[Organisation’s Headed Paper]

[Date]

Dear [Name],

Congratulations on your appointment to the Board of [Organisation].

In your role, you have a special opportunity to contribute to the work and life of [Organisation]. Being a board member can be challenging at times, but it can also be a rewarding way to help [Organisation] achieve its charitable purpose.

As a member of the board of a charity registered with the Charities Regulatory Authority (CRA) and of a Company Limited by Guarantee, you have duties and responsibilities that come with your role. You may also have other obligations and duties to other government agencies or under other laws.

[Organisation] is signed up and is complaint with the Charities Governance Code (the “Governance Code”). The Governance Code sets core, minimum governance standards that all compliant charities must meet. The Governance Code, the CRA and Company Law requires that charities take reasonable steps to make sure that the members of their governing body know and understand their legal duties and carry out their duties. These duties generally require you to be careful and conscientious in your role and to act with common sense and integrity.

**The legal duties and responsibilities that apply to all company directors:**

* To act with reasonable care and diligence. You must exercise your powers and duties with the care and diligence that a reasonable person would if they were in your place.
* To act in good faith in the best interests of the Company and for a proper purpose. When acting as a board member you must make decisions that are in the best interest of the charity and to further its charitable purpose.
* Not to improperly use information or position. Any special knowledge that you gain as a board member must only be used for the benefit of the charity and never to further personal or other interests. Similarly, you must not use your position to improperly gain an advantage for yourself or someone else, or cause detriment to the charity.
* To disclose conflicts of interest. If your duty to act in the best interests of the charity is in conflict with (or may conflict with) your personal interests you must disclose this responsibly. Please refer to Carmichael’s conflict of interest policy in the Board Member’s Governance Handbook.
* To ensure that financial affairs are managed responsibly. Ensure that there are systems and processes in place that ensure that the charity’s resources are being effectively put towards the charity’s charitable purpose and are protected from misuse.
* Not to allow the charity to operate while insolvent. You must ensure that the charity can pay its debts when they are due or will become due and that it does not continue to operate if it cannot pay its debts.
* Not to use company property unless approved by the members or the Constitution
* Act in accordance with the Company’s Constitution and exercise those powers only for lawful purposes
* Not to fetter discretion unless permitted by the Constitution or unless in the company’s Interest

**Specific duties as a** [Organisation] **Board Member**

1.1 Attendance at Board Meetings

You will be expected to attend all [Organisation] Board meetings, subject to you absenting yourself when the matters under discussion involve a conflict or potential conflict of interest with the activities of any undertaking in which you may hold a real or beneficial interest.

1.2 Board Sub Committees

You may be asked to serve as a member of one of the sub committees of the Board. There are currently X board sub-committees; [Names of sub-committees].

1.3 Time commitment

Overall, we anticipate that you will spend a minimum of X days per year on work for [Organisation]. This will include attendance at Board meetings, Board Committee meetings where you are a member or are invited to attend, the AGM, and potentially one annual Board away day a year. In addition, you will be required to consider all relevant papers prior to each meeting and you may be required to devote additional time to the Company when it is undergoing a period of particularly increased activity.

By accepting this appointment, you confirm that you are able to allocate sufficient time to the Company to discharge your responsibilities effectively.

**Board meetings**

The Board meets about X times per year. The meetings are normally held in [Location] on [Day] from [Start time] to [End time].

**Term of Office**

Your appointment as a board member is to be for a period of X years commencing on [Date]. Thereafter, your appointment may be extended by agreement with you and ratification by the members at an AGM for a further X-year period. The Constitution of [Organisation] has set a fixed term of X continuous terms of X years for board members.

Knowing and carrying out your duties and responsibilities as a board member helps [Organisation] to carry out its charitable purpose and protects its resources against misuse.

If you have any concerns or need more information about meeting these duties, talk to me or the CEO, [Name of CEO]. Remember that there are resources available and people who can help you to better understand and meet your duties.

Congratulations again on your appointment as a board member of [Organisation]. Thank you for donating your time and expertise.

Kind regards,

[Name of Chairperson]

Chairperson

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**Confirmation of terms of appointment**

DIRECTOR

I hereby agree to the terms of my appointment as a board member of [Organisation] on the terms set out in the above letter of appointment.

Signed:

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Date: