

THE COMPANIES ACT 2006

**A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE
CAPITAL**

SPECIAL RESOLUTION

of


3 D DRUMCHAPEL ("the Company")

COMPANY NUMBER: SC236098

SCOTTISH CHARITY NUMBER: SC025820

At a general meeting of the Company (which is a Scottish charity) held at 3D, OpenGate, 44 Hecla Square on Tuesday 17 April 2012 at 6pm, the following resolution was duly passed as a special resolution of the Company: -

THAT the regulations set out in the document tabled at the meeting and signed (for the purposes of identification) by the chairperson of the meeting, be adopted as the Company's articles of association in substitution for, and to the exclusion of, the existing articles of association.

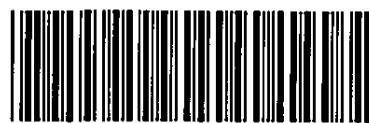

Chair

Dated: 17/5/12

Registered office:-

The Open Gate
44 Hecla Square
Drumchapel
Glasgow
G15 8NH


THURSDAY



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SCT 24/05/2012 #723
COMPANIES HOUSE

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THE COMPANIES ACT 2006
COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL
ARTICLES OF ASSOCIATION
of
3 D DRUMCHAPEL


Company Secretary
Chair.

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CAPITAL
ARTICLES OF ASSOCIATION
of
3D DRUMCHAPEL

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Constitution of company

- 1 The model articles of association as prescribed in Schedule 2 to The Companies (Model Articles) Regulations 2008 are excluded in respect of this company.

Defined terms and interpretation

- 2 In these articles of association, unless the context requires otherwise:

- 2.1 "Act" means The Companies Act 2006;

- 2.2 “**charity**” means a body which is either a “Scottish charity” within the meaning of section 13 of The Charities and Trustee Investment (Scotland) Act 2005 or a “charity” within the meaning of section 1 of The Charities Act 2006, providing (in either case) that its objects are limited to charitable purposes;
 - 2.3 “**charitable purpose**” means a charitable purpose under section 7 of The Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the application of the Taxes Acts;
 - 2.4 “**electronic form**” has the meaning given in section 1168 of the Act;
 - 2.5 “**OSCR**” means the Office of the Scottish Charity Regulator;
 - 2.6 “**property**” means any property, heritable or moveable, real or personal, wherever situated; and
 - 2.7 “**subsidiary**” has the meaning given in section 1159 of the Act.
- 3 Any reference to a provision of any legislation (including any statutory instrument) shall include any statutory modification or re-enactment of that provision in force from time to time.

Objects

- 4 The company’s objects are:
- 4.1 To relieve poverty particularly among the residents of Drumchapel and the surrounding areas (“the Operating Area”);
 - 4.2 To relieve those who are in need, particularly among residents of the Operating Area, as a result of ill-health, financial hardship or other disadvantage;
 - 4.3 To provide recreational facilities particularly within the Operating Area, and organise recreational activities particularly within the Operating Area, with such facilities/activities being available to members of the public at large with the object of improving their conditions of life;
 - 4.4 To advance education particularly among the residents of the Operating Area;
 - 4.5 To promote training in skills of all kinds, particularly such skills as will assist residents of the Operating Area in obtaining paid employment;
 - 4.6 To advance health and to prevent and/or relieve ill health particularly among residents of the Operating Area and to do so through the increase of public knowledge and awareness of issues relating to health and health living;

- 4.7 To advance citizenship and community development including through helping young people resident in the Operating Area to develop their physical, mental and spiritual capacity so that they may grow to full maturity as individuals and as members of society; and
- 4.8 To promote, establish, operate and/or support other similar schemes and projects which further charitable purposes particularly for the benefit of the community within the Operating Area,

and to do so in a manner which is based on Christian principles.

- 5 The company's objects are restricted to those set out in article 4 (but subject to article 6).
- 6 The company may (subject to first obtaining the consent of OSCR) add to, remove or alter the statement of the company's objects in article 4; on any occasion when it does so, it must give notice to the registrar of companies and the amendment will not be effective until that notice is registered on the register of companies.

