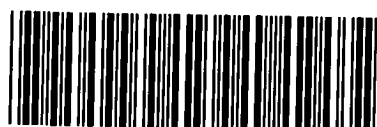


THE COMPANIES ACT 2006
COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE
CAPITAL

ARTICLES OF ASSOCIATION
of
NORTH LANARKSHIRE LEISURE LIMITED



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04/08/2020

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COMPANIES HOUSE

TUESDAY

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Membership

- The members of the company shall (subject to article 7) consist of such body or bodies as are admitted to membership under articles 4 to 6; any individual or body who/which was a member of the company at the time at which the resolution adopting these articles of association was passed shall (if not eligible for membership under article 4) automatically cease to be a member with effect from that time.
- Membership shall cease on the dissolution, winding-up, striking-off, administration or receivership of the body which constituted the member or upon the appointment of a judicial factor over the property and undertaking of that body or on receipt of a notice of retiral of the relevant body from membership under article 8.
- A member may not transfer its membership to any other individual or body.

Qualifications for membership

- Membership shall be open only to North Lanarkshire Council.

Application for membership

- Any incorporated body (other than a subscriber to the memorandum of association) eligible for membership under article 4 (as amended from time to time) which wishes to become a member shall lodge with the company a written application for membership (in such form as the directors require); the application for membership shall be signed on the relevant body's behalf by an authorised officer of that body.
- A body eligible for membership under article 4 shall automatically constitute a member of the company immediately upon receipt by the company of the application for membership, duly signed in accordance with article 5.
- For the avoidance of doubt, North Lanarkshire Council (being a member of the company as at the time when the resolution adopting these articles is passed) shall remain in membership of the company without any requirement to submit an application for membership under article 5.

Withdrawal from membership

8. Any body which wishes to withdraw from membership shall lodge with the company a written notice of retiral (in such form as the directors require), signed on its behalf by an authorised officer of that body; on receipt of the notice by the company, it shall cease to be a member.

Register of members

9. The directors shall procure that a register of members is maintained in accordance with the provisions of the Companies Acts and shall ensure that the appropriate entries in the register of members are made immediately after any change in the membership of the company occurs.

General meetings

10. The directors shall convene an annual general meeting in each year.
11. Not more than 15 months shall elapse between one annual general meeting and the next.
12. The business of each annual general meeting shall include:-
 - 12.1 a report by the Chair on the activities of the company;
 - 12.2 consideration of the annual accounts of the company.
13. The directors must convene a general meeting if there is a valid requisition by members (under section 303 of the 2006 Act) or a requisition by a resigning auditor (under section 392A of the 1985 Act (for so long as it is in force) or section 518 of the 2006 Act).
14. Subject to the provision of articles 10, 11 and 13, the directors may convene general meetings whenever they think fit.

Notice of general meetings

15. 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.
16. The reference to "clear days" in article 15 shall be taken to mean that, in calculating the period of notice, the day after the notice is posted (or, in the case of notice sent by electronic means, the day after it was sent), and also the day of the meeting, should be excluded.
17. A notice calling a meeting shall specify the time, date and place of the meeting; it shall (a) indicate the general nature of the business to be dealt with at the meeting; (b) if a special resolution (see article 26) or a resolution requiring special notice under the Companies Acts is to be proposed, state that fact, giving the exact terms of the resolution; and (c) contain a statement informing members of their right to appoint a proxy.
18. A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting.
19. Notice of every general meeting shall be given:
 - 19.1 in hard copy form;
 - 19.2 (where the 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
 - 19.3 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 2006 Act, by means of a website.

Proceedings at general meetings

20. No business shall be transacted at any meeting unless a quorum is present; one person present and entitled to vote (being a proxy for a member or a duly authorised representative of a member which is a corporate body) shall be a quorum.
21. If the quorum required under article 20 is not present within half an hour after the time appointed for the meeting, or if during a meeting such 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.
22. The Chair shall (if present and willing to act) preside as chairperson of the meeting; if the Chair is not present and willing to act as chairperson of the meeting within 15 minutes after the time appointed for holding the meeting, the Vice-Chair shall act as chairperson of the meeting.

If the Vice-Chair is not present and willing to act as chairperson of the meeting within 15 minutes after the time appointed for holding the meeting, the directors present shall elect one of their number to act as chairperson of the meeting.

