

THE COMPANIES ACT 2006

WRITTEN RESOLUTION

of

THE ARCHIE FOUNDATION

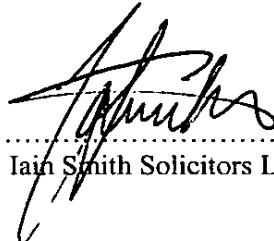
(the "Company")

Company Number: SC340297

Date Passed: 15 January 2014

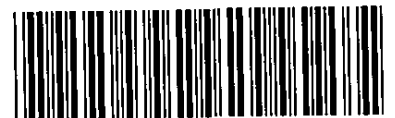
We, the undersigned, being the Secretary of the Company, declare the following resolution was passed as a special resolution of the members of the Company on the above date, pursuant to Section 288 of the Companies Act 2006:

"That it being within the objects and powers and in the best commercial interests of the Company, that the articles of association annexed to this declaration be adopted as the new articles of association of the Company in substitution for and to the exclusion of the existing articles of association."



.....
Iain Smith Solicitors LLP, Secretary

TUESDAY



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COMPANIES HOUSE

**ARTICLES OF ASSOCIATION
OF
THE ARCHIE FOUNDATION**

**Adopted by a special resolution of members on
15 January 2014**

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THE COMPANIES ACT 2006

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

ARTICLES OF ASSOCIATION

of

THE ARCHIE FOUNDATION

1. DEFINITIONS AND INTERPRETATION

1.1 In these Articles, unless the context otherwise requires the following words and expressions shall bear the following meanings:

“2005 Act”	means the Charities and Trustee Investment (Scotland) Act 2005 including any statutory modification or re-enactment thereof for the time being in force;
“Act”	means the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force;
“address”	in relation to any document or information sent or supplied by electronic means includes any number or address used for the purpose of such communication;
“Articles”	means these articles of association;
“Board”	means the board of Directors of the Company from time to time;
“Chairman”	means the chairman of the board of Directors;
“charitable”	means charitable for the purposes of the Taxes Acts and also the 2005 Act;
“clear days”	means in relation to the period of a notice that period excluding the day when the notice is served or deemed to be served and the day for which it is given or on which it is to take effect;
“Company”	means The Archie Foundation;
“Directors”	means the directors of the Company from time to time;
“Member”	means a member of the Company whose name is entered in the Register in respect of such membership;
“Memorandum”	means the memorandum of association of the Company;

- “Register”** means the register of members of the Company kept pursuant to the Act; and
- “Treasurer”** means the treasurer of the Company, being a member of the Board; and
- “the United Kingdom”** means Great Britain and Northern Ireland.

1.2 In these Articles, unless the context otherwise requires:

- 1.2.1 words or expressions shall bear the same meaning as in the Act;
- 1.2.2 words or expressions importing the singular number only shall include the plural number and vice versa;
- 1.2.3 words or expressions importing the masculine gender only shall include the feminine gender and vice versa;
- 1.2.4 words or expressions importing persons shall include partnerships, companies and unincorporated associations; and
- 1.2.5 references to “written” or “in writing” shall mean printed or transmitted writing including through electronic communication.

1.3 The Company is established for the purposes stated in Article 2.

1.4 These Articles are in substitution for the articles contained in Schedule 2 to the Companies (Model Articles) Regulations 2008 in force on the date of incorporation of the Company, which shall not apply to the Company.

2. **PURPOSES**

The Company’s charitable purposes are the relief of suffering and distress and the furtherance of health by supporting, equipping, enhancement and maintenance of the Royal Aberdeen Children's Hospital and child health services across Grampian, Tayside, Highlands and Islands, research related to child health, specialist training for child health professionals, support for children, young people and their families who use child health services in Grampian, Tayside, Highlands and Islands, or for such other related charitable objects as the company in its sole discretion may determine. The Company operates on a non-profit basis.