Powers

- 7 In pursuance of the objects listed in article 4 (but not otherwise), the company shall have the following powers:
 - 7.1 To promote, establish, develop, manage and/or operate centres providing facilities for training, recreational activities, arts activities, educational activities in the field of health, parenting skills, self-development and other areas, counselling and advisory services and refreshment facilities;
 - 7.2 To promote, establish, develop, manage and/or operate a centre or centres providing facilities for families and young people;
 - 7.3 To encourage individuals to take responsibility for their own personal and social development, by identifying a series of achievable goals, and supporting them in working towards meeting those goals;
 - 7.4 To provide, and/or assist in relation to the provision of, other information, advisory and/or other support services which further the aims of the company;
 - 7.5 To advise in relation to, prepare, organise and/or conduct educational and training courses and programmes;
 - 7.6 To carry on any other activity which may be appropriately carried on in connection with any of the objects of the company;
 - 7.7 To promote companies whose activities may further one or more of the above objects or which may generate income to support the activities of the company, acquire and hold shares, stocks, debentures and other interests in such companies and carry out, in relation to any

such company which is a subsidiary of the company, all such functions as may be associated with a holding company;

- 7.8 To acquire and take over the whole or any part of the assets and undertaking and liabilities of any person entitled to any property or rights suitable for any of the objects of the company;
- 7.9 To purchase, lease, hire, take in exchange, and otherwise acquire any property and rights which may be advantageous for the purposes of the activities of the company;
- 7.10 To improve, manage, exploit, develop, turn to account and otherwise deal with all or any part of the undertaking, property and rights of the company;
- 7.11 To sell, let, hire, license, give in exchange and otherwise dispose of all or any part of the undertaking, property and rights of the company;
- 7.12 To lend money and give credit to any person, with or without security, and to grant guarantees and contracts of indemnity on behalf of any person;
- 7.13 To borrow money and give security for the payment of money by, or the performance of other obligations of, the company or any other person;
- 7.14 To draw, make, accept, endorse, discount, negotiate, execute and issue cheques and other negotiable or transferable instruments;
- 7.15 To remunerate any individual in the employment of the company and to establish, maintain and contribute to any pension or superannuation fund for the benefit of, and to give or procure the giving of any donation, pension, allowance or remuneration to, and to make any payment for or towards the insurance of, any individual who is or was at any time in the employment of the company and the spouse, widow/er, relatives and dependants of any such individual; to establish, subsidise and subscribe to any institution, association, club and fund which may benefit any such person;
- 7.16 To oppose or object to any application or proceedings which may prejudice the company's interests.
- 7.17 To enter into any arrangement with any organisation, government or authority which may be advantageous for the purposes of the activities of the company and to obtain from any such organisation, government or authority any right, privilege or concession;
- 7.18 To enter into any arrangement for co-operation or mutual assistance with any charity, whether incorporated or unincorporated;
- 7.19 To effect insurance against risks of all kinds;

- 7.20 To invest funds not immediately required for the purposes of the company's activities in such investments and securities (including land in any part of the world) and that in such manner as may from time to time be considered advantageous (subject to compliance with any applicable legal requirement) and to dispose of and vary such investments and securities;
- 7.21 To establish and support any association or other unincorporated body having objects altogether or in part similar to those of the company and to promote any company or other incorporated body formed for the purpose of carrying on any activity which the company is authorised to carry on;
- 7.22 To subscribe and make contributions to or otherwise support charities, whether incorporated or unincorporated, and to make donations for any charitable purpose connected with the activities of the company or with the furtherance of its objects;
- 7.23 To accept subscriptions, grants, donations, gifts, legacies and endowments of all kinds, either absolutely or conditionally or in trust for any of the objects of the company;
- 7.24 To take such steps (by way of personal or written appeals, public meetings or otherwise) as may be deemed expedient for the purpose of procuring contributions to the funds of the company, whether by way of subscriptions, grants, loans, donations or otherwise;
- 7.25 To carry out any of these objects in any part of the world as principal, agent, contractor, trustee or in any other capacity and through an agent, contractor, sub-contractor, trustee or any person acting in any other capacity and either alone or in conjunction with others; and
- 7.26 To do anything which may be incidental or conducive to the attainment of any of the objects of the company.

Restrictions on use of the company's assets

- 8 The income and property of the company shall be applied solely towards promoting the company's objects (as set out in article 4).
- 9 No part of the income or property of the company shall be paid or transferred (directly or indirectly) to the members of the company, whether by way of dividend, bonus or otherwise.
- 10 No director of the company shall be appointed as a paid employee of the company; no director shall hold any office under the company for which a salary or fee is payable.
- 11 No benefit (whether in money or in kind) shall be given by the company to any director except:

- 11.1 repayment of out-of-pocket expenses; or
- 11.2 reasonable payment in return for particular services (not being of a management nature) actually rendered to the company.

