



SPECIAL RESOLUTION TO ADOPT NEW ARTICLES OF ASSOCIATION

Company No

SC184821

Special Resolution of

Friends of the Award in Edinburgh and the Lothians Limited

At a general meeting of the above company, held on Thursday 11 October 2007 the following special resolution was passed

Since adoption of the Company's Articles of Association (the "Existing Articles"), there have been important changes to company law and practice, for example the coming into force of the Electronic Communications Act 2000 (the "Order"). There have also been initiatives relating to corporate governance and some changes to qualifications for membership of the Company. There is now a need to bring the Company's Articles of Association (the "Existing Articles") up to date. Subject to the approval of members at the Annual General Meeting, the Company proposes to adopt entirely new Articles of Association (the "New Articles").

The proposed resolution included a summary of the principal changes contained in the New Articles, where appropriate, as compared with the Existing Articles. Copies of the full proposed New Articles were also made available.

NAME Bob Hope
Director and Chair of the company

SIGNED

DATE 11 October 2007



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FRIENDS OF THE AWARD IN EDINBURGH AND THE LOTHIAN
2007 ANNUAL GENERAL MEETING
THURSDAY 11 OCTOBER 2007

Resolution 1

At the Company's 2007 Annual General Meeting to be held on 11 October 2007, a resolution will be proposed in relation to the appointment of new director(s)

Resolution 2

At the Company's 2007 Annual General Meeting to be held on 11 October 2007, a resolution will be proposed to endorse the Company's 2006 07 annual accounts. A copy of the annual accounts is attached

Special Resolution

At the Company's 2007 Annual General Meeting to be held on 11 October 2007, a special resolution will be proposed to adopt new Articles of Association. The text which follows, explains the principal proposed changes to the Articles of Association

Since adoption of the Company's Articles of Association (the "Existing Articles"), there have been important changes to company law and practice, for example the coming into force of the Electronic Communications Act 2000 (the "Order"). There have also been initiatives relating to corporate governance and some changes to the qualifications for membership of the Company itself. There is now a need to bring the Company's Articles of Association (the "Existing Articles") up to date. Subject to the approval of members at the Annual General Meeting, the Company proposes to adopt entirely new Articles of Association (the "New Articles")

ARTICLE	COMMENT
	Qualifications for membership
2, 3, 4	The New Articles incorporates a less restrictive qualification for membership, which replaces the provision on categories of member within the existing articles – Article 3
	Electronic Communications
20, 23, 72, 74, 78	The administration of companies was modernised with the entry into force of the Order. The Order provides that companies may use forms of electronic communication (as broadly defined in the Order) notwithstanding the provisions of their Existing Articles. Accordingly, any company with articles of association which do not provide for the use of electronic communication will have a means of communication available to it which is not reflected in its articles of association. It is therefore recommended that the Company amends the Existing Articles to reflect the means of electronic communication now permitted by the Order.
	The New Articles will enable the Company to deal directly with members by electronic means and, in particular, to distribute company information (for example, annual reports and accounts) electronically rather than by post, and send notices of meetings electronically to an address provided by the members





	Maximum number of Directors
35	The Existing Articles stated that the maximum number of Directors was seven – Article 50 The new Articles have been amended to reflect an increase maximum of eight Directors
	Procedure at Directors' meetings
54	The existing articles provided for the quorum for the transaction of the business of the Directors to be fixed by Directors and, unless so fixed at any other number, shall be the nearest whole number representing one third of the total number of Directors – Article 77 The New Articles have been amended to reflect a fixed quorum of three Directors
	Election, retnal and re-election of Directors
39	The New Articles have been amended to make clear that each Director be subject to re election at an interval of no more than three years and at the first annual general meeting after their appointment
	Outdated or unnecessary provisions
	Certain provisions have been deleted as being out of date or unnecessary Examples include Articles 115 to 118 of the Existing Articles relating to the use of the seal and Article 91 to 99 of the Existing Articles relating to appointment of alternate directors