3. **POWERS**

To promote its purposes but not for any other purpose the Company may:

- 3.1 accept subscriptions, grants, donations, gifts, legacies and endowments of all kinds, either absolutely or conditionally or in trust for any of the purposes of the Company and take such steps (by way of personal or written appeals, public meetings or otherwise, including for the avoidance of doubt the appointment of professional fundraisers) as may be deemed expedient for procuring contributions to the funds of the Company, whether by way of subscriptions (such subscriptions set having regard to section 8(2)(b) of the 2005 Act), grants, loans, donations or otherwise

including the selling of goods and other products produced or acquired in connection with or ancillary to the purposes of the Company;

- 3.2 establish, subsidise, promote, co-operate or federate with, affiliate or become affiliated to, act as trustees or agents for or manage or lend money or other assistance to any person, company, association, society, institution or other body, corporate or unincorporated, established for charitable purposes only and having primary purposes wholly or partly similar to those of the Company, and for the purpose of promoting the primary purposes of the Company to co-operate with manufacturers, dealers, and other traders and organisations, and with the press and other sources of publicity;
- 3.3 undertake, execute, establish, promote, or assist any charitable trusts or companies with charitable purposes all or any of which are similar to the purposes of the Company for the purpose of acquiring all or any of the property, rights and liabilities of the Company or for the purpose of carrying on any activity which the Company is authorised to carry on or for any other charitable purpose directly or indirectly calculated to benefit the Company in the furtherance of its purposes;
- 3.4 print, publish and distribute or procure to be printed, published or distributed (whether gratuitously or not) any newspaper, newsletter, periodical, magazine, book, pamphlet, circular, leaflet or other publication including audio and visual recordings which the Company may consider desirable for the promotion of its purposes;
- 3.5 hold, sponsor, arrange or organise meetings, conferences, lectures, seminars, film shows, appeals and educational classes and talks in furtherance of the purposes of the Company;
- 3.6 organise, manage, present, produce and support exhibitions, workshops, press conferences, trade fairs, festivals, advertising campaigns, promotions, displays and assist and advise any person, corporation or organisation in relation thereto;
- 3.7 advertise the Company, its purposes and activities whether through radio, television or other similar media or through printed advertisement, poster, periodical, article, feature or otherwise in writing;
- 3.8 purchase, take on lease or in exchange, hire or otherwise acquire and hold, sell, lease or otherwise dispose of any real or personal property and any rights or privileges which may be necessary or convenient for the promotion of the purposes of the Company and construct, maintain and alter any buildings or erections necessary or convenient for the work of the Company;
- 3.9 purchase or otherwise acquire plant, machinery, furniture, fixtures, fittings, equipment and all other effects of every description necessary or convenient or usually or normally used in connection with or for the purpose of all or any of the purposes of the Company;
- 3.10 take any gift of property, whether subject to any trust or not, for any one or more of the purposes of the Company;
- 3.11 subject to such consents as may be required by law sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Company as may be expedient in the promotion of its purposes;

