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COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL

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ARTICLES OF ASSOCIATION  
of  
NEW CABRACH DEVELOPMENTS LIMITED

Adopted by Special Resolution on 21 January 2013

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26/01/2013

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

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**ARTICLES OF ASSOCIATION**  
  
**of**  
  
**NEW CABRACH DEVELOPMENTS LIMITED**  
**(the "Company")**

**1 EXCLUSION OF MODEL ARTICLES**

None of the regulations contained in the Companies (Model Articles) Regulations 2008 apply to the Company and these articles alone are the articles of association of the Company.

**2 INTERPRETATION**

**2.1** In these articles, unless the context requires otherwise:

"**Act**" means the Companies Act 2006;

"**Articles**" means these articles of association;

"**Bankruptcy**" includes individual insolvency proceedings in a jurisdiction other than England and Wales, Scotland or Northern Ireland which have an effect similar to that of bankruptcy;

"**Chairman**" has the meaning given in article 16.2;

"**Charities Legislation**" means the Charities and Trustees Investment (Scotland) Act 2005;

"**Companies Acts**" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;

"**Director**" means a director of the Company, and includes any person occupying the position of director, by whatever name called;

"**Eligible Director**" means a Director who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting (but excluding any Director whose vote is not to be counted in respect of a particular matter);

"**Member**" means a member of the Company from time to time;

"**Objects**" means the objects of the Company set out in article 5;

"**Proxy Notice**" has the meaning given in article 38;

"**Relevant Director**" has the meaning in article 46;

**"Relevant Loss"** has the meaning in article 46;

**"Taxes Acts"** means the Finance Act 2010 and references made therein to the Charities Act 2006 and the relevant tax legislation in force.

- 2.2 References in these Articles to the expression "charitable" or "charitable purpose" shall mean a charitable purpose under section 7 of the Charities and Trustees Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the applications of the Taxes Act and the expression "charitable body" or "charitable institution(s)" shall mean a body on the Scottish Charity Register which is also regarded as a charity in relation to the application of the Taxes Act.
- 2.3 References in these Articles to a document includes, unless otherwise specified any document sent or supplied in electronic form.
- 2.4 References in these Articles to **"writing"** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.
- 2.5 Unless the context otherwise requires:
- (i) words importing the singular include the plural and vice versa;
  - (ii) words importing any gender include all other genders; and
  - (iii) words importing natural persons include corporations.
- 2.6 Words or expressions contained in these Articles which are defined in the Act have the same meaning as in the Act in force on the date of adoption of these Articles including the following words which are defined in the following sections of the Act:

<b>Word(s)/Expression</b>	<b>Section number in Act</b>
electronic form	Section 1168
hard copy form	Section 1168
ordinary resolution	Section 282
special resolution	Section 283
working day	Section 1173
connected	Sections 252 to 256

- 2.7 A reference to an article by number is to the relevant article of these Articles.
- 2.8 Headings used in these Articles shall not affect their construction or interpretation.
- 2.9 References to any statute or section of a statute shall include reference to any statutory amendment, extension, modification or re-enactment of such statute or section of a statute.

### **3 LIABILITY OF MEMBERS AND WINDING UP**

3.1 The liability of each Member is limited to £1. Every Member must contribute £1 to the assets of the Company if it is wound up while he is a Member or within one year after he ceases to be a Member, for:

- (a) payment of the debts and liabilities of the Company contracted before he ceased to be a Member; and
- (b) the costs, charges and expenses of winding up; and
- (c) for the adjustment of the rights of the contributories among themselves.

3.2 If upon a winding up or dissolution of the Company and after satisfaction of its debts, there remains any assets or property, such assets or property must be given or transferred to some other body or charitable institution (whether incorporated or not) whose objects are similar to the Objects and whose constitution prohibits the distribution of its income and property among its or their Members to the extent at least as great as is imposed on the Company under article 5.

3.3 The Members must, prior to the dissolution of the Company, determine the identity of the body or institution referred to in article 3.2.