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THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES of ASSOCIATION

of

FRIENDS OF THE AWARD IN EDINBURGH AND THE LOTHIAN LIMITED

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General structure

1 The structure of the company consists of

(a) the MEMBERS who have the right to attend the annual general meeting (and any extraordinary general meeting) and have important powers under the articles of association and the Companies Acts; in particular, the members elect people to serve as directors and take decisions in relation to changes to the articles themselves

(b) the DIRECTORS who hold regular meetings during the period between annual general meetings, and generally control and supervise the activities of the company, in particular, the directors are responsible for monitoring the financial position of the company

Qualifications for membership

2. The members of the company shall consist of the subscribers to the memorandum of association and such other persons as are admitted to membership under articles 3 to 7

3 Membership shall be open to all persons who have an interest in or are supporters of the Duke of Edinburgh's Award.

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4 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

Application for membership

5. Any person who wishes to become a member must sign, and lodge with the company, a written application for membership.

6. The directors may, at their discretion, refuse to admit any person to membership.

7 The directors shall consider each application for membership at the first directors' meeting which is held after receipt of the application, the directors shall, within a reasonable time after the meeting, notify the applicant of their decision on the application

Membership subscription

8. No membership subscription shall be payable.

Register of members

9 The directors shall maintain a register of members, setting out the full name and address of each member, the date on which he/she was admitted to membership, and the date on which any person ceased to be a member.

Withdrawal from membership

10. Any person who wishes to withdraw from membership shall sign, and lodge with the company, a written notice to that effect; on receipt of the notice by the company, he/she shall cease to be a member.

Expulsion from membership

11. Any person may be expelled from membership by special resolution (see article 24), providing the following procedures have been observed

(a) at least 21 days' notice of the intention to propose the resolution must be given to the member concerned, specifying the grounds for the proposed expulsion

(b) the member concerned shall be entitled to be heard on the resolution at the general meeting at which the resolution is proposed.

Termination/transfer

12. Membership shall cease on death

13 A member may not transfer his/her membership to any other person.

General meetings (meetings of members)

14. The directors shall convene an annual general meeting in each year (but excluding the year in which the company is formed); the first annual general meeting shall be held not later than 18 months after the date of incorporation of the company

15 Not more than 15 months shall elapse between one annual general meeting and the next

16. The business of each annual general meeting shall include:

- (a) a report by the chair on the activities of the company
- (b) consideration of the annual accounts of the company
- (c) the election/re election of directors, as referred to in articles 37 to 39.

17. The directors may convene an extraordinary general meeting at any time.

18. The directors must convene an extraordinary general meeting if there is a valid requisition by members (under section 368 of the Act) or a requisition by a resigning auditor (under section 392A of the Act).

Notice of general meetings

19 At least 21 clear days' notice must be given of (a) an annual general meeting or (b) an extraordinary general meeting at which a special resolution (see article 24) or a resolution requiring special notice under the Act, is to be proposed, all other extraordinary general meetings shall be called by at least 14 clear days' notice

20 The reference to "clear days" in article 19 shall be taken to mean that, in calculating the period of notice, the day after the notice is posted (or, in the case of a notice contained in an electronic communication, the day after it was sent) and also the day of the meeting, should be excluded.

21 A notice calling a meeting shall specify the time and place of the meeting, it shall (a) indicate the general nature of the business to be dealt with at the meeting and (b) if a special resolution (see article 24) (or a resolution requiring special notice under the Act) is to be proposed, shall also state that fact, giving the exact terms of the resolution.

22. A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting; any other general meeting shall be called an extraordinary general meeting

23 Notice of every general meeting shall be given (either in writing or, where the party to whom notice is given has notified the company of an address to be used for the purpose of electronic communications, by way of an electronic communication) to all the members and directors, and (if there are auditors in office at the time) to the auditors.

