

THE COMPANIES ACT 2006
COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL
ARTICLES OF ASSOCIATION
of
COMMUNITY INFOSOURCE

(as adopted by written resolution dated 23 January 2019)

**And updated at Clauses 22 and 38 following a special meeting of
Directors on 18 January 2023**

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Company Secretary

THE COMPANIES ACT 2006

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ARTICLES OF ASSOCIATION

of

COMMUNITY INFOSOURCE

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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

- 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 2011, 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 “conflict of interest” includes a conflict of interest and duty, and a conflict of duty;
 - 2.5 “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 including (without limitation) 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);
 - 2.6 “electronic form” has the meaning given in section 1168 of the Act;
 - 2.7 “OSCR” means the Office of the Scottish Charity Regulator;
 - 2.8 “property” means any property, heritable or moveable, real or personal, wherever situated, and

2.9 “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 the relief of poverty;
- 4.2 the advancement of education;
- 4.3 the advancement of physical and mental health;
- 4.4 the advancement of citizenship and community development;
- 4.5 the advancement of the arts, heritage and culture;
- 4.6 the advancement of human rights;
- 4.7 the promotion of racial and religious harmony;
- 4.8 the promotion of equality and diversity; and
- 4.9 the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage

through a range of activities primarily (but not exclusively) focussed on minority ethnic, migrant and refugee communities, including (but not limited to) survivors of abuse, persecution and torture.

- 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 initiate, promote, conduct, participate in, co-ordinate, monitor and/or assist (whether financially or otherwise), operations, projects, initiatives and events of all kinds which further any of the objects of the company;
- 7.2 To prepare, organise, support (financially and/or otherwise) participate in, and/or conduct, conferences, seminars and workshops, and educational and training events, courses, programmes and events of all kinds;
- 7.3 To commission and/or conduct research, and to publish and promote the results of such research;
- 7.4 To design, prepare, publish and/or distribute information packs, leaflets, books, newsletters, magazines, posters and other publications, audio and video recordings, multimedia products and display materials, and to create and maintain a website or websites;
- 7.5 To provide information, advisory, support and/or consultancy services which further any of the objects of the company;
- 7.6 To initiate, promote, conduct, participate in (whether via a wholly-owned subsidiary, a joint venture company or a limited liability partnership or otherwise), co-ordinate, monitor and/or assist (whether financially or otherwise), projects, initiatives and schemes of all kinds which further any of the objects of the company;
- 7.7 To carry on any other activity which may be appropriately carried on in connection with any of the objects of the company;
- 7.8 To promote companies and/or other bodies whose activities may further one or more of the above objects or 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;

- 7.9 To enter into all such contracts and other arrangements as may be appropriate in connection with the activities of the company;
- 7.10 To carry on any other activities which further any of the above objects;
- 7.11 To acquire and take over the whole or any part of the undertaking and liabilities of any body holding property or rights which are suitable for the company's activities;
- 7.12 To purchase, take on lease or under a licence, hire, or otherwise acquire, any property or rights which are suitable for the company's activities;
- 7.13 To improve, manage, develop, or otherwise deal with, all or any part of the property and rights of the company;
- 7.14 To sell, let, hire out, license, or otherwise dispose of, all or any part of the property and rights of the company;
- 7.15 To lend money and give credit (with or without security) and to grant guarantees and issue indemnities;
- 7.16 To borrow money, and to give security in support of any such borrowings by the company, in support of any obligations undertaken by the company or in support of any guarantee issued by the company;
- 7.17 To employ such staff as are considered appropriate for the proper conduct of the company's activities, and to make reasonable provision for the payment of pension and/or other benefits for members of staff, ex-members of staff and their dependants;
- 7.18 To engage such consultants and advisers as are considered appropriate from time to time;
- 7.19 To effect insurance of all kinds (which may include officers' liability insurance);
- 7.20 To invest any funds which are not immediately required for the company's activities in such investments as may be considered appropriate (and to dispose of, and vary, such investments);

- 7.21 To liaise with other voluntary sector bodies, local authorities, UK or Scottish government departments and agencies, and other bodies, all with a view to furthering the company's objects;
- 7.22 To establish and/or support any other charity, and to make donations for any charitable purpose falling within the company's objects;
- 7.23 To take such steps as may be deemed appropriate for the purpose of raising funds for the company's activities;
- 7.24 To accept grants, donations and legacies of all kinds (and to accept any reasonable conditions attaching to them) ;
- 7.25 To oppose, or object to, any application or proceedings which may prejudice the company's interests;
- 7.26 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 enter into any arrangement for co-operation or mutual assistance with any charity;
- 7.27 To do anything which may be incidental or conducive to the furtherance of any of the company's objects.