Liability of members

- 12 The liability of the members is limited.
- 13 Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while he/she is a member or within one year after he/she ceases to be a member, for payment of the company's debts and liabilities contracted before he/she ceases to be a member, and of the costs, charges and expenses of winding-up, and for the adjustment of the rights of the contributories among themselves.

General structure

- 14 The structure of the company consists of:-
 - 14.1 the MEMBERS - who have the right to attend general meetings and have important powers under the articles of association and the Act; in particular, the members elect people to serve as directors and take decisions in relation to changes to the articles themselves;
 - 14.2 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.

Membership

- 15 The members of the company shall consist of such persons as are admitted to the membership under the articles of association of the company in force from time to time.

Categories of membership

- 16 For the purpose of these articles:
 - "Individual Member" means a member admitted under paragraph 17.1 of article 17; "Individual Membership" shall be construed accordingly
 - "Organisational Member" means a member admitted under paragraphs 17.2 and 17.3 of article 17; "Organisational Membership" shall be construed accordingly.

Qualifications for membership

- 17 Membership shall (subject to articles 18, 19 and 23) be open to the following:

- 17.1 any individual who is aged 16 or over, and who wishes to support the aims and activities of the company;
 - 17.2 any individual who has been nominated by a church which is a member of the Drumchapel Churches Partnership and which wishes to support the aims and activities of the company;
 - 17.3 should the Drumchapel Churches Partnership cease to exist, any individual nominated by a church which is a former member of that Partnership based in the Operating Area and which wishes to support the aims and activities of the company.
- 18 No more than one individual nominated under articles 21.2 or 21.3 by each church belonging to the Drumchapel Churches Partnership (or which is a former member of that Partnership) may be a member of the company at any given time.
 - 19 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

- 20 Any individual eligible for membership under paragraph 17.1 of article 17 who wishes to become a member shall lodge with the company a written application for membership (in such form as the directors require), signed by him/her.
- 21 Any individual eligible for membership under paragraph 17.2 or 17.3 of article 17 who wishes to become a member shall lodge with the company a written application for membership (in such form as the directors require), signed by him/her and also signed by an authorised officer of the church which is nominating him/her for membership.
- 22 An individual shall supply with his/her application for membership such information and/or evidence (if any) in support of the application, as the directors require.
- 23 The directors shall be entitled at their discretion to decline to admit to membership any individual applying for membership under article 17 notwithstanding that he/she is not debarred from membership by article 18 or 19; each application for membership shall be considered by the directors at the first meeting of the directors which is held after receipt by the company of the written application (and, if applicable, supporting evidence) required under articles 20, 21 and 22.
- 24 The directors shall, as soon as reasonably practicable after the meeting at which an application for membership is considered, notify the applicant in writing of the directors' decision as to whether or not to admit him/her to membership.

Membership subscription

- 25 No membership subscription shall be payable.

Register of members

- 26 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; in the case of a member who was admitted under paragraphs 17.2 or 17.3 of article 17, the entry against his/her name shall also include details of the church which nominated him/her for membership.

Expulsion from membership

- 27 Subject to articles 28 to 32, the company may, by special resolution, expel any individual from membership.
- 28 Any member who wishes to propose at any meeting a resolution for the expulsion of any individual from membership shall lodge with the company written notice of his/her intention to do so (identifying the member concerned and specifying the grounds for the proposed expulsion) not less than six weeks before the date of the meeting.
- 29 The company shall, on receipt of a notice under article 28, forthwith send a copy of the notice to the member concerned, and the member concerned shall be entitled to make written representations to the company with regard to the notice.
- 30 If representations are made to the company in pursuance of article 29, the company shall (unless such representations are received by the company too late for it to do so):
- 30.1 state the fact of the representations having been made in the notice convening the meeting at which the resolution is to be proposed; and
 - 30.2 send a copy of the representations to every individual to whom notice of the meeting is or was given.
- 31 Whether or not a copy of written representations has been given to each of the individuals entitled to receive notice of the meeting, the member concerned shall be entitled to be heard on the resolution at the meeting.
- 32 Failure to comply with any of the provisions of articles 27 to 31 shall render any resolution for the expulsion of an individual from membership invalid.
- 33 An individual expelled from membership under articles 27 to 32 shall cease to be a member with effect from the time at which the relevant resolution is passed.

Withdrawal from membership

- 34 Any person who wishes to withdraw from membership shall lodge with the company a written notice to that effect signed by him/her; on receipt of the notice by the company, he/she shall cease to be a member.

Termination/transfer of Membership

- 35 Membership shall cease on death.
- 36 An individual shall automatically cease to be an Organisational Member (a) if the church which nominated him/her for membership ceases to carry on its operations in the Operating Area; or (b) if he/she ceases to be a member of the church which nominated him/her.
- 37 The church which has nominated an individual for membership may withdraw its nomination at any time by written notice to the company to that effect; on receipt of the notice by the company, the individual in question shall automatically cease to be a member of the company.
- 38 A member may not transfer his/her/its membership to any other individual or body.

General meetings (meetings of members)

- 39 The directors shall convene an annual general meeting in each year.
- 40 Not more than 15 months shall elapse between one annual general meeting and the next.
- 41 The business of each annual general meeting shall include (among other things):
- 41.1 a report by the Chair on the activities of the company; and
 - 41.2 the election/re-election of directors, as referred to in articles 72 to 77.
- 42 The directors must convene a general meeting if there is a valid requisition by the members (under section 303 of the Act) or a requisition by a resigning auditor (under section 518 of the Act).
- 43 Subject to the provisions of articles 39, 40 and 42, the directors may convene a general meeting at any time.

Notice of general meetings

- 44 At least 14 clear days' notice of each general meeting must be given to all the members and directors, and (if auditors are in office at the time) to the auditors.

- 45 The reference to "clear days" in article 44 shall be taken to mean that, in calculating the period of notice, the day on which the notice is given and also the day of the meeting, should be excluded.
- 46 A notice calling a meeting shall specify the time, date and place of the meeting and shall (a) indicate the general nature of any business to be dealt with at the meeting; (b) if a special resolution (see article 62) (or a resolution requiring special notice under the Act) is to be proposed, also state that fact, giving the exact terms of the resolution; and (c) contain a statement informing members of their right to appoint a proxy.
- 47 A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting.
- 48 Notice of every general meeting shall be given:
- 48.1 in hard copy form;
- 48.2 (where the individual or body to which notice is given has notified the company of an address to be used for the purpose of electronic communication) in electronic form; or
- 48.3 (subject to the company notifying members of the presence of the notice on the website, and complying with the other requirements of section 309 of the Act) by means of a website.

Proceedings at general meetings

- 49 The quorum for a general meeting shall be five members present in person or represented by proxy.
- 50 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.
- 51 The Chairperson of the company shall (if present and willing to act as chairperson) preside as chairperson of each general meeting; if the Chairperson of the company is not present and willing to act as chairperson within 15 minutes after the time at which the meeting was due to commence, the Vice-Chairperson (if present and willing to act) shall preside as chairperson.
- 52 If neither the Chairperson nor the Vice Chairperson of the company is 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.
- 53 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.

Votes of members

- 54 Every Individual Member or Organisational Member shall have one vote which may (whether on a show of hands or on a secret ballot) be given either personally or by proxy.
- 55 In the case of an equality of votes, whether on a show of hands or on a ballot, the chairperson of the meeting shall not be entitled to a second or casting vote.
- 56 A member who wishes to appoint a proxy to vote on his/her behalf at any meeting (or adjourned meeting):
- 56.1 shall lodge with the company, at the company's registered office, a written instrument of proxy (in such form as the directors require), signed by him/her or (as the case may be) signed by an appropriate officer of that member; or
- 56.2 shall 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 directors require);
- 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, as the case may be, adjourned meeting); for the avoidance of doubt, in calculating the 48-hour period referred to in the preceding provisions of this article 56, no account shall be taken of any part of a day that is not a working day.
- 57 An instrument of proxy which does not conform with the provisions of article 56, or which is not lodged or sent in accordance with such provisions, shall be invalid.
- 58 A member shall not be entitled to appoint more than one proxy to attend on the same occasion.
- 59 A proxy shall not be entitled to cast more than one vote in his/her capacity as a proxy (in addition to his/her own vote, if he/she is a member of the company), notwithstanding that he/she may have been appointed as proxy by more than one member.
- 60 A proxy appointed to attend and vote at any meeting instead of a member shall have the same right as the member who appointed him/her to speak at the meeting and need not be a member of the company.
- 61 A vote given, or ballot demanded, by proxy shall be valid notwithstanding that the authority of the person voting or demanding a ballot had terminated prior to the giving of such vote or demanding of such ballot unless notice of such termination was received by the company at the company's registered office (or, where contained in an electronic communication, was received by

the company at the address notified by the company to the members for the purpose of electronic communication) before the commencement of the meeting at which the vote was given or the ballot demanded.

Special resolutions and ordinary resolutions

- 62 For the purposes of these articles, a “special resolution” means (but subject to articles 65 to 68) a resolution passed by 75% or more of the votes cast on the resolution at a general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with articles 44 to 48; 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.
- 63 In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Act allow the company, by special resolution:
- 63.1 to alter its name;
 - 63.2 to alter any provision of these articles or adopt new articles of association.
- 64 For the purposes of these articles, an “ordinary resolution” means (but subject to articles 65 to 68) a resolution passed by majority vote (taking account only of those votes cast in favour as compared with those votes cast against) at a general meeting, providing proper notice of the meeting has been given in accordance with articles 44 to 48.

Written resolutions

- 65 A written resolution can be passed by the members of the company (having been proposed by either the members or the directors in accordance with the procedures detailed in Chapter 2 of Part 13 of the Act) and will have effect as if passed by the members of the company in general meeting; a written resolution is passed when the required majority of eligible members have signified their agreement to it by sending to the company (in hard copy or electronic form) an authenticated document which identifies the resolution to which it relates and which indicates the member’s agreement to it (agreement to which cannot thereafter be revoked).
- 66 For the purposes of the preceding article:
- 66.1 the reference to “eligible members” is to those members who would have been entitled to vote on the resolution on the circulation date of the resolution (which is either (a) the date on which copies of the written resolution are sent or submitted to the members in accordance with the procedures detailed in Chapter 2 of Part 13 of the Act; or (b) if copies are sent or submitted to members on different days, the first of those dates);

66.2 the reference to “required majority” is to the majority required to pass an ordinary or a special resolution under the Act, as follows:-

66.2.1 in order to pass an ordinary resolution by way of written resolution, it must be passed (in accordance with article 65) by members representing a simple majority of the total voting rights of eligible members;

66.2.2 in order to pass a special resolution by way of written resolution, it must be passed (in accordance with article 65) by members representing not less than 75% of the total voting rights of eligible members and the resolution must specifically state that it was proposed as a special resolution.

67 For the avoidance of doubt, a resolution to remove a director (under section 168 of the Act) or a resolution to remove an auditor (under section 510 of the Act) cannot be proposed as a written resolution under article 65.

68 For the purposes of article 65, a proposed written resolution will lapse if it is not passed before the end of a period of 28 days beginning with the circulation date (as defined in article 66), and the agreement of any member to a written resolution will be ineffective if signified after the expiry of that period.

Categories of director

69 For the purposes of these articles:

“Member Director” means a director (drawn from the membership of the company) appointed under articles 72 to 77;

“Appointed Director” means a (non-member) director appointed or re-appointed by the directors under articles 78 to 80.

Number of directors

70 The maximum number of directors shall be 15, of whom a maximum of 12 directors shall be Member Directors and a maximum of 3 directors shall be Appointed Directors.

71 The minimum number of directors shall be 5.

Election, retiral, re-election: Member Directors

72 Any member who wishes to be considered for election as a director at an annual general meeting must lodge with the company a written notice (in such form as the directors require), confirming that he/she is willing to be appointed; the notice must be signed by him/her and must be lodged with the company at least seven days before the date of the annual general meeting.

- 73 At an annual general meeting the company may elect as director (a "Member Director") any individual in respect of whom valid notices have been lodged with the company in accordance with articles 72.
- 74 The directors may at any time appoint any member (providing he/she is willing to act) to be a director (a "Member Director"), either to fill a vacancy or as an additional director.
- 75 At each annual general meeting:
- 75.1 any Member Director who was appointed by the directors (under article 74) in the period from the date of the last annual general meeting shall retire from office; and
- 75.2 out of the remaining Member Directors, the two directors who have been longest in office since they were last appointed or re-appointed shall retire from office.
- 76 If two or more directors were appointed or re-appointed on the same date, the question of which of them is to retire under paragraph 75.2 of article 75 shall be decided by some random method.
- 77 The company may at any annual general meeting re-elect any Member Director who retires from office at the meeting under article 75 (providing he/she is willing to act); if any such Member Director is not re-appointed, he/she shall retain office until the meeting appoints someone in his/her place or, if it does not do so, until the end of the meeting.

Appointment, vacating of office, re-appointment: Appointed Directors

- 78 In addition to their powers of appointment under article 74, the directors may at any time appoint any non-member (other than an employee of the company) to be a director (an "Appointed Director") providing he/she is willing to act, either to fill a vacancy or as an additional director.
- 79 At the conclusion of each annual general meeting, all Appointed Directors shall vacate office.
- 80 Immediately following each annual general meeting, the directors may re-appoint any person who, as an Appointed Director, vacated office under the preceding article at the conclusion of the annual general meeting; the directors may alternatively appoint someone in his/her place or resolve not to fill the vacancy.

Disqualification and removal of directors

- 81 A director shall automatically vacate office if:
- 81.1 he/she ceases to be a director by virtue of any provision of the Act or becomes prohibited by law from being a director or a charity trustee (within the meaning of the Charities and Trustee Investment (Scotland) Act 2005);

- 81.2 he/she is sequestrated;
 - 81.3 he/she becomes incapable for medical reasons of fulfilling the duties of his/her office and such incapacity has continued, or is expected to continue, for a period of more than six months;
 - 81.4 (in the case of a Member Director who was admitted to membership under paragraphs 17.2 and 17.3) he/she ceases to be a member of the company;
 - 81.5 (in the case of a Member Director) he/she ceases to be a member of the Church which nominated him/her for membership;
 - 81.6 he/she becomes an employee of the company;
 - 81.7 he/she resigns office by notice to the company;
 - 81.8 he/she is removed from office by resolution of the directors on the grounds that he/she is considered to have committed a material breach of the code of conduct for directors in force from time to time (as referred to in article 97);
 - 81.9 he/she is removed from office by resolution of the directors on the grounds that he/she is considered to have been in serious or persistent breach of his/her duties under Section 66(1) or (2) of the Charities and Trustee Investment (Scotland) Act 2005; or
 - 81.10 he/she is removed from office by ordinary resolution (special notice having been given) in pursuance of section 168 of the Act.
- 82 A resolution under paragraphs 81.8 or 81.9 of article 81 shall be valid only if:
- 82.1 the director who is the subject of the resolution is given reasonable prior written notice by the directors of the grounds upon which the resolution for his/her removal is to be proposed;
 - 82.2 the director concerned is given the opportunity to address the meeting of directors at which the resolution is proposed, prior to the resolution being put to the vote; and
- at least two-thirds (to the nearest round number) of the directors then in office vote in favour of the resolution.

Register of directors

- 83 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.

Office bearers

- 84 Directors shall be appointed to hold the offices of Chairperson, Vice Chairperson and Treasurer, and any other offices which the directors may consider appropriate.
- 85 The appointments under article 84 shall be made at meetings of directors.
- 86 Each office shall be held (subject to article 87) until the conclusion of the annual general meeting which next follows appointment; a director whose period of office expires under this article may be re-appointed to that office under article 84 (providing he/she is willing to act).
- 87 The appointment of any director to an office under article 84 shall terminate if he/she ceases to be a director or if he/she resigns from that office by notice to the company.
- 88 If the appointment of a director to any office under article 84 terminates, the director shall appoint another director to hold the office in his/her place.

Directors' interests

- 89 Subject to the provisions of the Act and of the Charities and Trustee Investment (Scotland) Act 2005 and articles 8 to 11 and provided that he/she has disclosed to the directors the nature and extent of any personal interest which he/she has (unless immaterial) and has complied with the code of conduct (as referred to article 97), a director (notwithstanding his/her office):
- 89.1 may be a party to, or have some other personal interest in, any transaction or arrangement with the company or any associated company;
- 89.2 may be a party to, or have some other personal interest in, any transaction or arrangement in which the company or any associated company has an interest;
- 89.3 may be a director or secretary of, or employed by, or have some other personal interest in, any associated company; and
- 89.4 shall not, because of his/her office, be accountable to the company for any benefit which he/she derives from any such office or employment or from any such transaction or arrangement or from any interest in any such company;
- and no such transaction or arrangement shall be liable to be treated as void on the ground of any such interest or benefit.*
- 90 For the purposes of the preceding article, an interest of which a director has no knowledge and of which it is unreasonable to expect him/her to have knowledge shall not be treated as an interest of his/hers; the references to "associated company" shall be interpreted as references to any subsidiary of

the company or any other company in which the company has a direct or indirect interest.

- 91 The directors shall be entitled, for the purposes of section 175 of the Act, to authorise (by way of resolution to that effect) any Conflict Situation that may arise (such that the duty of the director concerned, under that section, to avoid conflicts of interest is not infringed) and to amend or vary any such authorisation; the directors may give such authorisation subject to such terms and conditions as they may consider appropriate and reasonable in the circumstances.
- 92 For the purposes of article 91, a "Conflict Situation" means any situation or matter (other than one which cannot reasonably be regarded as likely to give rise to a conflict of interest) in which any director has or could have a direct or indirect interest that conflicts, or possibly might conflict, with the interests of the company; and such that:
- 92.1 the situations and matters which fall within this definition may include (without limitation) (a) a situation where a director of the company becomes an employee, director, member of the management committee, officer or elected representative of a body which is a party to a significant contract with the company (or which is competing with the company in the context of any grant application) and (b) any such situation or matter which relates to the exploitation of any property, information or opportunity (irrespective of whether the company could take advantage of the property, information or opportunity);
- 92.2 "conflict of interest" for this purpose includes a conflict of interest and duty, and a conflict of duties.
- 93 For the avoidance of doubt, article 91 shall not apply to a conflict of interest arising in relation to a transaction or arrangement with the company; any conflict of interest of that nature shall be governed by the provisions of articles 89 and 90 and articles 113 to 118 and the code of conduct referred to in article 97.
- 94 The directors shall procure that a register of directors' interests is maintained in accordance with the provisions in this regard contained in the code of conduct for directors referred to in article 97.

Conduct of directors

- 95 It is the duty of each director of the company to take decisions (and exercise his/her other powers and responsibilities as a director) in such a way as he/she considers, in good faith, will be most likely to promote the success of the company in achieving its objects (as set out in article 4) and will be in the interests of the company, and irrespective of any office, post, engagement or other connection which he/she may have with any other body which may have an interest in the matter in question.

- 96 Without prejudice to the principle set out in article 95, each of the directors shall have a duty, in exercising functions as a charity trustee, to act in the interests of the company; and, in particular, must:
- 96.1 seek, in good faith, to ensure that the company acts in a manner which is in accordance with its charitable purposes;
 - 96.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;
 - 96.3 in circumstances giving rise to the possibility of a conflict of interest between the company and any party responsible for the appointment of that director, put the interests of the company before that of the other party;
 - 96.4 where any other duty prevents him/her from doing so, disclose the conflicting interest to the company and refrain from participating in any deliberation or decision of the other directors with regard to the matter in question;
 - 96.5 ensure that the company complies with any direction, requirement, notice or duty imposed under or by virtue of the Charities and Trustee Investment (Scotland) Act 2005.
- 97 Each of the directors shall comply with the code of conduct (incorporating detailed rules on conflict of interest) prescribed by the board of directors from time to time; for the avoidance of doubt, the code of conduct shall be supplemental to the provisions relating to the conduct of directors contained in these articles of association, and the relevant provisions of these articles shall be interpreted and applied in accordance with the provisions of the code of conduct in force from time to time.

Directors' remuneration and expenses

- 98 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.
- 99 The directors may be paid all travelling and other expenses properly incurred by them in connection with their attendance at meetings of directors, general meetings, meetings of committees of directors or otherwise in connection with the carrying-out of their duties.

Powers of directors

- 100 Subject to the provisions of the Act, these articles and subject to any directions given by special resolution, the company and its assets and undertakings shall be managed by the directors, who may exercise all the powers of the company.
- 101 The members of the company may, by special resolution, direct the directors to take, or refrain from taking any action specified by the members.

- 102 No special resolution of the company will invalidate anything which the directors have done before the passing of the resolution.
- 103 The powers conferred by article 100 shall not be limited by any special power conferred on the directors by these articles.
- 104 A meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