23. If neither the Chair nor the Vice-Chair are present and willing to act as chairperson of the meeting within 15 minutes after the time appointed for holding the meeting and there is only one director present and willing to act, he/she shall be chairperson of the meeting.
24. Each of the directors shall, notwithstanding that he/she is not a member, be entitled to attend and speak at any general meeting.
25. The chairperson of the meeting may, with the consent of the meeting at which a quorum is present (and must, if the meeting requests him/her to do so), adjourn the meeting but not for a period in excess of thirty days; no notice need be given of an adjourned meeting.

Special resolutions and ordinary resolutions

26. For the purposes of these articles, a "special resolution" means a resolution of the members, which is either (a) 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 15 to 19 (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); or (b) passed by members representing not less than 75% of the total voting rights of eligible members when passed by way of a written resolution, in accordance with articles 29 to 32.
27. In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Companies Act allow the company, by special resolution:-
 - 27.1 to alter its name;
 - 27.2 to alter its memorandum of association with respect to the company's objects; and
 - 27.3 to alter any provision of these articles or adopt new articles of association.
28. For the purposes of these articles, an "ordinary resolution" means a resolution of the members, which is either (a) passed by a simple 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 15 to 19; or (b) passed by members representing a simple majority of the total voting rights of eligible members, when passed by way of a written resolution in accordance with articles 29 to 32.

Written resolutions

29. 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 2006 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).
30. For the purposes of the preceding article: -
 - 30.1 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 2006 Act; or (b) if copies are sent or submitted to members on different days, the first of those dates);
 - 30.2 the reference to "required majority" is to the majority required to pass an ordinary or a special resolution under the Companies Acts, as follows: -
 - 30.2.1 in order to pass an ordinary resolution by way of written resolution, it must be passed (in accordance with article 29) by members representing a simple majority of the total voting rights of eligible members;
 - 30.2.2 in order to pass a special resolution by way of written resolution, it must be passed (in accordance with article 29) 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.

31. For the avoidance of doubt, a resolution to remove a director (under section 168 of the 2006 Act) or a resolution to remove an auditor (under section 391 of the 1985 Act (for so long as it is in force) or section 510 of the 2006 Act) cannot be proposed as a written resolution under article 29.
32. For the purposes of article 29, 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 30) and the agreement of any member to a written resolution will be ineffective if signified after the expiry of that period.

Votes of Members

33. Every member shall have one vote, which may be given either via its duly authorised representative present at the meeting or by proxy.
34. A member which wishes to appoint a proxy to vote on its behalf at any meeting:
 - 34.1 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 an appropriate officer of the member; or
 - 34.2 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 34, no account shall be taken of any part of a day that is not a working day.
35. An instrument of proxy, which does not conform with the provisions of article 34, or which is not lodged or sent in accordance with such provisions, shall be invalid.
36. A member shall not be entitled to appoint more than one proxy to attend on the same occasion.
37. A proxy appointed to attend and vote at any meeting instead of a member shall have the same right as the member which appointed him/her to speak at the meeting and need not be a member of the company.
38. A member which is an incorporated body may authorise an individual to act as its representative at any general meeting of the company, providing particulars of the individual so authorised and of the body which he/she is to represent are received by the company prior to the commencement of the general meeting; the individual so authorised shall be entitled to exercise the same powers on behalf of the member which he/she represents as that incorporated body could exercise if it were an individual member.
39. The chairperson of a meeting shall not be entitled to a casting vote if an equality of votes arises in relation to any resolution.
40. A vote given by proxy or by the duly authorised representative of a member which is an incorporated body shall be valid notwithstanding that the authority of the person voting had terminated prior to the giving of such vote 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 or adjourned meeting at which the vote was given.

Categories of director

41. For the purposes of these articles:-
 - "**Partner Director**" means a director appointed or re-appointed under articles 44 to 47;
 - "**Independent Director**" means a director appointed or re-appointed under articles 48 to 55;
 - "**Trades Unions Director**" means a director appointed or re-appointed under articles 56 to 58;

Number of directors

42. The maximum number of directors shall be thirteen; out of that number
 - a maximum of six directors shall be Partner Directors

- a maximum of six directors shall be Independent Directors
- no more than one shall be the Trades Unions Director

Composition of the board: general

43. The composition of the board shall reflect the following principles:
- 43.1 the Nominations Committee shall, without displacing its primary focus on the skills that candidates would bring to the board, take account, in the course of carrying out its functions, of principles of good practice as regards equalities issues.

Appointment, removal, retirement: Partner Directors

44. Subject to articles 43 and 47, North Lanarkshire Council, so long as it remains a member of the company, may by notice in writing, signed on its behalf by an authorised officer and given to the company:-
- 44.1 appoint any officer or employee of North Lanarkshire Council who is willing so to act to be a director (a "Partner Director"); or
- 44.2 remove any Partner Director from office as a director.
45. Any appointment or removal of a director under article 44 shall have effect from the date the written notice is given to the company or such later date as may be specified in such notice.
46. North Lanarkshire Council shall, other than in exceptional circumstances, endeavour to give at least ten days' prior notification to the board of directors of the company in advance of any occasion on which it proposes to exercise its powers in relation to appointment/removal of directors under article 44.
47. The powers conferred by article 44 shall be deemed to be limited such that no more than six individuals appointed by North Lanarkshire Council may hold office as Partner Directors at any given time.

Appointment, removal: Independent Directors

48. Subject to articles 43 and 51, North Lanarkshire Council, so long as it remains a member of the company, may by notice in writing, signed on its behalf by an authorised officer and given to the company:-
- 48.1 appoint any person (other than an elected representative or officer of North Lanarkshire Council) who is willing so to act to be a director (an "Independent Director");
- 48.2 or remove any Independent Director from office as a director.
49. Any appointment or removal of a director under article 48 shall have effect from the date the written notice is given to the company or such later date as may be specified in such notice.
50. North Lanarkshire Council shall, other than in exceptional circumstances, endeavour to give at least ten days' prior notification to the board of directors of the company in advance of any occasion on which it proposes to exercise its powers in relation to appointment/removal of directors under article 48.
51. The powers conferred by article 48 shall be deemed to be limited such that
- 51.1 no more than six individuals appointed by North Lanarkshire Council may hold office as Independent Directors at any given time;
- 51.2 the Independent Directors shall be appointed on the basis of (a) their being representative of the local community or representative of other stakeholders and/or (b) their having skills and experience which, in the reasonable opinion of North Lanarkshire Council and having considered the guidance referred to at Article 52, would allow them to make a substantial contribution to the work of the board of directors; and such that the Independent Directors may include (but shall not be limited to) community representatives, sports representatives, facility users/customers, academic representatives and members of the business community.
52. North Lanarkshire Council shall be guided by the Nominations Committee (as defined in article 107) and may have reference to the Register of Candidates (as defined in article 110.4) in relation to the selection of appropriate individuals for appointment as Independent Directors.
53. The directors of the company shall endeavour to establish the Nominations Committee within a reasonable period after the adoption of these articles of association; until such time as it is

established, the reference in article 52 to North Lanarkshire Council being guided by the Nominations Committee shall be disregarded.

Retirement: Independent Directors

- 54. Each of the Independent Directors shall (subject to article 62) hold office until the conclusion of the third annual general meeting which follows the date on which he/she was appointed or (as the case may be) was last re-appointed; but shall then be eligible for re-appointment under article 48; if re-appointed, he/she shall hold office until the conclusion of the third annual general meeting which follows, but will then be eligible for further re-appointment under article 48.
- 55. For avoidance of doubt:-
- 55.1 there shall be no limit on the number of occasions on which a given Independent Director can be re-appointed under article 54;
- 55.2 North Lanarkshire Council shall be guided by the Nominations Committee in relation to the question of whether an Independent Director vacating office under article 54 should be re-appointed.

Trades Unions Director

- 56. The directors shall, at the first meeting of the directors which is held after the nomination by the relevant Trades Unions of any employee of the company for appointment to that office, appoint that individual as a director ("the Trades Union Director") of the company.
- 57. The Trades Unions Director shall (subject to article 58 and 62) continue to hold office as a director of the company until the conclusion of the third annual general meeting which follows the date on which he/she was appointed or (as the case may be) was last re-appointed, but shall then be eligible for re-appointment under article 56, and, if re-appointed, he/she shall hold office until the conclusion of the third annual general meeting which follows, but will then be eligible for further re-appointment under article 56.
- 58. The directors shall, in advance of the annual general meeting referred to at article 57 (and allowing a reasonable opportunity for the relevant Trade Unions to respond), seek confirmation from the relevant Trade Unions representing employees of the company that the Trade Unions Director vacating office at such annual general meeting should be re-appointed to the office of Trades Union Director or, if such individual is not to be re-appointed, confirmation of an alternative nominee.