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.
- 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, other than by way of payment to a member of reasonable remuneration permitted under article 11.
- 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 (i) repayment of out-of-pocket

expenses or (ii) reasonable payment in return for particular services (outwith the ordinary duties of a director) actually rendered to the company, providing such remuneration is made in accordance with the provisions of article 87.

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 the annual general meeting (and any other general meeting) and have important powers under the articles of association and the Act; in particular, the members 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.

Qualification for membership

- 15 Membership shall be open to any individual who wishes to support the aims and activities of the company and has been nominated for membership by two directors of the company.

Application for membership

- 16 Any person 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 the two directors nominating him/her for membership.
- 17 A person applying for membership shall lodge with the company such information and evidence in support of his/her application as the directors require.
- 18 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 required by the directors, supporting information and evidence) required under articles 16 and 17.
- 19 The directors shall be entitled at their discretion (and without giving any reason) to refuse to admit any person to membership; in determining whether or not to admit an applicant to membership, the directors shall have regard to the skills of the applicant, and the potential contribution which the applicant could make to the conduct and development of the company's activities.
- 20 The directors shall, within a period of seven days 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; the directors shall be obliged to reject the application if admission of the applicant would result in the maximum number of members referred to in article 22 being exceeded.
- 21 A person, once admitted to membership, shall remain a member (subject to the provisions of articles 25, 26 and 28) unless and until he/she submits a written notice of retiral under article 24.

Maximum number of members

- 22 The maximum number of members at any given time shall be 12.

Register of members

- 23 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 individual ceased to be a member.

Withdrawal from membership

- 24 Any individual who wishes to withdraw from membership shall lodge with the company a written notice to that effect (in such form as the directors require), signed by him/her; on receipt of the notice by the company, he/she shall cease to be a member.

Termination/transfer

- 25 Membership shall cease on death.
- 26 An individual shall automatically cease to be a member if he/she ceases (for whatever reason) to be a director of the company.
- 27 A member may not transfer his/her membership to any other individual or to any body.
- 28 The directors shall be entitled to expel any individual from membership by way of a resolution to that effect passed at a board meeting, providing that 75% (to the nearest round number) of the directors then in office voted in favour of that resolution.
- 29 Any director who wishes to propose at any board 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 28 days before the date of the board meeting; the company shall, on receipt of such a notice, send a copy of the notice to the member concerned, and the member concerned shall be entitled to be heard on the resolution at the board meeting at which the resolution is proposed.

General meetings (meetings of members)

- 30 The directors must convene a general meeting if there is a valid requisition by members (under section 303 of the Act) or a requisition by a resigning auditor (under section 518 of the Act).
- 31 Subject to article 30, the directors may convene a general meeting at any time.

- 32 For the avoidance of doubt, the directors shall be under no obligation to convene annual general meetings

Notice of general meetings

- 33 At least 14 clear days' notice of each general meeting must be given to the members, to all the directors, and (if auditors are in office at the time) to the auditors.
- 34 The reference to "clear days" in article 33 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 sent by electronic means, the day after it was sent) and also the day of the meeting, should be excluded.
- 35 A notice calling a meeting shall specify the time, date and place of the meeting; it shall:
- 35.1 indicate the general nature of the business to be dealt with at the meeting;
 - 35.2 if a special resolution or a resolution requiring special notice under the Act is to be proposed, state that fact, giving the exact terms of the resolution; and
 - 35.3 contain a statement informing each member of his/her right to appoint a proxy.
- 36 A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting.
- 37 Notice of every general meeting shall be given to all the members and directors, and (if auditors are in office at the time) to the auditors:
- 37.1 in hard copy form;
 - 37.2 in writing or (where the individual to whom notice is given has notified the company of an address to be used for the purpose of electronic communication) in electronic form; or
 - 37.3 (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.