### **4 DIRECTORS' GENERAL AUTHORITY**

Subject to article 5, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company set out in article 6.

### **5 COMPANY'S OBJECTS**

The objects and purposes for which the Company is established are wholly charitable and are to facilitate rural regeneration, for public benefit, within and around the Cabrach area, including the advancement of education and the arts, heritage and culture through the following activities:

5.1 The development and operation of an educational visitor centre explaining the history and heritage of whisky distilling in the local area, all with the intention of attracting and educating people visiting the Cabrach area or who live locally.

5.2 Providing training and education (particularly for those living in the Cabrach area) on a wide range of vocational skills with, among other things, the aim to create, preserve and maintain traditional skills and techniques that have historically been used in rural Scotland.

5.3 Promoting the operation and/or support of other charitable projects and programmes for the benefit of the community, and particularly that will be valuable to those living in the local area.

### **6 POWERS**

6.1 In furtherance only of the foregoing objects (but not otherwise), the Company has the following powers:

- 6.1.1 to seek recognition by the Office of the Scottish Charity Regulator as having the status of a charity;;
- 6.1.2 to undertake and organise schemes for the raising of money, other financial support and assistance in kind, and appeals both public and private, and resulting from such schemes or appeals, to receive and accept by way of gifts, donations, covenants, legacies, bequests,

grants, sponsorship, subscriptions or otherwise money, assistance in kind and property, of any nature or description (including freehold, heritable, leasehold, moveable, real or personal, tangible or intangible property), for the purpose of furthering the Objects and to accept the same either unconditionally or subject to such conditions as may be agreed but so that no such conditions shall be inconsistent with the Objects;

- 6.1.3 to act in concert, consult or make arrangements with any company, corporation, central government department, local or public authority, society, association or other agency, body, person or organisation now or hereafter constituted with a view to promoting any of the Objects;
- 6.1.4 to receive and raise money for the purposes of the Company by borrowing on such terms and on such security as may be thought fit;
- 6.1.5 to lend or advance money or give credit with or without security to such persons and companies and on such terms as may be thought fit and to guarantee and/or give security for the payment of money by, or the performance of obligations of any kind (including without prejudice to the generality hereof the payment or repayment of principal, interest, dividends and premiums on, and any other monies due in respect of, any stocks, shares, debentures, debenture stock or other securities or borrowings) by the Company;
- 6.1.6 to invest and reinvest the funds and assets of the Company not immediately required in such securities, shares, stocks, debentures, loan stock, other investments or property, whether freehold, heritable, leasehold, moveable, real or personal, tangible or intangible or otherwise as the Directors think fit;
- 6.1.7 to form a guarantee fund or funds and to receive guarantees from public bodies, corporations, firms or other persons, whether members of the Company or not, guaranteeing sums of money for the purposes of, or in connection with, the carrying out of the objects of the Company or promoting any entertainment function or event pursuant to the Objects or any of them and defraying the expense incurred in promoting any such entertainment function or event or any loss resulting therefrom and that on such terms as the Directors may think fit, and which guarantee may be in favour of the Company or of any bank, corporation, firm or person who/which shall lend money to the Company;
- 6.1.8 to fund research and appoint third parties (including members of the Company) to carry out research projects;
- 6.1.9 to promote or establish or concur in promoting or establishing any other company or body for any purpose which may, directly or indirectly, benefit or advance the objects or interests of the Company and to acquire and hold as investments of the Company or otherwise deal with as may be considered fit any shares, stock, debentures, debenture stock or securities of any such company;
- 6.1.10 to hold conferences, meetings, lectures and exhibitions for the consideration and discussion of matters concerning or affecting or incidental to the Objects and to issue reports of proceedings of conferences, meetings, lectures and exhibitions and generally to collect, collate, exchange and publish information and advice in furtherance of the Objects;
- 6.1.11 to organise and finance education and training courses concerned with the Objects including, without limiting the generality of the foregoing, seminars, study groups, discussions and courses;
- 6.1.12 to provide and arrange facilities for travel, accommodation and catering for persons involved in the Company's activities;
- 6.1.13 to prepare, edit, print, publish, issue, acquire, sell and circulate (or to assist in the same) such books, papers, magazines, periodicals, gazettes, publications, circulars and other literary undertakings and films and other visual or audio aids as the Company may think desirable for the promotion of the Objects;

