and for these purposes such provisions shall be treated as applying to a Trustee if they apply to a person who is a Connected Person in relation to that Trustee).

**20. Conflicts of Interest**

- 20.1 Whenever a Trustee has a personal interest in a matter to be discussed at a meeting, and whenever a Trustee has an interest in another organisation whose interests are reasonably likely to conflict with those of the Charity in relation to a matter to be discussed at a meeting, he or she must:
- 20.1.1 declare an interest before discussion on the matter begins;
  - 20.1.2 withdraw from that part of the meeting unless expressly invited to remain;
  - 20.1.3 in the case of personal interests not be counted in the quorum for that part of the meeting; and

20.1.4 in the case of personal interests withdraw during the vote and have no vote on the matter.

**21. Amendment of Trust Deed**

21.1 The Trustees may, with the prior consent of the Guild by a resolution of the Court, amend the provisions of this constitution, provided that no amendment may be made which has the effect of the Charity ceasing to be a charity at law.

21.2 Any amendment shall be made by deed under the authority of a resolution passed at a meeting of the Trustees.

21.3 The Trustees must promptly send to the Charity Commission a copy of any amendment made under this clause.

**22. Secretary**

The Trustees shall appoint a Secretary for such term, at such remuneration and upon such conditions as they may think fit and may be removed by them. For the avoidance of doubt, the Trustees may appoint the Clerk to the Guild as the Secretary.

**23. Winding up the Charity**

The Trustees may resolve to wind up the Charity at a meeting called for that purpose and after the discharge of or provision for all debts and liabilities of the Charity the Trustees shall transfer the remainder of the Charity's property to such other charitable organisation having objects similar to the Charity as the Trustees shall decide.

**24. Trustees' Indemnity**

24.1 Without prejudice to any indemnity to which a Trustee may otherwise be entitled, every Trustee shall be indemnified out of the Charity's property and income in respect of all claims made against them in respect of any liability arising from or in respect of the Charity, provided that the right of a Trustee to an indemnity under this clause shall not extend to any claim arising from wilful fraud or wrongdoing or wrongful omission on his or her part.

24.2 No Trustee shall be liable for any loss to the Charity's property and income except in relation to loss caused by his or her wilful and individual fraud, wrongdoing or wrongful omission.

**25. Governing Law**

The Charity shall be governed by the law of England and Wales.

**This Constitution was adopted by the Court of Assistants of the Guild of Freemen of the City of London on 27<sup>th</sup> June 2012**

Signed:.....

Dated:.....2012

**Mrs Elizabeth Anne Holden**

**Master of the Guild of Freemen of the City of London**