Procedure at general meetings

- 38 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 or represented by proxy.
- 39 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.
- 40 The chair of the company shall (if present and willing to act as chairperson) preside as chairperson of each general meeting.
- 41 If the chair is not present and willing to act as chairperson of a general meeting within 15 minutes after the time when 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.
- 42 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

- 43 Every member shall have one vote, which (whether on a show of hands or on a secret ballot) may be given either personally or by proxy.
- 44 Any member who wishes to appoint a proxy to vote on his/her behalf at any meeting (or adjourned meeting):
 - 44.1 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
 - 44.2 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 reasonably 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 44, no account shall be taken of any part of a day that is not a working day.

- 45 An instrument of proxy which does not conform with the provisions of article 44, or which is not lodged or sent in accordance with such provisions, shall be invalid.
- 46 A member shall not be entitled to appoint more than one proxy to attend on the same occasion.
- 47 A proxy need not be a member of the company.
- 48 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.
- 49 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 sent by electronic means, was received by the company at the address notified by the company to the members for the purpose of electronic communications) before the commencement of the meeting or adjourned meeting at which the vote was given or the ballot demanded.
- 50 If there are an equal number of votes for and against any resolution, whether on a show of hands or on a ballot, a member of the company who is the chairperson of the meeting shall be entitled to a casting vote in addition to any other vote he/she may have.
- 51 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 persons present in person at the meeting and entitled to vote, whether as members or proxies for members); 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.

- 52 If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such manner as the chairperson may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded.
- 53 Unless a secret ballot is demanded in accordance with article 51, a declaration by the chairperson that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority, and an entry to that effect in the minutes of the meeting, shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the resolution.

Special resolutions and ordinary resolutions

- 54 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 a general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with articles 33 to 37; 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 total number of votes cast in relation to the resolution, and accordingly no account shall be taken of abstentions or members absent from the meeting.
- 55 In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Act allow the company, by special resolution,
- 55.1 to alter its name; or
- 55.2 to alter any provision of these articles or adopt new articles of association.
- 56 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), at a general meeting, providing proper notice of the meeting has been given in accordance with articles 33 to 37.

Written resolutions

- 57 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 (which agreement cannot thereafter be revoked).
- 58 For the purposes of the preceding article:
- 58.1 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);
- 58.2 the reference to "required majority" is to the majority required to pass an ordinary or a special resolution under the Act, as follows:
- 58.2.1. in order to pass an ordinary resolution by way of written resolution, it must be passed (in accordance with article 57) by members representing a simple majority of the total voting rights of eligible members;
- 58.2.2. in order to pass a special resolution by way of written resolution, it must be passed (in accordance with article 57) 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.
- 59 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.
- 60 For the purposes of article 57, 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 58), and

the agreement of any member to a written resolution will be ineffective if signified after the expiry of that period.

Appointment of directors

- 61 A person shall automatically become a director of the company immediately upon his/her admission to membership.

Retiral / re-appointment of directors

- 62 At the conclusion of each Accounts Sign-off Board Meeting, two of the directors shall retire from office but, providing he/she is willing to act, each shall then be eligible for re-appointment by the directors under article 66.
- 63 For the purposes of article 62, "Accounts Sign-off Board Meeting" means the meeting of the directors in each year in which the annual report and accounts for the immediately preceding financial year are approved by the directors.
- 64 The directors to retire under article 62 shall be those who have been longest in office since they were last appointed or re-appointed; if two or more directors were appointed or re-appointed on the same date, the question of which of them is to retire under article 62 shall be decided by some random method.
- 65 For the purposes of article 64, any period in office as a director prior to the adoption of these articles shall be included in determining the period for which an individual has held office as a director.
- 66 The directors may re-appoint any individual retiring under article 62; if any individual retiring is not so re-appointed, he/she shall cease to be a director and member of the company with effect from the conclusion of that Accounts Sign-off Board Meeting.
- 67 For the avoidance of doubt, a director who is due to retire at an Accounts Sign-off Board Meeting shall remain in office as a director throughout that Accounts Sign-off Board Meeting; he/she shall, however, unless re-appointed, cease to be a director and member of the company with effect from the conclusion of that Accounts Sign-off Board Meeting.