Disqualification and removal of directors

- 59. A director shall vacate office if:-
- 59.1 he/she ceases to be a director by virtue of any provision of the Companies Acts 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);
- 59.2 he/she is sequestered;
- 59.3 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;
- 59.4 in the case of a Partner Director, the body which appointed him/her ceases to be a member of the company;
- 59.5 in the case of a Partner Director, he/she ceases to be an employee or officer of North Lanarkshire Council;
- 59.6 (except in the case of the Trades Unions Director) he/she becomes an employee of the company;
- 59.7 in the case of the Trades Unions Director, he/she ceases to be an employee of the company;
- 59.8 he/she resigns office by notice to the company;
- 59.9 he/she is absent (without permission of the directors) from more than three consecutive meetings of directors and the directors resolve to remove him/her from office;
- 59.10 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 72);

- 59.11 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
- 59.12 he/she is removed from office by ordinary resolution (special notice having been given) in pursuance of section 168 of the 2006 Act.
- 60. A resolution under paragraph 59.10 or 59.11 shall be valid only if:-
 - 60.1 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;
 - 60.2 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
 - 60.3 at least two thirds (to the nearest round number) of the directors then in office vote in favour of the resolution.

Appointments to offices

- 61. The directors shall be appointed to hold the office of Chair, Vice-Chair and such other offices (which shall include the chair of the Audit Committee (as defined in article 108) as the directors may consider appropriate.
- 62. The appointments under article 61 shall be made at meetings of directors.
- 63. Each office shall be held (subject to articles 64 and 65) until the conclusion of the annual general meeting which next follows; a director whose period of office expires under this article (or under article 64) may be re-appointed to that office under article 61 (providing he/she is willing to act).
- 64. The office of Chair and Vice-Chair shall be held until the conclusion of the third annual general meeting which follows his/her appointment as Chair or Vice-Chair (as the case may be).
- 65. The appointment of any director as Chair, or as holder of an office under article 61, shall terminate if he/she ceases to be a director or if he/she resigns from that office by notice to the company.
- 66. If the appointment of a director to any office under article 61 terminates, the directors shall appoint another director to hold the office in his/her place.

Directors' Interests

- 67. Subject to the provisions of the Companies Acts and of clause 4 of the memorandum of association 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 72), a director (notwithstanding his/her office):-
 - 67.1 may be a party to, or have some other personal interest in, any transaction or arrangement with the company or any associated company;
 - 67.2 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;
 - 67.3 in the case of the Trades Unions Director, may be employed by the company;
 - 67.4 may be a director or secretary of, or employed by, or have some other personal interest in, any associated company; and
 - 67.5 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.
- 68. For the purposes of the preceding article:-
 - 68.1 an interest of a person who is taken to be connected with a director for any purpose of the 2006 Act shall be treated as a personal interest of that director;
 - 68.2 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 an interest in that matter;
 - 68.3 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;

- 68.4 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;
- 68.5 a general notice to the directors that a director is a member of a specified firm or company and is to be regarded as interested in contracts which are made with the company or firm after the date of the notice shall be deemed to be a sufficient disclosure of his/her interest in relation to the contract; and a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any transaction or arrangement with the persons specified in the notice.
69. 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 72.

Conduct of directors

70. 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 outlined in clause 3 of the memorandum of association) and be in the interest 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.
71. Without prejudice to the principle set out in article 70, 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:-
- 71.1 seek, in good faith, to ensure that the company acts in a manner which is in accordance with its purposes;
- 71.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;
- 71.3 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:-
- 71.3.1 put the interests of the company before that of the other party;
- 71.3.2 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;
- 71.4 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.
72. 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

73. No director (other than the Trades Unions Director) may serve as an employee of the company, and (subject to article 73) no director may be given any remuneration by the company for carrying out his/her duties as a director or as Chair or as the holder of any other office under article 61.
74. The Trades Unions Director shall (in each case), notwithstanding that he/she is a director of the company, be entitled to retain all remuneration, and all pension and/or other benefits, paid or provided to him/her in his/her capacity as an employee of the company.
75. 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

76. Subject to the provisions of the Companies Acts, the memorandum of association and these articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company.
77. No alteration of the memorandum of association or these articles and no direction given by special resolution shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given.
78. The powers conferred by article 76 shall not be limited by any special power conferred on the directors by these articles.
79. A meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