- 6.1.14 to establish and maintain a library and collection of literature, films, recordings and other materials relating to all things connected with or incidental to any of the Objects;
- 6.1.15 to apply for, purchase or otherwise acquire and protect any patents, patent rights, know-how, concessions and other intellectual property rights which may appear likely to be advantageous or useful for the furtherance of the Objects and to deal with or dispose of such intellectual property rights as the Directors from time to time direct;
- 6.1.16 to apply for and hold all necessary permissions, licences and authorities which are necessary or desirable for or in connection with the carrying out of the Company's activities;
- 6.1.17 to enter into agreements and arrangements with international, national and local authorities and other bodies and persons;
- 6.1.18 to operate, carry on and supply any ancillary businesses or services necessary or desirable in connection with the Company's activities;
- 6.1.19 to draw, make, accept, endorse, discount, execute and issue cheques, promissory notes, bills of exchange, warrants, debentures and other negotiable or transferable instruments;
- 6.1.20 to purchase, develop, take on, lease, or otherwise acquire and hold, sell, exchange, feu lease, mortgage, charge, hire or otherwise deal with or dispose of any lands, houses, buildings, equipment, goods and other property whether freehold, heritable, leasehold, moveable, real or personal, tangible or intangible or otherwise, and any rights or privileges necessary or convenient for the purposes of the Company and to erect, construct, lay down, enlarge, alter and maintain and from time to time renew any buildings and other works necessary or convenient for the purposes of the Company;
- 6.1.21 for the benefit of any persons who are or shall have been, at any time, in the employment or service of the Company and/or the spouses and surviving spouses, families or dependants of such persons;
  - (a) to grant, pay or provide or procure the grant, payment or provision of donations, allowances, pensions or emoluments to and to procure the establishment and maintenance of or participate in, or contribute to any non-contributory or contributory pension or superannuation fund or arrangement or life assurance scheme or arrangement;
  - (b) to establish, subsidise, subscribe to or support or procure the establishment or subsidy of or subscription to any institution, associations, clubs, funds or trusts; and
  - (c) to make payments for or towards the insurance of any such persons as aforesaid in respect of the performance of their duties to the Company; and
- 6.1.22 to do or procure to be done any of the matters referred to in articles 6.1.1 to 6.1.21 by the Company either alone or in conjunction with any other company or person;
- 6.1.23 to employ or engage all such officers, employees, consultants, advisers and agents as may be required for the purposes of the Company;
- 6.1.24 to undertake and execute any charitable trusts, gratuitously or otherwise, the undertaking or execution of which may be incidental to the attainment of the objects of the Company or any of them;
- 6.1.25 to amalgamate with or affiliate to the Company or acquire the assets of any company, society, institution, public body (including any local authority) or person having any objects similar to those of the Company in such manner and that on such terms and conditions as may be found expedient and as may be approved by the Company in general meeting, and/or to sell or otherwise dispose of the whole or any part of the property, undertaking and



assets of the Company to any such company, society, institution, public body (including any local authority) or person and that in such manner and that on such terms and conditions as may be approved by the Company in general meeting;

- 6.1.26 to enter into any agreements and/or arrangements with any government or authority, national, supreme, municipal, local or otherwise and to obtain from any such government or authority any rights, concessions, privileges that may seem to further any or all of the Objects;
- 6.1.27 to enter into partnership or into any arrangement for joint, shared or mutual promotion, investment or development, union of interests, reciprocal concessions or co-operation with any person, partnership or company carrying on, engaged in or about to carry on or engage in any business or transaction which the Company is authorised to carry on or engage in or any business capable of being conducted so as to directly or indirectly further the objects of the Company and to take or otherwise acquire and hold shares or stock in or securities of, and to make grants to or otherwise assist any person, partnership or company and to sell, hold, re-issue with or without guarantee or otherwise deal with such shares, stock or securities;
- 6.1.28 to make such charge for any of its services as the Company thinks fit including, without prejudice to the foregoing generality, interest charges on loans made by the Company;
- 6.1.29 to pay any or all expenses incurred in connection with the promotion, formation, incorporation, conduct and winding up of the Company and to contract with any person to pay the same;
- 6.1.30 to effect insurance of any kind (which may include officers' liability insurance);
- 6.1.31 to carry on any other activity which may seem to the Company capable of being conveniently carried on in connection with any activity which the Company is authorised to carry on or may seem to the Company calculated directly or indirectly to benefit the Company or to enhance the value of or render profitable any of the Company's properties or rights;
- 6.1.32 to do all such other acts and things as may be incidental or conducive to the attainment of the objects of the Company or any of them, **PROVIDED** that:
  - (a) if the Company holds any property which may be subject to any trusts, the Company must only deal with or invest the same in such manner as allowed by law, having regard to such trusts;
  - (b) the Objects do not extend to the regulation of relations between workers and employers or organisations of workers and organisations of employers;

- 6.2 These Articles must be read and interpreted as if an overriding qualification is contained in these Articles to the effect that no expenditure of income by the Company is permitted for any purpose other than charitable purposes, and that in all cases in which activities permitted by the Objects are in their nature capable of being exercised for purposes which are not charitable or only partially so, as well as for purposes which are wholly charitable, the powers exercisable by the Company in furtherance of the Objects are to be held to limit such activities to those which will not prejudice the charitable status of the Company.

## 7 **DIVIDENDS**

Without prejudice to the generality of article 6.2, none of the income or property of the Company may be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit, to any Member.

**8 MEMBERS' RESERVE POWER**

- 8.1 The Members may, by special resolution, direct the Directors to take, or refrain from taking, specified action.
- 8.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

**9 DIRECTORS MAY DELEGATE**

- 9.1 The Directors may delegate any of the powers which are conferred on them under these Articles:

- (a) to such person or committee;
- (b) by such means (including by power of attorney);
- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions;

as they think fit.

- 9.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.
- 9.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

**10 COMMITTEES**

- 10.1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by Directors.
- 10.2 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

**11 DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

- 11.1 The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with article 12.

- 11.2 If:

- (a) the Company only has one Director, and
- (b) no provision of these Articles requires it to have more than one Director,

the general rule does not apply and the sole Director may take decisions without regard to any of the provisions of these Articles relating to Directors' decision-making.

- 11.3 All acts done by a meeting of Directors, or a committee of Directors or by any Director shall be valid notwithstanding the participation in any vote of a Director who:

- (a) was not entitled to vote on the matter, whether by reason of conflict of interest or otherwise;

- (b) as a result of a defect in the appointment of such Director such Director had not been properly appointed; or
- (c) was disqualified from holding office; or
- (d) had been obliged by these Articles to vacate office or had previously retired,

if without the vote of that Director and that Director being counted in the quorum the decision has been made by a majority of the Directors at a quorate meeting.

- 11.4 A decision of the Directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 11.5 Such a decision may take the form of a resolution in writing, where each Director has one or more copies of it or to which each Eligible Director has otherwise indicated agreement in writing.
- 11.6 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at a Directors' meeting.

## **12 DECISIONS NOT TAKEN AT A MEETING**

- 12.1 A decision of the Directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 12.2 Such a decision may take the form of a resolution in writing, where each Director has one or more copies of it or to which each Eligible Director has otherwise indicated agreement in writing.
- 12.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at a Directors' meeting.

## **13 CALLING A DIRECTORS' MEETING**

- 13.1 Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the company secretary (if any) to give such notice.
- 13.2 Notice of any Directors' meeting must indicate:
  - (a) its proposed date and time;
  - (b) where it is to take place; and
  - (c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 13.3 At least seven days' notice of a Directors' meeting must be given to each Director. Notice of a Directors' meeting must be given to each Director, but need not be in writing.
- 13.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

14      **PARTICIPATION IN DIRECTORS' MEETINGS**

14.1      Directors participate in a Directors' meeting, or part of a Directors' meeting, when:

- (a)      the meeting has been called and takes place in accordance with these Articles, and
- (b)      the Directors can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

14.2      In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.

14.3      If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

15      **QUORUM FOR DIRECTORS' MEETINGS**

15.1      At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

15.2      The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors, but it must never be less than two, and unless otherwise fixed it is two.

15.3      If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision:

- (a)      to appoint further Directors, or
- (b)      to call a general meeting so as to enable the Members to appoint further Directors.

16      **CHAIRING OF DIRECTORS' MEETINGS**

16.1      The Directors may appoint a Director to chair their meetings.

16.2      The person so appointed for the time being is known as the "**Chairman**".

16.3      The Directors may terminate the Chairman's appointment at any time.

16.4      If the Chairman is not participating in a Directors' meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.

17      **CASTING VOTE**

If the numbers of votes for and against a proposal are equal, the Chairman or other Director chairing the meeting has a casting vote unless the Chairman or other Director is not to be counted as participating in the decision-making process for quorum or voting purposes.

18      **CONFLICTS OF INTERESTS**

18.1      Each of the Directors shall, in exercising his functions in his capacity as a Director, act in the interests of the Company, and in particular must:-

- (a)      act in good faith in a way that would be most likely to promote the success of the Company to the benefit of the purposes of the Company;
- (b)      seek, in good faith, to ensure that the Company acts in a manner which is consistent with and furthers its purposes;

- (c) act with such care and diligence as is reasonable to expect a person who is managing the affairs of another person, having regard in particular:
    - (i) to any special knowledge or experience that he has or holds himself out as having, and
    - (ii) if he acts in the course of a business or profession, to any special knowledge or experience that it is reasonable to expect of a person acting in the course of that kind of business or profession; and
  - (d) ensure that the Company complies with any direction, requirement, notice or duty imposed on it by the Act, the Charities Legislation or any other law.
- 18.2 Where there are circumstances capable of giving rise to a conflict of interest between the Company and any person or entity responsible for the appointment of a Director or between the Company and a Director, the Director must:-
- (a) declare the conflicting interest;
  - (b) put the interests of the Company first before that of the person responsible for the Director's appointment; or
  - (c) where any other duty prevents the Director from putting the interests of the Company first or the Director is incapable of putting the interests of the Company first:
    - (i) be absent from the meeting for the deliberation on that matter (unless expressly invited to remain in order to provide information);
    - (ii) not participate in any deliberation;
    - (iii) not be counted in the quorum for that part of the meeting; and
    - (iv) be absent during the vote and have no vote on the matter.
- 18.3 For the purposes of this article, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting.
- 18.4 If a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question must, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any Director other than the Chairman is to be final and conclusive.
- 18.5 If any question arises at a meeting of Directors or of a committee of Directors as to the right of the Chairman to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question must be decided by a decision of the Directors at that meeting, for which purpose the Chairman must not be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

## 19 RECORDS OF DECISIONS TO BE KEPT

The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors. Where decisions of the Directors are taken by electronic means, such decisions must be recorded by the Directors in permanent form so that they may be read by the naked eye.

20      **DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

Subject to these Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

21      **NUMBER AND METHODS OF APPOINTING DIRECTORS**

21.1      Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director:

- (a)      by ordinary resolution, or
- (b)      by a decision of the Directors.

21.2      If, as a result of death, the Company has no Members and no Directors, the personal representatives of the last Member to have died have the right, by notice in writing, to appoint a person to be a Director. Where two or more Members die in circumstances rendering it uncertain who was the last to die, a younger Member is deemed to have survived an older Member.