Special resolutions and ordinary resolutions

24. For the purposes of these articles, a "special resolution" means a resolution passed by 75% or more of the votes cast on the resolution at an annual general meeting or extraordinary general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with articles 19 to 23, 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 number of votes cast against the resolution, and accordingly no account shall be taken of abstentions or members absent from the meeting

25 In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Act allow the company, by special resolution,

- (a) to alter its name
- (b) to alter its memorandum of association with respect to the company's objects
- (c) to alter any provision of these articles or adopt new articles of association

26. For the purposes of these articles, an "ordinary resolution" means a resolution passed by majority vote (taking account only of those votes cast in favour as compared with those votes against, and (as applicable) the chairperson's casting vote), at an annual general meeting or extraordinary general meeting, providing proper notice of the meeting has been given in accordance with articles 19 to 23

Procedure at general meetings

27. No business shall be dealt with at any general meeting unless a quorum is present; the quorum for a general meeting shall be **four** members, present in person.

28 If a quorum is not present within 15 minutes after the time at which a general meeting was due to commence or if, during a meeting, a quorum ceases to be present the meeting shall stand adjourned to such time and place as may be fixed by the chairperson of the meeting.

29. The chair of the company shall (if present and willing to act as chairperson) preside as chairperson of each general meeting; if the chair is not present and willing to act as chairperson within 15 minutes after the time at which the meeting was due to commence, the directors present at the meeting shall elect from among themselves the person who will act as chairperson of that meeting.

30 The chairperson of a general meeting may, with the consent of the meeting, adjourn the meeting to such time and place as the chairperson may determine.

31. Every member shall have one vote, which (whether on a show of hands or on a secret ballot) must be given personally.

32. If there is an equal number of votes for and against any resolution, the chairperson of the meeting shall be entitled to a casting vote

33 A resolution put to the vote at a general meeting shall be decided on a show of hands unless a secret ballot is demanded by the chairperson (or by at least two members present in person at the meeting); a secret ballot may be demanded either before the show of hands takes place, or immediately after the result of the show of hands is declared

34. If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such a manner as the chairperson may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded

Maximum number of directors

35 The maximum number of directors shall be **eight**.

Eligibility

36 A person shall not be eligible for election/appointment as a director unless he/she is a member of the company.

Election, retiral, re-election

37 At each annual general meeting, the members may (subject to article 35) elect any member (providing he/she is willing to act) to be a director

38 The directors may at any time appoint any member (providing he/she is willing to act) to be a director (subject to article 35).

39. The Directors are subject to re election at an interval of no more than three years and at the first annual general meeting after their appointment.

Termination of office

40. A director shall automatically vacate office if

(a) he/she ceases to be a director through the operation of any provision of the Act or becomes prohibited by law from being a director

(b) he/she becomes debarred under any statutory provision from being a charity trustee

(c) he/she becomes incapable for medical reasons of fulfilling the duties of his/her office and such incapacity is expected to continue for a period of more than six months

(d) he/she ceases to be a member of the company

(e) he/she becomes an employee of the company

(f) he/she resigns office by notice to the company

(g) he/she is absent (without permission of the directors) from more than three consecutive meetings of the directors, and the directors resolve to remove him/her from office

(h) he/she is removed from office by ordinary resolution (special notice having been given) in pursuance of section 303 of the Act.

Register of directors

41 The directors shall maintain a register of directors, setting out full details of each director, including the date on which he/she became a director, and also specifying the date on which any person ceased to hold office as a director

Officebearers

42. The directors shall elect from among themselves a chair and such other office bearers (if any) as they consider appropriate

43 All of the office bearers are subject to re election at an interval of no more than three years, but shall then be eligible for re election

44 A person elected to any office shall cease to hold that office if he/she ceases to be a director, or if he/she resigns from that office by written notice to that effect

Powers of directors

45. Subject to the provisions of the Act, the memorandum of association and these articles, and subject to any directions given by special resolution, the company and its assets and undertaking shall be managed by the directors, who may exercise all the powers of the company.