Proceedings of directors

80. Subject to the provisions of these articles, the directors may regulate their proceedings as they think fit.
81. Any director may call a meeting of the directors or request the secretary to call a meeting of the directors.
82. Questions arising at any meeting of directors shall be decided by a majority of votes; the chairperson of a meeting of directors shall be entitled to a casting vote.
83. The quorum for the transaction of the business of the directors shall (subject to article 84) be two.
84. A quorum shall be constituted at a meeting of directors if at least two of the directors are present.
85. If the quorum required under article 83 (as read with article 84) is not present within half an hour after the time appointed for the meeting, or if during a meeting such 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.
86. The continuing directors or a sole continuing director may act notwithstanding vacancies, but if the number of remaining directors is less than the number fixed as the quorum they may act only for the purpose of filling vacancies or of calling a general meeting.
87. Unless he/she is unwilling to do so, the Chair shall preside as chairperson at every meeting of directors at which he/she is present; if the Chair is unwilling to act as chairperson of a meeting of directors or is not present within 15 minutes after the time appointed for the meeting, the Vice-Chair shall preside as chairperson over the meeting. If the Vice-Chair is unwilling to act as chairperson of a meeting of directors or is not present within 15 minutes after the time appointed for the meeting, the directors present shall appoint one of their number to be chairperson of the meeting.
88. The directors shall be entitled to allow any person to attend and speak (but not vote) at any meeting of the directors; a person invited to attend a meeting of the directors under the preceding provisions of this article 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 Companies Acts or any provision of these articles.
89. 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.
90. 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.
91. Without prejudice to article 92 the directors shall be empowered for the purposes of section 175 of the Companies Act 2006 to authorise any director to be in a situation where that director has or can have a direct or indirect interest or duty that conflicts or may possibly conflict with the interests of the company. The authorisation may be on such terms as are determined by the

directors and may be subject to conditions. A director seeking such authorisation shall not be entitled to vote or be counted in the quorum in relation to any meeting of the directors at which the matter is considered.

92. Without prejudice to the provisions of article 91, a director may be an elected representative of North Lanarkshire Council; the duty of directors under section 175 of the 2006 Act to avoid situations under which they have, or could have, a direct or indirect interest that conflicts, or possibly might conflict, with the interests of the company shall not extend to any such relationship with North Lanarkshire Council.
93. For the avoidance of doubt, articles 91 and 92 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 67 to 71, and 94 to 99 and the code of conduct referred to in article 72.
94. Subject to article 96, 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.
95. For the purposes of the preceding article:-
 - 95.1 an interest of a person who is taken to be connected with a director for any purpose of the 2006 Act; and
 - 95.2 a director shall (subject to article 96) 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 an interest in that matter.
96. A Partner Director shall, notwithstanding the provisions of article 94 and paragraph 95.2) be entitled to vote in relation to a particular matter notwithstanding that North Lanarkshire Council has an interest in that matter; but on the basis that in exercising their voting rights in respect of any such matter, the Partner Directors shall comply with the provisions of articles 70 and 71.
97. 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.
98. 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 94 to
99. 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 committees of directors and holders of offices

100.
 - 100.1 The directors may delegate any of their powers to any committee consisting of two or more directors; they may also delegate to the Chair or a director holding any other office such of their powers as they consider appropriate.
 - 100.2 Without prejudice to the generality of article 100.1), the directors may delegate the powers of the Chair to the Vice-Chair for so long as the office of Chair is vacant or the Chair is unwilling or unable to act.
101. Any delegation of powers under the preceding article may be made subject to such conditions as the directors may impose and either collaterally with or to the exclusion of their own powers and may be revoked or altered.
102. Subject to any condition imposed in pursuance of the preceding article, the proceedings of a committee consisting of two or more directors shall be governed by the articles regulating the proceedings of meetings of directors so far as they are capable of applying.
103. In addition to their powers under article 100, the directors may delegate their powers to any committee consisting of one or more directors and/or employees of the company as the directors may consider appropriate; the provisions of articles 101 and 102 shall apply in relation to any such committee, subject to the qualification that the role of any committee formed under the preceding provisions of this article shall be limited (except to the extent that the directors

otherwise determine) to the issue of reports and recommendations for consideration by the board of directors.