- 3.12 insure the Company, its property and assets against such risks as the Directors shall consider it prudent and necessary to insure against;
- 3.13 subject to Article 4.3, retain or employ staff, professional or technical advisers in connection with the purposes of the Company and pay reasonable and proper salaries, wages and fees for their services;
- 3.14 establish and support pension and superannuation schemes for the benefit of persons employed by the Company, and make reasonable and necessary provision for payment of pensions, life assurances and/or superannuation and grant pensions or retiring allowances to persons who have been employed by the Company or to their dependants. Enter into any arrangement with any governments or authorities (supreme, municipal, local or otherwise) or any corporations, companies or persons that may seem conducive to the attainment of the Company's purposes or any of them;
- 3.15 purchase and maintain insurance (including trustee indemnity insurance for the purposes of section 68A of the 2005 Act) for or for the benefit of any persons who are or were at any time directors, officers, employees or auditors of the Company or who are or were at any time trustees of any pension or retirement benefit scheme for the benefit of any employees or ex-employees of the Company including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution or discharge of their duties or in the exercise of their powers or otherwise in connection with their duties, powers or offices in relation to the Company or pension or retirement benefit scheme;
- 3.16 act as agents in the channelling of funds, grants and any other monies available from any source;
- 3.17 subject to such consents as may be required by law borrow or raise money for the purposes of the Company on such terms and on such security as may be thought fit, and whether by the creation and issue of debentures or debenture stock or otherwise.
- 3.18 guarantee and/or give security (either by way of mortgage or charge on all or any part of the property of the Company or otherwise) for the payment of money by or in the performance of obligations of any company being a charitable company;
- 3.19 advance money on loan with or without security and upon such terms as the Company may deem expedient;
- 3.20 draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments and to operate banking accounts;
- 3.21 make any charitable donation either in cash or assets in furtherance of the primary purposes of the Company;
- 3.22 to hold and invest the Company property in any form of investment (whether involving liability or not and whether or not authorised by law for the investment of trust monies) which the Directors could make if they were absolutely and beneficially entitled to the Company property. In particular but without limitation, the Directors may invest all or any part of the Company property:-
 - 3.22.1 in stocks, shares, debenture stocks, bearer securities or other investments (whether quoted on a stock exchange or not);

- 3.22.2 in any interest in land or property and/or in the development or redevelopment of land or property; and
- 3.22.3 by placing the same on deposit or current account with any bank, insurance company, building society, finance company or local authority at such rate of interest (if any) and upon such terms as the Directors may think fit;
- 3.23 lend any such monies to any other charitable companies, institutions, societies, foundations or associations formed for the said purposes having objects altogether or in part similar to those of the Company or to any individuals or firms for any purpose similar to such objects and that on such terms as to security or otherwise as the Company thinks fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided;
- 3.24 purchase or otherwise acquire and undertake all or any of the property, assets, liabilities and engagements of any one or more of the charitable associations, foundations, institutions, companies, societies or bodies with which this Company is authorised to co- operate or federate;
- 3.25 pay out of the funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company;
- 3.26 do all such other things as are necessary or incidental to the attainment of the purposes of the Company or any of them including, without limitation, making such bylaws from time to time as are considered necessary for the proper conduct, regulation and management of the Company; and
- 3.27 undertake any charitable activity which directly or indirectly promotes any of the purposes of the Company.

4. LIMITATION ON PRIVATE BENEFITS

- 4.1 The income and property of the Company shall be applied solely towards the promotion of its purposes as set forth in these Articles.
- 4.2 No part of the income and property of the Company shall be paid or transferred, directly or indirectly, by way of benefit to its Members, and no Director of the Company may receive any remuneration, or other benefit of money or money's worth, from the Company (in respect of acting in the capacity as Director).
- 4.3 Subject to Article 7 nothing herein shall prevent any payment in good faith by the Company:
 - 4.3.1 of a reasonable and proper remuneration to any Member, officer or servant of the Company including a member of the Board in his capacity as a servant of the Company for any services rendered to the Company in accordance with sections 67 and 68 of the 2005 Act;
 - 4.3.2 of interest on money lent by any Member of the Company or its Directors at a reasonable and proper rate per annum and not exceeding the base lending rate for the time being of the Company's bankers; or reasonable and proper rent for premises let by any Member or Director to the Company; and

4.3.3 to any member of its Board of Directors of out-of-pocket expenses.

5. **LIMITED LIABILITY**

The liability of the Members is limited to the amount, if any, due pursuant to Article 6.

6. **MEMBERS' OBLIGATIONS**

Each Member undertakes to contribute such amount as may be required, not exceeding £1 per Member, to the Company's assets if it is wound up while he/she is, or within one year of the date on which he/she ceases to be, a Member for:

- 6.1 payment of the Company's debts and liabilities contracted before he/she ceased to be a Member;
- 6.2 the payment of the costs, charges and expenses of winding up; and
- 6.3 the adjustment of rights, between themselves, of persons who have contributed to the Company's assets.