46. A meeting of the directors at which a quorum is present may exercise all powers exercisable by the directors

Personal interests

47. 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, he/she will be debarred (in terms of article 58) from voting on the question of whether or not the company should enter into that arrangement

48. For the purposes of the preceding article, a director shall be deemed to have a personal interest in an arrangement if any partner or other close relative of his/hers **or** any firm of which he/she is a partner **or** any limited company of which he/she is a substantial shareholder or director (or any other party who/which is deemed to be connected with him/her for the purposes of section 317 of the Act), has a personal interest in that arrangement.

49 Provided

(a) he/she has declared his/her interest and

(b) he/she has not voted on the question of whether or not the company should enter into the relevant arrangement,

a director will not be debarred from entering into an arrangement with the company in which he/she has a personal interest (or is deemed to have a personal interest under article 48) and may retain any personal benefit which he/she gains from his/her participation in that arrangement.

50 No director may serve as an employee (full time or part time) of the company, and no director may be given any remuneration by the company for carrying out his/her duties as a director

51 The directors may be paid all travelling and other expenses reasonably incurred by them in connection with their attendance at meetings of the directors, general meetings, or meetings of committees, or otherwise in connection with the carrying out of their duties

Procedure at directors' meetings

52. Any director may call a meeting of the directors or request the secretary to call a meeting of the directors.

53. Questions arising at a meeting of the directors shall be decided by a majority of votes; if an equality of votes arises, the chairperson of the meeting shall have a casting vote.

54. No business shall be dealt with at a meeting of the directors unless a quorum is present; the quorum for meetings of the directors shall be **three**.

55. If at any time the number of directors in office falls below the number fixed as the quorum, the remaining director(s) may act only for the purpose of filling vacancies or of calling a general meeting.

56. Unless he/she is unwilling to do so, the chair of the company shall preside as chairperson at every directors' meeting at which he/she is present, if the chair is unwilling to act as chairperson or is not present within 15 minutes after the time when the meeting was due to commence, the directors present shall elect from among themselves the person who will act as chairperson of the meeting.

57. The directors may, at their discretion, allow any person who they reasonably consider appropriate, to attend and speak at any meeting of the directors, for the avoidance of doubt, any such person who is invited to attend a directors' meeting shall not be entitled to vote

58. A director shall not vote at a directors' meeting (or at a meeting of a committee) on any resolution concerning a matter in which he/she has a personal interest which conflicts (or may conflict) with the interests of the company, he/she must withdraw from the meeting while an item of that nature is being dealt with.

59. For the purposes of article 58, a person shall be deemed to have a personal interest in a particular matter if any partner or other close relative of his/hers **or** any firm of which he/she is a partner **or** any limited company of which he/she is a substantial shareholder or director, has a personal interest in that matter

60. A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he/she is not entitled to vote.

61. The company may, by ordinary resolution, suspend or relax to any extent – either generally or in relation to any particular matter – the provisions of articles 58 to 60.

Conduct of directors

62 Each of the directors shall, in exercising his/her functions as a director of the company, act in the interests of the company; and, in particular, must

(a) seek, in good faith, to ensure that the company acts in a manner which is in accordance with its objects (as set out in the memorandum of association)

(b) act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person

(c) in circumstances giving rise to the possibility of a conflict of interest of interest between the company and any other party

(i) put the interests of the company before that of the other party, in taking decisions as a director

(ii) where any other duty prevents him/her from doing so, disclose the conflicting interest to the company and refrain from participating in any discussions or decisions involving the other directors with regard to the matter in question

(d) ensure that the company complies with any direction, requirement, notice or duty imposed on it by the Charities and Trustee Investment (Scotland) Act 2005

Delegation to sub-committees

63. The directors may delegate any of their powers to any sub committee consisting of one or more directors and such other persons (if any) as the directors may determine; they may also delegate to the chair of the company (or the holder of any other post) such of their powers as they may consider appropriate.