Termination of office

68 A director shall automatically vacate office if:

68.1 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);

68.2 he/she is sequestered;

68.3 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;

68.4 he/she ceases to be a member of the company;

68.5 he/she becomes an employee of the company;

68.6 he/she resigns office by notice to the company;

68.7 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;

68.8 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 84);

68.9 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 sections 66(1) or (2) of the Charities and Trustee Investment (Scotland) Act 2005; or

68.10 he/she is removed from office by ordinary resolution (special notice having been given) in pursuance of section 168 of the Act.

69 A resolution under paragraph 68.8 or 68.9 shall be valid only if:-

- 69.1 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;
- 69.2 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
- 69.3 at least two thirds (to the nearest round number) of the directors then in office vote in favour of the resolution.

Register of directors

- 70 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

- 71 The directors shall elect from among themselves a chair, a secretary and a treasurer and such other office bearers (if any) as they consider appropriate.
- 72 The appointments made under the preceding article shall be made at meetings of directors.
- 73 Each office shall be held until the conclusion of the Accounts Sign-off Board Meeting which follows the appointment of a director to the relevant office; a director whose period of office expires under this article may be re-appointed to that office under article 71 (providing he/she is willing to act).
- 74 For the purposes of article 73, "Accounts Sign-off Board Meeting" shall have the meaning given to it in article 63.
- 75 A person elected to any office shall cease to hold that office if he/she ceases to be a director (whether by way of retiral as a director under article 62, where he/she is not re-appointed as a director; or for any other reason) or if he/she resigns from that office by written notice to that effect.

- 76 If the appointment of a director to any office terminates, the directors shall appoint another director to hold the office in his/her place.

Personal interests

- 77 Subject to the provisions of the Act and of 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 in article 84), a director (notwithstanding his/her office):

77.1 may be a party to, or have some other personal interest in, any transaction or arrangement with the company or any associated company;

77.2 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;

77.3 in the case of any director of the company who is in receipt of remuneration under article 11, he/she may retain any such remuneration;

77.4 may be a director or secretary of, or employed by, or have some other personal interest in, any associated company; and

77.5 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.

- 78 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.

- 79 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.
- 80 For the avoidance of doubt, article 79 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 77, 78 and 103 and the code of conduct referred to in article 84.
- 81 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 84.

Conduct of directors

- 82 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.
- 83 Without prejudice to the principle set out in article 82, 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:
- 83.1 seek, in good faith, to ensure that the company acts in a manner which is in accordance with its purposes;
 - 83.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;

83.3 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

83.3.1. put the interests of the company before that of the other party;

83.3.2. 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;

83.4 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.

84 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.

85 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

86 Subject to articles 87 and 88, no director shall be entitled to any remuneration, whether in respect of his/her office as director or as holder of any office under article 71.

87 The company may remunerate any director in respect of work carried out by him/her for the company, subject to the following conditions:-

87.1 no contract of that nature shall be entered into by the company without the prior sanction of a resolution passed by majority vote at a meeting of directors (and in respect of which the director proposing to enter into the contract shall not vote, as prescribed by article 103);

- 87.2 the work must relate to the development, management and/or delivery of an identifiable project or programme or the provision of support services and, in particular, must fall outwith the discharge of the ordinary duties of a director;
- 87.3 the contract relating to the carrying out of work of that nature shall clearly define the scope and duties of the director in relation to the relevant project or programme and the maximum amount of the remuneration to be paid to him/her; and all such particulars shall be set out in a draft contract for approval of the directors as contemplated in paragraph 87.1;
- 87.4 the remuneration to be paid under the contract must be reasonable in the circumstances; and before entering into the contract, the directors must be satisfied that it would be in the interests of the company for those services to be provided by that director for that remuneration; and
- 87.5 a contract of that nature shall not be entered into if the effect would be that half, or more than half, of the directors then in office would be receiving remuneration from the company (and such that, for the purposes of this paragraph 87.5, a director shall be deemed to be receiving remuneration from the company if he/she is connected, within the meaning of the relevant statutory provisions, with any director who is receiving remuneration from the company).
- 88 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 or meetings of committees of directors or otherwise in connection with the carrying-out of their duties.

Powers of directors

- 89 Subject to the provisions of the Act, 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.
- 90 A meeting of the directors at which a quorum is present may exercise all powers exercisable by the directors.

Procedure at directors' meetings

- 91 Subject to the provisions of these articles, the directors may regulate their proceedings as they think fit.
- 92 Any director may call a meeting of the directors or request the secretary to call a meeting of the directors.
- 93 Questions arising at a meeting of the directors shall (except where specifically provided otherwise in these articles) be decided by a majority of votes; if an equality of votes arises, the chairperson of the meeting shall have a casting vote.
- 94 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 3.
- 95 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.
- 96 A director may participate in a meeting of the directors or a meeting of a committee of directors by means of a conference telephone, video conferencing facility or similar communications equipment whereby all the directors participating in the meeting can hear each other; a director participating in a meeting in this manner shall be deemed to be present in person at the meeting.
- 97 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.
- 98 If the chair is not present and willing to act as chairperson of a directors' meeting 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.
- 99 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.
- 100 A person invited to attend a meeting of the directors under article 99 shall not be entitled to exercise any of the powers of a director, and shall not be deemed to constitute a director for the purposes of the Act or any provision of these articles.

- 101 All acts done by a meeting of directors or by a meeting of a committee of directors or by a person acting as a director shall, notwithstanding that it is afterwards discovered that there was a defect in the appointment of any director or that any of them was disqualified from holding office or had vacated office or was not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
- 102 A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors, or (as the case may be) a committee of directors, duly convened and held; it may consist of several documents in the same form, each signed by one or more directors.
- 103 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.
- 104 For the purposes of article 103, 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 or any limited liability partnership of which he/she is a member or any Scottish charitable incorporated organisation or charitable incorporated organisation of which he/she is a charity trustee or any registered society or unincorporated association of which he/she is a member of the governing organ has a personal interest in that matter.
- 105 For the avoidance of doubt, a director who is in receipt of remuneration under article 11, shall not be entitled to vote on the question of whether or not the company should pay him/her remuneration nor on any matter connected with the level of such remuneration or whether such remuneration should continue.
- 106 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.
- 107 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 103 to 106.

- 108 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

- 109 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.
- 110 Any delegation of powers under article 109 may be made subject to such conditions as the directors may impose and may be revoked or altered.
- 111 The rules of procedure for each sub-committee shall be as prescribed by the directors.

Secretary

- 112 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

- 113 The directors shall ensure that minutes are made (in books kept for the purpose) of all proceedings at general meetings, meetings of the directors and meetings of committees of directors; a minute of a meeting of directors or of a committee of directors shall include the names of the directors present, and the minutes of each meeting shall be signed by the chairperson of that meeting.

Accounting records and annual accounts

- 114 The directors shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements.
- 115 The directors shall prepare annual accounts, complying with all relevant statutory requirements; if an audit is required (as opposed to an independent examination) under any statutory provisions, or if the directors consider that an audit would be appropriate for some other reason, the directors shall ensure that an audit of the accounts is carried out by a qualified auditor.
- 116 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

- 117 Any notice to be given in pursuance of these articles shall be in writing.
- 118 The company may give any notice to a member in pursuance of these articles either personally or by sending it by post in a pre-paid envelope addressed to the member at his/her registered address or by leaving it at that address; alternatively, 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 electronic means.
- 119 Any notice, if sent by post, shall be deemed to have been given at the expiry of twenty four 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.
- 120 Any notice sent by electronic means shall be deemed to have been given at the expiry of 24 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.
- 121 A member may give any notice to the company either by sending it by post in a pre-paid envelope addressed to the company at its

registered office or by leaving it, addressed to the company secretary, at the company's registered office.

- 122 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

- 123 If on the winding-up of the company any property remains after satisfaction of all the company's debts and liabilities, such property shall be paid or transferred to some charity or charities with similar purposes to those of the company, as determined (prior to the winding up) by the members of the company.
- 124 To the extent that effect cannot be given to article 123, the relevant property shall be applied to some charitable purpose or purposes.

Indemnity

- 125 Every director or other officer or auditor of the company shall be indemnified (to the extent permitted by sections 232, 234, 235, 532 and 533 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 including, 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 in connection with any application in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.
- 126 For the avoidance of doubt, the company shall be entitled (subject to the provisions of section 68A of the Charities and Trustee Investment (Scotland) Act 2005) to purchase and maintain 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 (subject to the provisions of section 68A of the Charities and Trustee Investment (Scotland) Act 2005) extend to liabilities of the nature referred to in section 232(2) of the Act (negligence etc. of a director).