22      **TERMINATION OF DIRECTOR'S APPOINTMENT**

A person ceases to be a Director as soon as:

- (a)      that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law; or
- (b)      a bankruptcy order is made against that person; or
- (c)      a composition is made with that person's creditors generally in satisfaction of that person's debts; or
- (d)      a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months; or
- (e)      by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or
- (f)      notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms; or
- (g)      he resigns from office by notice in writing to the Company.

23      **DIRECTORS' EXPENSES**

The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:

- (a)      meetings of Directors or committees of Directors; or
- (b)      general meetings,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

**24 COMPANY SECRETARY**

The Company is not required to have a company secretary.

**25 ACCOUNTS**

25.1 For each financial year, the Directors shall:-

25.1.1 cause accounting records to be kept as required by the Act and the Charities Legislation;

25.1.2 cause a statement of account to be prepared as required by the Act and the Charities Legislation;

25.1.3 cause a report on the activities of the Company to be prepared;

25.1.4 have the accounting records independently audited examined or audited as required by the Charities Legislation; and

25.1.5 cause the accounting records and statements of accounts to be preserved for a period of 6 years from the end of the financial year to which they relate.

25.2 The Directors shall cause the statement of account, activities report and auditor's report to be sent to the Office of the Scottish Regulator (or such other equivalent regulatory body as is in place from time to time) in accordance with the Charities Legislation.

**26 APPLICATIONS FOR MEMBERSHIP**

26.1 Subject to article 26.2, no person shall become a Member of the Company unless:

(a) that person has completed an application for membership in a form approved by the Directors, and

(b) the Directors have approved the application.

26.2 The Directors have absolute discretion as to the admission of any Member. Each application for membership must be considered at the first meeting of the Directors which takes place after receipt of such application and the Directors must notify the applicant of their decision on the application within a reasonable time after such meeting.

**27 TERMINATION OF MEMBERSHIP**

27.1 A Member may withdraw from membership of the Company by giving seven days' notice to the Company in writing.

27.2 Membership is not transferable.

27.3 A person's membership terminates when:

(a) he ceases to be a Director for whatever reason; or

(b) he dies; or

(c) the organisation he represents ceases to exist; or

(d) a bankruptcy order is made against him; or

(e) a composition is made with that person's creditors generally in satisfaction of that person's debts; or

- (f) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or
- (g) if the Member is an unincorporated body, trust or other organisation or institution and is wound up or otherwise dissolved.

## **28 ANNUAL GENERAL MEETING**

The Company may, but is not required to, hold an Annual General Meeting each calendar year.

## **29 NOTICE OF GENERAL MEETINGS**

The notice of a general meeting of the Company must state:

- (a) the time and date of the meeting;
- (b) the place of the meeting; and
- (c) the general matters of the business to be transacted.

## **30 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

- 30.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 30.2 A person is able to exercise the right to vote at a general meeting when:
  - (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 30.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 30.4 In determining attendance at a general meeting, it is immaterial whether any two or more Members attending it are in the same place as each other.
- 30.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

## **31 QUORUM FOR GENERAL MEETINGS**

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. The quorum at any general meeting of the Company shall be two Members present in person or by proxy or by corporate representative save where the Company only has one Member in which case the quorum shall be one person present in person or by proxy or by corporate representative.



**32 CHAIRING GENERAL MEETINGS**

32.1 If the Directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

32.2 If the Directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

(a) the Directors present, or

(b) (if no Directors are present), the meeting,

must appoint a Director or Member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

32.3 The person chairing a meeting in accordance with this article is referred to as the "**chairman of the meeting**".

**33 ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS**

33.1 Directors may attend and speak at general meetings, whether or not they are Members.

33.2 The chairman of the meeting may permit other persons who are not Members of the Company to attend and speak at a general meeting.

**34 ADJOURNMENT**

34.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

34.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

(a) the meeting consents to an adjournment, or

(b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

34.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

34.4 When adjourning a general meeting, the chairman of the meeting must:

(a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors, and

(b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

34.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):

(a) to the same persons to whom notice of the company's general meetings is required to be given, and

(b) containing the same information which such notice is required to contain.