Proceedings of directors

- 105 Any director may call a meeting of the directors or request the secretary to call a meeting of the directors.
- 106 The directors shall hold a minimum of four board meetings per year.
- 107 Questions arising at a meeting of directors shall be decided by a majority of votes.
- 108 In the case of an equality of votes, whether on a show of hands or on a ballot, the chairperson of the meeting shall not be entitled to a second or casting vote.
- 109 The quorum for the transaction of the business of the directors shall be four.
- 110 Unless he/she is unwilling to do so, the Chairperson of the company shall preside as chairperson at every director's meeting at which he/she is present; if the Chairperson is unwilling to act as chairperson or is not present within 15 minutes after the time when the meeting was due to commence, the Vice Chairperson shall preside as chairperson.
- 111 If neither the Chairperson of the company nor the Vice Chairperson is present and willing to act as chairperson within 15 minutes after the time when a director's meeting was due to commence, the directors present shall elect from among themselves the person who will act as chairperson of the meeting.
- 112 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.
- 113 A director shall not vote at a meeting of directors or at a meeting of a committee of directors on any resolution concerning a matter in which he/she has, directly or indirectly, a personal interest or duty (unless immaterial) which conflicts or may conflict with the interests of the company; if a director is debarred by the preceding provisions of this article from voting in relation to any matter, he/she shall absent himself/herself from the meeting while the voting is being conducted in relation to that matter.
- 114 For the purposes of the preceding article:

- 114.1 an interest of a person who is taken to be connected with a director under section 252 of the Act, shall be treated as a personal interest of the director;
- 114.2 a director shall be deemed to have a personal interest in relation to a particular matter if a body in relation to which he/she is an employee, director, member of the management committee, officer or elected representative has a personal interest in that matter.
- 115 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.
- 116 The company may (subject to the Charities and Trustee Investment (Scotland) Act 2005) by ordinary resolution, suspend or relax to any extent, either generally or in relation to any particular matter, the provisions of articles 113 to 115.
- 117 Each director must keep confidential all proceedings and discussions at board meetings unless he/she has been given prior authorisation to disclose a particular matter, by majority decision of the board.
- 118 If a question arises at a meeting of directors or at a meeting of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairperson of the meeting; his/her ruling in relation to any director other than himself/herself shall be final and conclusive.

Delegation to sub-committees

- 119 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 Chairperson of the company (or the holder of any other post) such of their powers as they may consider appropriate.
- 120 Any delegation of powers under article 119 may be made subject to such conditions as the directors may impose and may be revoked or altered.
- 121 The rules of procedure for any sub-committee shall be as prescribed by the directors.

Operation of bank accounts

- 122 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; at least one out of the two signatures must be the signature of a director.

Secretary

- 123 The directors shall (notwithstanding the provisions of the Act) appoint a company secretary, and on the basis that the term of office, remuneration (if

any), and other terms and conditions attaching to the appointment of the company secretary shall be as determined by the directors; the company secretary may be removed by the directors at any time.

Minutes

- 124 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.

Accounts

- 125 The directors shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements.
- 126 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.
- 127 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

- 128 Any notice to be given in pursuance of these articles shall be given either in writing or by way of electronic means.
- 129 The company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his/her registered address or by leaving it at that address; in the case of a member who has notified the company of an electronic address to be used for this purpose, the company may give any notice to that member by way of electronic means.
- 130 A member may give any notice to the company either by sending it by post in a prepaid envelope addressed to the company at its registered office or by leaving it, addressed to the company secretary, at the company's registered office or (where the company has notified the member of an electronic address to be used for this purpose) by way of electronic means.
- 131 Any notice, if sent by post, shall be deemed to have been given at the expiry of 48 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.
- 132 Any notice sent by electronic means shall be deemed to have been given at the expiry of 48 hours after it is sent; for the purpose of proving that any notice sent by electronic means was indeed 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.

- 133 A member present or represented at any meeting of the company shall be deemed to have received notice of the meeting and, where requisite of the purposes for which it was called.

Winding-up

- 134 If on the winding-up of the company any property remains after satisfaction of all the company's debts and liabilities, such property shall not be paid to or distributed among the members of the company; that property shall instead be transferred to some other charity or charities (whether incorporated or unincorporated) based in the Operating Area whose objects are similar (wholly or in part) to the objects of the company.
- 135 The charity or charities to which property is transferred under article 134 shall be determined by the members of the company at or before the time of dissolution or, failing such determination, by such court as may have jurisdiction at the time.
- 135.1 To the extent that effect cannot be given to the provisions of articles 134 and 135 the relevant property shall be applied to some other charitable purpose or charitable purposes.

Indemnity

- 136 Every director or other officer or auditor of the company shall be indemnified out of the assets of the company (to the extent permitted by sections 232, 234, 235, 532 and 533 of the Act) 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.

Insurance

- 137 For the avoidance of doubt, the company shall be entitled to purchase and maintain for any director insurance against any loss or liability which he/she 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 232(2) of the Act (negligence etc. of a director).