7. **CHARITABLE DECLARATION**

7.1 It is declared that the assets of the Company shall only be applied for charitable purposes and the Directors shall:

- 7.1.1 act in accordance with the 2005 Act; and
- 7.1.2 do nothing to prevent the Company qualifying and continuing to qualify as charitable.

7.2 Without prejudice to the foregoing, each of the Directors shall, in exercising his/her powers and duties as a Director, act in the interests of the Company. In doing so:

- 7.2.1 the Directors must seek, in good faith, to ensure that the Directors act in a manner which is in accordance with the purposes of the Company and act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person; and
- 7.2.2 in circumstances giving rise to the possibility of a conflict of interest between the Company and any other party, each Director:
 - (a) must put the interests of the Company before those of the other party; or
 - (b) where any other duty or interest prevents him/her from doing so, he/she must disclose the conflicting duty or interest to his/her fellow Directors and refrain from participating in any discussions or decisions with regard to the matter in question.

7.3 Each of the Directors must ensure that (a) he or she complies, and (b) the Company complies with any direction, requirement or notice imposed in terms of the 2005 Act.

8. **MEMBERS**

- 8.1 There shall be no maximum number of Members. The minimum number of Members shall be two.
- 8.2 The subscribers to the Memorandum and such other persons as are admitted to membership from time to time in accordance with these Articles shall be the Members of the Company.
- 8.3 Directors of the Company are required to be Members.

9. **APPLICATIONS FOR MEMBERSHIP**

- 9.1 The application of a person for membership of the Company shall be in writing in the form set down by the Board from time to time and shall be signed by the applicant and delivered to the registered office of the Company.
- 9.2 The Directors shall place an application for membership before the Board at the next meeting thereof to be held after receipt of the said application.
- 9.3 No person shall become a Member of the Company unless he is approved by the Board.
- 9.4 The Board may in its absolute discretion and without assigning any reason therefore admit or refuse an application for membership.
- 9.5 The Directors shall within seven days of the decision of the Board or the Members (as is the case) in relation to an application for membership notify their decision to the applicant in writing and if that decision is to admit him/her to membership shall enter the name of that person in the Register of the Company whereupon that person shall become a Member.
- 9.6 The rights of the Member or Members shall not be transferable or transmissible. For the avoidance of doubt, membership shall cease on the death of a Member who is an individual.

10. **CESSATION OF MEMBERSHIP**

- 10.1 A Member shall cease to be a Member of the Company upon:
- 10.1.1 his/her name being removed from the Register following the receipt by the Company of a notice in writing intimating that they resign his/her membership which, if the Member is a Director, shall constitute also that Member's resignation as a Director;
- 10.1.2 if, at a meeting of the Directors at which a majority of the Directors are present, a resolution is passed resolving that the Member be expelled on the ground that his/her continued membership is harmful to, or is likely to become harmful to, the interests of the Company. Such a resolution shall not be passed unless the Member has been given at least fourteen clear days' written notice that the resolution is to be proposed, specifying the circumstances alleged to justify expulsion, and has been afforded a reasonable opportunity of being heard by, or of making written representations, to the Directors. A Member expelled by such a resolution

shall nevertheless remain liable to pay to the Company any sum owed by him/her;

- 10.1.3 (if an individual) his/her dying, becoming of unsound mind, or bankrupt or compounding with his/her creditors or his/her estate being sequestered;
- 10.1.4 (if a partnership) the firm passes a resolution to wind up or is otherwise dissolved or is bankrupt or compounds with its creditors;
- 10.1.5 (if a company) it passing a resolution to wind up or having a winding up petition presented against it (and not subsequently dismissed within twenty eight days) or a receiver or administrative receiver or liquidator or administrator or other statutory manager being appointed in respect of any of its assets; or
- 10.1.6 (if a body corporate other than a partnership or company including without limitation bodies corporate established pursuant to Acts of Parliament or Royal Charter or a statutory local authority) upon the body corporate being wound up or dissolved or bankrupt or compounding with its creditors.

11. GENERAL MEETINGS

- 11.1 The Directors may call general meetings from time to time and, on the requisition of Members pursuant to the provisions of the Act, shall forthwith proceed to convene a general meeting in accordance with the provisions of the Act. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or any Member of the Company may call a general meeting.
- 11.2 General meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if is so agreed by a majority in number of the Members having a right to attend and vote being a majority together holding not less than ninety per cent of the total voting rights at the meeting of all the Members.
- 11.3 The notice shall specify the time, place and date of the meeting and the general nature of the business to be transacted.
- 11.4 The notice shall be given to all Members and to the Directors and auditors of the Company.
- 11.5 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

12. PROCEEDINGS AT GENERAL MEETINGS

- 12.1 No business shall be transacted at any meeting unless a quorum is present. One-third (rounded up to the nearest whole number) of persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation shall be a quorum.
- 12.2 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Directors may determine.

- 12.3 The Chairman, if any, of the Board or in his absence some other Director nominated by the Directors shall preside as chairman of the meeting, but if neither the Chairman nor such other Director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he/she shall be chairman.
- 12.4 If no Director is willing to act as chairman, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present and entitled to vote shall choose one of their number to be chairman.
- 12.5 A Director, notwithstanding that he/she is not a Member, shall be entitled to attend and speak at any general meeting.
- 12.6 The chairman of the meeting may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
- 12.7 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
- 12.7.1 by the chairman of the meeting; or
 - 12.7.2 by at least two Members having the right to vote at the meeting; or
 - 12.7.3 by a Member or Members representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting; and
 - 12.7.4 a demand by a person as proxy for a Member shall be the same as a demand by the Member.
- 12.8 Unless a poll is duly demanded a declaration by the chairman of the meeting 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 the votes recorded in favour of or against the resolution.
- 12.9 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman of the meeting and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 12.10 A poll shall be taken as the chairman of the meeting directs and he/she may appoint scrutineers (who need not be Members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

12.11 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman of the meeting directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

12.12 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

13. VOTES OF MEMBERS

13.1 On a show of hands every Member present in person or by proxy shall have one vote.

13.2 On a poll every Member present in person or by proxy shall have one vote.

13.3 A Member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, guardian or other person authorised in that behalf appointed by that court, and any such receiver, guardian or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote shall be deposited at the Company's registered office, or at such other place as is specified in accordance with the Articles for the deposit of instruments of proxy, before the commencement of the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

13.4 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

13.5 The appointment of a proxy shall be executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve):

"The Archie Foundation

I/We,, of, being a Member/Members of the above-named company, hereby appoint of, or failing him/her, of, as my/our proxy to vote in my/our name[s] and on my/our behalf at the general meeting of the Company to be held on 20...., and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No. 1 [*Insert brief details of resolution*] *for *against

Resolution No. 2 [*Insert brief details of resolution*] *for *against

*Delete as appropriate

Signed on 20....”

Unless otherwise instructed, the proxy may vote as he/she thinks fit or abstain from voting.

- 13.6 The appointment of a proxy shall be invalid unless it is received (together with such evidence as the Directors may require in relation to any authority under which it is executed by the Company) before the commencement of the meeting or adjourned meeting which the proxy is to attend or the time appointed for taking the poll in which the proxy is to vote.

- 13.7 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at its registered office or at such other place at which the instrument of proxy was duly deposited or, where the appointment of the proxy was contained in an electronic form, at the address at which such appointment was duly received before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

- 13.8 The proceedings at any general meeting or on the taking of any poll shall not be invalidated by reason of any accidental informality or irregularity (including any accidental omission to give or any non-receipt of notice) or any want of qualification in any of the persons present, or voting, or by reason of any business being considered which is not specified in the notice, unless such specification is a requirement of the Act.

14. **TELEPHONE AND VIDEO CONFERENCE ETC. MEETINGS**

Subject to the provisions of these Articles, a Member may participate in a general meeting of the Company by means of conference telephone, video conferencing facilities or similar communications equipment whereby all the Members participating in the meeting can hear each other and the Members participating in a meeting in this manner shall be deemed to be present in person at such a meeting.

15. **DIRECTORS**

The number of Directors shall be not less than two and not subject to any maximum number. The Company may by ordinary resolution set a maximum number of Directors or increase or reduce said maximum number.

16. **ALTERNATE DIRECTORS**

The Directors may not appoint alternate directors.

17. **POWERS OF DIRECTORS**

- 17.1 Subject to the provisions of the Act, 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. No alteration of these Articles and no such direction 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. The powers given by this Article shall not be limited by any special power given to the Directors by the Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.

- 17.2 The Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

- 17.3 All powers and actings by the Directors shall be restricted by and subject to Article 7 of these Articles.

18. **DELEGATION OF DIRECTORS' POWERS**

Subject to the provisions of these Articles, the Directors may delegate any of their powers to any committee consisting of one or more Directors. They may also delegate to the Chairman such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more Members shall be governed by the Articles regulating the proceedings of Directors so far as they are capable of applying.

19. **APPOINTMENT AND RETIREMENT OF DIRECTORS**

- 19.1 Subject to Articles 19.2 to 19.5 inclusive, the Company may by ordinary resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director.

- 19.2 Where there are more nominations than vacancies the Board shall hold an election at the next Board meeting to decide, on the basis of most votes cast, which of the nominees is to be appointed to fill the vacancy or vacancies (as the case may be). Any election to be held in pursuance of this article shall be conducted in accordance with rules made by the Board for such purpose or as otherwise may be determined by ordinary resolution of the Company. Where the number of nominations is the same as or less than the number of vacancies the Company may by ordinary resolution appoint any or all such nominated individuals to the vacant Director positions.

- 19.3 Subject to the provisions of these Articles, three of the Directors shall retire at the conclusion of the Board meeting held after six years from the date of adoption of these Articles and at the conclusion of the Board meeting held every six years thereafter. The three Directors to retire shall, subject to Article 19.4 below, be those who offer themselves up for retiral, failing which they shall be determined by lot or by way of a secret ballot of the Directors.

- 19.4 Notwithstanding Article 19.3 above:

- 19.4.1 the Treasurer shall not retire until the conclusion of the annual general meeting in the seventh year and at the conclusion of the Board meeting held every seven years thereafter; and

- 19.4.2 the Chairman shall not retire until the conclusion of the annual general meeting in the eighth year and at the conclusion of the Board meeting held every eight years thereafter.

- 19.5 If a Director has served at least six years as a Director (or in the case of the Treasurer, seven years as a Director or in the case of the Chairman, eight years as a Director), he/she shall not be eligible for appointment as a Director for a period of one year commencing on the expiry of his/her retiral as a Director and ending on the first anniversary thereof.

20. **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

- 20.1 The office of a Director shall be vacated if:

- 20.1.1 he/she ceases to be a Director by virtue of any provision of the Act or he/she becomes prohibited by law from being a Director or a charity trustee (within the meaning of the 2005 Act); or
- 20.1.2 he/she becomes bankrupt or is sequestrated or makes any arrangement or composition with his creditors generally; or
- 20.1.3 a registered medical practitioner who is treating him/her gives a written opinion to the company stating that he/she has become physically or mentally incapable of acting as a director and may remain so for more than three months; or
- 20.1.4 by reason of their mental health, a court makes an order which wholly or partly prevents him/her from personally exercising any powers or rights which he/she would otherwise have; or
- 20.1.5 he/she resigns his office by notice to the Company;
- 20.1.6 he/she shall for more than six consecutive months have been absent (without permission of the Directors) from meetings of Directors held during that period and the Directors resolve that their office be vacated;
- 20.1.7 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 their duties under Section 66(1) or (2) of the 2005 Act or actings that could result in the Company not continuing to qualify as charitable; or
- 20.1.8 he/she is removed from office by an ordinary resolution passed in accordance with the Act.