64 Any delegation of powers under article 63 may be made subject to such conditions as the directors may impose and may be revoked or altered.

65. The rules of procedure for any sub committee shall be as prescribed by the directors

Operation of bank accounts

66 The signatures of two out of the signatories appointed by the directors shall be required in relation to all operations (other than lodgement of funds) on the bank and building society accounts held by the company

Secretary

67 The company secretary shall be appointed by the directors for such term, at such remuneration (if any), and upon such conditions, as they may think fit, the company secretary may be removed by them at any time.

Minutes

68. The directors shall ensure that minutes are made of all proceedings at general meetings, directors' meetings and meetings of committees, a minute of any meeting shall include the names of those present, and (as far as possible) shall be signed by the chairperson of the meeting.

Accounting records and annual accounts

69. The directors shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements.

70 The directors shall prepare annual accounts, complying with all relevant statutory requirements; if an audit is required under any statutory provisions or if they otherwise think fit, they shall ensure that an audit of such accounts is carried out by a qualified auditor

71 No member shall (unless he/she is a director) have any right of inspecting any accounting or other records, or any document of the company, except as conferred by statute or as authorised by the directors or as authorised by ordinary resolution of the company.

Notices

72. Any notice which requires to be given to a member under these articles shall be given either in writing or by way of an electronic communication, such a notice may be given personally to the member or be sent by post in a pre paid envelope addressed to the member at the address last intimated by him/her to the company or (in the case of a member who has notified the company of an address to be used for the purpose of electronic communications) may be given to the member by way of an electronic communication.

73 Any notice, if sent by post, shall be deemed to have been given at the expiry of 24 hours after posting; for the purpose of proving that any notice was given, it shall be sufficient to prove that the envelope containing the notice was properly addressed and posted

74 Any notice contained in an electronic communication shall be deemed to have been given at the expiry of 24 hours after it is sent, for the purpose of proving that any electronic communication was sent, it shall be sufficient to provide any of the evidence referred to in the relevant guidance issued from time to time by the Chartered Institute of Secretaries and Administrators

Winding up

75. If the company is wound up, the liquidator shall give effect to the provisions of clause 7 of the memorandum of association

Indemnity

76. Every director or other officer or auditor of the company shall be indemnified (to the extent permitted by section 309A, 309B and 310 of the Act) out of the assets of the company against any loss or liability which he/she may sustain or incur in connection with the execution of the duties of his/her office, that may include, without prejudice to that generality, (but only to the extent permitted by those sections of the Act), any liability incurred by him/her in defending any proceedings (whether civil or criminal) in which judgement is given in his/her favour or in which he/she is acquitted or any liability in connection with an application in which relief is granted to him/her by the court from liability for negligence, default or breach of trust in relation to the affairs of the company

77. The Company shall be entitled to purchase 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 his/her office, and such insurance may extend to liabilities of the nature referred to in section 309A(1) of the Act (negligence etc. of a director).

Interpretation

78. In these articles

"the Act" means the Companies Act 1985; any reference in these articles to a provision of the Act shall be taken to include any statutory modification or re enactment of that provision which is in force at the time;

"electronic communication" has the same meaning as is assigned to that expression in the Electronic Communications Act 2000.

79. Reference in these articles to the singular shall be deemed to include the plural

Names and addresses of subscribers

1. *Robert M. 27/5 Commo Crescent*
2. *Bill Watt 28 RATHO PARK ROAD, RATHO, EH28 8WJ* *Edinburgh EH4 8D2*
3. *Charles Black 9 SWAN SPRING AVE EDINBURGH EH10 6NL*

Dated 11/10/07

Witness to the above signatures:

Peter W. J.