- 34.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

35 **VOTING: GENERAL**

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

36 **ERRORS AND DISPUTES**

- 36.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

- 36.2 Any such objection must be referred to the chairman of the meeting whose decision is final.

37 **POLL VOTES**

- 37.1 A poll on a resolution may be demanded:

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

- 37.2 A poll may be demanded by:

- (a) the chairman of the meeting;
- (b) the Directors;
- (c) two or more persons having the right to vote on the resolution; or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the Members having the right to vote on the resolution.

- 37.3 A demand for a poll may be withdrawn if:

- (a) the poll has not yet been taken, and
- (b) the chairman of the meeting consents to the withdrawal.

- 37.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

38 **CONTENT OF PROXY NOTICES**

- 38.1 Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which:

- (a) states the name and address of the Member appointing the proxy;
- (b) identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and
- (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

- 38.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 38.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 38.4 Unless a proxy -notice indicates otherwise, it must be treated as:
- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
  - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

#### **39 DELIVERY OF PROXY NOTICES**

- 39.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- 39.2 An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 39.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 39.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

#### **40 AMENDMENTS TO RESOLUTIONS**

- 40.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
  - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 40.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 40.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

**41 NOTICES AND COMMUNICATION**

- 41.1 The Company may send, supply or give any document, information or notice to a Member by hard copy, electronic form or by making that document or information available on a website and giving notice of the availability of that document or information to the relevant Member (provided that Member has individually agreed (or is deemed to have agreed) to the Company sending or supplying documents or information generally or those documents or information in question to him by means of a website), in each case subject to the provisions of sections 1143 to 1148 and Schedule 5 of the Act.
- 41.2 A notice given by means of a website shall be deemed to have been sent, supplied or given when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.
- 41.3 Any document, information or notice which is required to be sent or given to the Company shall be sent by hard copy or electronic form in each case, subject to the provisions of sections 1143 to 1148, Schedule 4 and Schedule 5 of the Act.
- 41.4 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
  - (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
  - (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
  - (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article, no account shall be taken of any part of a day that is not a working day.

- 41.5 Proof that an envelope containing a document, notice or information was properly addressed, prepaid and posted shall be conclusive evidence that the document, notice or information was sent, supplied or given by post. A comprehensive transaction report or log generated by fax machine, suitably certified by or on behalf of the Company, shall be conclusive evidence that a document, notice or information was sent, supplied or given by fax. A copy of a record of the total number of recipients sent to or each recipient to whom an e-mail message was sent together with any notices of failed transmissions and copies of records of subsequent re-sending, suitably certified by or on behalf of the Company, shall be conclusive evidence that the document, notice or information was sent, supplied or given by e-mail.
- 41.6 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

41.7 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

41.8 Any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.

#### **42 MEANS OF COMMUNICATION TO BE USED**

42.1 Subject to the articles, anything sent or supplied by or to the Company under the articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company.

42.2 Subject to the articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.

42.3 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

#### **43 COMPANY SEALS**

43.1 Any common seal may only be used by the authority of the Directors.

43.2 The Directors may decide by what means and in what form any common seal is to be used.

43.3 Unless otherwise decided by the Directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

43.4 For the purposes of this article, an authorised person is:

- (a) any Director;
- (b) the company secretary (if any); or
- (c) any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

#### **44 NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

Except as provided by law or authorised by the Directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a Member.

#### **45 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS**

The Directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a Director or former Director or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

46        **INDEMNITY AND INSURANCE**

46.1       Subject to article 46.2, but without prejudice to any indemnity to which he is otherwise entitled, a Relevant Director may be indemnified out of the Company's assets against:

- (a)       any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company; and/or
- (b)       any other liability incurred by that Director as an officer of the Company or an associated company.

46.2       This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

46.3       The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Director in respect of any Relevant Loss.

46.4       In this article:

- (a)       a "**Relevant Director**" means any Director or former Director of the Company; and
- (b)       a "**Relevant Loss**" means any loss or liability which has been or may be incurred by a Relevant Director in connection with that Director's duties or powers in relation to the Company.