- 20.2 A resolution under Article 20.1.7 shall be valid only if:-

- 20.2.1 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;
- 20.2.2 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

- 20.2.3 at least two thirds (to the nearest round number) of the Directors (excluding for this purpose the Director who is the subject matter of the resolution) vote in favour of the resolution.

21. REMUNERATION OF DIRECTORS

Except as provided for in Article 4.3, the Directors shall not be entitled to receive any remuneration in respect of their office as Directors and shall not be employees of the Company.

22. DIRECTORS' EXPENSES

The Directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors or general meetings of the Company.

23. DIRECTORS' INTERESTS

- 23.1 Subject always to the Act, the 2005 Act, and these Articles, and provided that the matter has been disclosed to and authorised by the Directors in accordance with section 175 of the Act or by resolution of the Members, a Director may be in any situation in which he/she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which he/she would otherwise be under a duty to avoid pursuant to section 175 of the Act and he/she shall not be accountable to the Company for any profit, remuneration or benefit realised by or accruing to him/her on consequence of any such situation, and no transaction or arrangement shall be liable to be avoided, by reason of his/her office or of the fiduciary relationship thereby established.
- 23.2 Any authorisation pursuant to Article 23.1 shall be for such duration and subject to such terms and conditions as Directors or Members (as the case may be) shall determine and may be varied or terminated at any time. In particular, but without limitation, any such authorisation may (but need not) provide that:-
- 23.2.1 if the Director has obtained any information, otherwise than as a Director of the Company, in respect of which he/she owes a duty of confidentiality to another person, the Director is under no obligation to disclose such information to the Company or to use or apply such information in performing his/her duties as a Director of the Company where to do so would be a breach of that duty of confidentiality; and/or
- 23.2.2 the Director shall not be given any information relating to the matter which has been authorised; and/or
- 23.2.3 the Director shall not be counted in the quorum present nor shall he/she be entitled to deliberate and vote at any meeting of the Directors in respect of any resolution relating to that matter.
- 23.3 A Director shall not be counted in the quorum present nor shall he/she be entitled to deliberate and vote at any meeting of the Directors:-
- 23.3.1 in respect of any resolution to authorise a matter pursuant to Article 23.1; or

- 23.3.2 in respect of any resolution relating to a matter which has been authorised pursuant to Article 23.1 where the terms of that authorisation do not permit this; or
- 23.3.3 in respect of any other resolution in which he/she has an interest unless:-
- (a) his/her interest cannot reasonably be regarded as likely to give rise to a conflict of interest, or
 - (b) he/she has disclosed the nature and extent of his interest to the other Directors (to the extent that they are not already aware of it).
- 23.4 For the avoidance of doubt, Article 23.1 shall not apply to a conflict of interest arising in relation to a transaction or arrangement with the Company.
- 23.5 The Company may (subject to the 2005 Act) by ordinary resolution suspend or relax to any extent, either generally or in relation to any particular matter, the provisions of Article 23.3.
- 23.6 If a question arises at a meeting of Directors or at a meeting of a committee of Directors to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting. The ruling of the chairman of the meeting in relation to any Director other than himself/herself shall be final and conclusive.
- 23.7 Any reference in these Articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties.

24. CONDUCT OF DIRECTORS

It is the duty of each Director of the Company to take decisions (and exercise his/her 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 purposes (as set out in Article 2) and be in the interests of the Company, 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.