Nominations Committee

104. The directors shall establish a committee (referred to in these articles as "the Nominations Committee") to guide North Lanarkshire Council in relation to the selection of appropriate individuals for appointment as Independent Directors.
105. The Nominations Committee shall comprise the Chair of the company and two directors appointed by the board of directors
106. Subject to article 105, the composition and proceedings of the Nominations Committee shall be governed by such standing orders as may be issued by the directors from time to time.
107. In carrying out its functions, the Nominations Committee shall give effect to the following principles:-
 - 107.1 the Nominations Committee should set an appropriate skills matrix to guide it in selecting and evaluating appropriate candidates, and should review and adjust that skills matrix from time to time;
 - 107.2 nominations for directors falling within the remit of the Nominations Committee should be sought from representatives of the local community and/or other stakeholders and/or others having skills that could assist the company in carrying out its objects including (but not limited to) community representatives, sports representatives, facility users/customers, academic representatives and members of the business community;
 - 107.3 all expressions of interest submitted via a formal and prescribed selection and recruitment process which has been set by the Nominations Committee should be considered by the Nominations Committee; and
 - 107.4 the Nominations Committee shall maintain a register of candidates which are evaluated by the Nominations Committee and considered to be suitable candidates for appointment as Independent Directors and approved by North Lanarkshire Council ("Register of Candidates"). The Nominations Committee shall review the Register of Candidates annually.

Audit Committee

108. The directors shall establish a committee (referred to in these articles as "the Audit Committee") to assist the board of directors in fulfilling its responsibilities with regard to oversight of (a) the company's financial statements and auditing, accounting and related reporting processes and (b) the company's systems of internal control regarding finances, accounting and financial reporting.
109. The Audit Committee shall comprise the chair of the Audit Committee (as appointed in pursuance of article 61) and at least two other individuals (who must be either directors or employees of the company) appointed by the board of directors.
110. Subject to article 109, the composition and proceedings of the Audit Committee shall be governed by such standing orders as may be issued by the directors from time to time.

Managing Director

111. The directors, with the exception of the Trades Unions Director, may from time to time appoint and remove a Managing Director, who shall not be a director, who shall hold office on such terms and conditions and for such remuneration as may be fixed by such directors. The directors may, subject to the provisions of article 80, delegate to the Managing Director such powers and duties as the directors think fit and may from time to time alter and/or revoke any such delegated powers or duties.
112. The directors, with the exception of the Trades Unions Director (but this shall not apply to any Trades Unions Director who is not also an employee of the company) may also appoint, and at such directors' discretion remove, such employees and agents for permanent, temporary or special services as the directors may from time to time think fit and may determine their powers and duties and fix their salaries and emoluments and other terms and conditions of employment or engagement.

Secretary

113. The directors shall (notwithstanding the provisions of the 2006 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.

Strategic Advisors

114. The directors may choose to permit individuals ("Strategic Advisors") to attend meetings of the directors to provide advice and guidance to the board in relation to the Strategic Advisor's relevant experience.
115. If invited to attend the Strategic Advisors shall be entitled to attend and speak (but not vote) at any meeting of the directors. A Strategic Advisor invited to attend a meeting of the directors under these articles shall, for the avoidance of doubt, 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 Companies Acts or any provision of these articles.
116. If a Strategic Advisor is permitted to attend a directors meeting they should be given 7 days' notice of that meeting by the directors or the company secretary. Notice of any directors meeting must indicate its proposed date and time and where it is to take place.

Minutes

117. 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.

Accounts

118. No member shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or as authorised by the directors or by ordinary resolution of the company.

Notices

119. Any notice to be given in pursuance of these articles shall be in writing.
120. 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 its registered address or by leaving it at that address; alternatively, in the case of a member which 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.
121. 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.
122. 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.
123. 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.
124. 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

125. 125 If the company is wound up, the liquidator shall give effect to the provisions of clause 7 of the memorandum of association.

Indemnity

126. Every director or other officer or auditor of the company shall be indemnified (to the extent permitted by section 310 of the 1985 Act (for so long as it is in force) and sections 232, 234, 235, 532 and 533 of the 2006 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 2006 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.
127. For the avoidance of doubt, the company shall be entitled 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 extend to liabilities of the nature referred to in section 232(2) of the 2006 Act (negligence etc. of a director).

Interpretation

128. In these articles,
 “**the 1985 Act**” means the Companies Act 1985 (including any statutory modification or re-enactment of the Companies Act 1985 for the time being in force);
 “**the 2006 Act**” means the Companies Act 2006;
 “**the Companies Acts**” means the Companies Acts 1985 to 2006.
129. References in these articles to the singular shall be deemed to include the plural.