25. PROCEEDINGS OF DIRECTORS

- 25.1 Subject to the provisions of these Articles and the Act, the Directors may regulate their proceedings as they think fit. A Director may call a meeting of the Directors. Notice of meetings shall be given to each Director, but need not be in writing. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the Meeting shall have a second or casting vote.
- 25.2 The quorum for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be two.
- 25.3 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting or of admitting persons to Membership.

- 25.4 The Directors may appoint one of their number to be the Chairman of the Board and may at any time remove him from that office. Unless he is unwilling to do so, the Director so appointed shall preside at every meeting of Directors at which he/she is present. If there is no Director holding that office, or if the Director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be chairman of the meeting.
- 25.5 All acts done by a meeting of Directors, or of a committee of Directors, or by a person acting as a Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were 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.
- 25.6 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 it if had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors; but a resolution signed by an alternate Director need not also be signed by his/her appointor and, if it is signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director in that capacity.
- 25.7 If a question arises at a meeting of Directors or 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 chairman of the meeting and his/her ruling in relation to any Director other than himself/herself shall be final and conclusive.
- 25.8 Subject to the provisions of these Articles, a Director may participate in a meeting of the Board or a committee of the Board by means of conference telephone or similar communications equipment whereby all the Directors participating in the meeting can hear each other and the Directors participating in a meeting in this manner shall be deemed to be present in person at such meeting.
26. **ACCOUNTS AND INDEPENDENT EXAMINATION/AUDIT**
- 26.1 No Member (not being a Director) 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 authorised by the Directors or by ordinary resolution of the Company.
- 26.2 The Directors shall comply with the provisions of the Charities Accounts (Scotland) Regulations 2006 (or any statutory modification or re-enactment of them). No chartered accountant (or firm) or independent examiner shall be considered ineligible for appointment as auditors or independent examiner of the Company by reason only of the fact that one of the Directors may be a principal, partner, member or director of the partnership, limited liability partnership or company as the case may be. The chartered accountant (or firm) or independent examiner shall have access to all papers, books, vouchers, accounts and documents relating to the Company.
27. **NOTICES**
- 27.1 Any notice to be given to or by any person pursuant to the Articles (other than a notice calling a meeting of the Directors) shall be in writing or shall be given using

electronic means to an address for the time being notified for that purpose to the person giving the notice.

- 27.2 The Company may give any notice to a Member either personally or by sending it by post in a prepaid envelope addressed to the Member at their registered address or by leaving it at that address or by giving it using electronic means to an address for the time being notified to the Company by the Member. A Member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him/her, or an address to which notices may be sent using electronic means, shall be entitled to have notices given to him/her at that address, but otherwise no such Member shall be entitled to receive any notice from the Company.
- 27.3 A Member present, either in person or by proxy, 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.
- 27.4 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice sent or applied by electronic means was transmitted to the proper address shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 24 hours after the envelope containing it was posted or, in the case of a notice contained in the case of a notice sent or supplied by electronic means, at the expiration of 24 hours after the time it was sent.

28. **INDEMNITY**

Subject to the provisions of the Act, but without prejudice to any indemnity to which a Director may otherwise be entitled, every director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of their office or otherwise in relation thereto, provided that this Article shall not operate to provide an indemnity against any liability attaching to a director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company except as permitted by the Act.

29. **DISSOLUTION OR WINDING UP**

If the Company is to be wound up or dissolved or if at any time it appears to the Directors that the property of the Company is of such size that there is no reasonable prospect of the company property or some part of it being required, either as source of income or for payment or application as capital, in any future year or years for the purposes of the Company, or it appears to the Directors that the Company cannot continue to serve a useful purpose or that its property could be more suitably and effectively applied, the Directors may decide that the Company property or such part of it, shall be transferred or made over to such charitable institution(s), trust(s), fund(s) or other recipient(s) (having purposes which are charitable only) as the Directors shall decide, subject to the satisfaction of debts and liabilities and to the provisions of Articles 2 and 7. For the avoidance of doubt, the Directors' decision is subject to any requirement to seek consent under the 2005 Act.