

THE COMPANIES ACT 1985
COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE
CAPITAL

ARTICLES
of ASSOCIATION

of

CULTURE AND SPORT GLASGOW
(as altered by decision of the sole member
passed on 4 September 2008)



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for and on behalf of Burness LLP
Secretary

THE COMPANIES ACT 1985

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Membership

- 1 The subscribers to the memorandum of association and such other bodies (if any) as are admitted to membership under articles 4 to 6 shall be the members of the company
- 2 Membership shall cease on the dissolution, winding up, striking off or receivership of the body which constituted the member or on receipt of a notice of retrial of the relevant body from membership under article 7
- 3 A member may not transfer its membership to any other individual or body

Qualifications for membership

- 4 Membership shall be open only to Glasgow City Council.

Application for membership

- 5 Any incorporated body (other than a subscriber to the memorandum of association) eligible for membership under article 4 (as amended from time to

time) which wishes to become a member shall lodge with the company a written application for membership (in such form as the directors require), the application for membership shall be signed on the relevant body's behalf by an authorised officer of that body

- 6 A body eligible for membership under article 4 shall automatically constitute a member of the company immediately upon receipt by the company of the application for membership, duly signed in accordance with article 5

Withdrawal from membership

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

Register of members

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

General meetings

- 9 *The directors shall convene an annual general meeting in each year
- 10 [⊕] Not more than 15 months shall elapse between one annual general meeting and the next
- 11 [⊕]The business of each annual general meeting shall include
- 11.1 a report by the Chair on the activities of the company;
- 11.2 consideration of the annual accounts of the company
- 12 *The directors must convene a general meeting if there is a valid requisition by members (under section 303 of the 2006 Act) or a requisition by a resigning auditor (under section 392A of the 1985 Act (for so long as it is in force) or section 518 of the 2006 Act).
- 13 *Subject to the provision of articles 9, 10 and 12, the directors may convene general meetings whenever they think fit.

* As altered by decision of the sole member dated 20 December 2007

[⊕] As inserted by decision of the sole member dated 20 December 2007

Notice of general meetings

- 14 ♦At least 14 clear days' notice of each general meeting must be given to all the members and directors, and (if auditors are in office at the time) to the auditors.
- 15 ♦The reference to "clear days" in article 14 shall be taken to mean that, in calculating the period of notice, the day after the notice is posted (or, in the case of notice sent by electronic means, the day after it was sent), and also the day of the meeting, should be excluded.
- 16 ♦A notice calling a meeting shall specify the time, date and place of the meeting, it shall (a) indicate the general nature of the business to be dealt with at the meeting, (b) if a special resolution (see article 25) or a resolution requiring special notice under the Companies Acts is to be proposed, state that fact, giving the exact terms of the resolution, and (c) contain a statement informing members of their right to appoint a proxy.
- 17 A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting
- 18 ♦Notice of every general meeting shall be given:
- 18 1 in hard copy form,
- 18 2 (where the body to which notice is given has notified the company of an address to be used for the purpose of electronic communication) in electronic form, or
- 18 3 subject to the company notifying members of the presence of the notice on the website, and complying with the other requirements of section 309 of the 2006 Act, by means of a website

Proceedings at general meetings

- 19 No business shall be transacted at any meeting unless a quorum is present, one person present and entitled to vote (being a proxy for a member or a duly authorised representative of a member which is a corporate body) shall be a quorum.
- 20 If the quorum required under article 19 is not present within half an hour after the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to such time and place as may be fixed by the chairperson of the meeting
- 21 The Chair shall (if present and willing to act) preside as chairperson of the meeting, if the Chair is not present and willing to act as chairperson of the meeting within 15 minutes after the time appointed for holding the meeting,

♦ As altered by decision of the sole member dated 20 December 2007

the directors present shall elect one of their number to act as chairperson of the meeting

- 22 If the Chair is not present and willing to act as chairperson of the meeting within 15 minutes after the time appointed for holding the meeting and there is only one director present and willing to act, he/she shall be chairperson of the meeting
- 23 Each of the directors shall, notwithstanding that he/she is not a member, be entitled to attend and speak at any general meeting.
- 24 The chairperson of the meeting may, with the consent of the meeting at which a quorum is present (and must, if the meeting requests him/her to do so), adjourn the meeting but not for a period in excess of thirty days, no notice need be given of an adjourned meeting

Special resolutions and ordinary resolutions

- 25 *For the purposes of these articles, a “special resolution” means a resolution of the members, which is either (a) passed by 75% or more of the votes cast on the resolution at a general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with articles 14 to 18 (for the avoidance of doubt, the reference to a 75% majority relates only to the number of votes cast in favour of the resolution as compared with the number of votes cast against the resolution and accordingly no account shall be taken of abstentions or members absent from the meeting), or (b) passed by members representing not less than 75% of the total voting rights of eligible members when passed by way of a written resolution, in accordance with articles 28 to 31
- 26 *In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Companies Act allow the company, by special resolution.
- 26 1 to alter its name,
- 26 2 to alter its memorandum of association with respect to the company’s objects, and
- 26 3 to alter any provision of these articles or adopt new articles of association
- 27 *For the purposes of these articles, an “ordinary resolution” means a resolution of the members, which is either (a) passed by majority vote (taking account only of those votes cast in favour as compared with those votes cast against), at a general meeting, providing proper notice of the meeting has been given in accordance with articles 14 to 18, or (b) passed by members representing a simple majority of the total voting rights of eligible members,

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when passed by way of a written resolution in accordance with articles 28 to 31.

Written resolutions

- 28 [Ⓢ]A written resolution can be passed by the members of the company (having been proposed by either the members or the directors in accordance with the procedures detailed in Chapter 2 of Part 13 of the 2006 Act) and will have effect as if passed by the members of the company in general meeting; a written resolution is passed when the required majority of eligible members have signified their agreement to it by sending to the company (in hard copy or electronic form) an authenticated document which identifies the resolution to which it relates and which indicates the member's agreement to it (which agreement cannot thereafter be revoked).
- 29 [Ⓢ]For the purposes of the preceding article:
- 29 1 the reference to "eligible members" is to those members who would have been entitled to vote on the resolution on the circulation date of the resolution (which is either (a) the date on which copies of the written resolution are sent or submitted to the members in accordance with the procedures detailed in Chapter 2 of Part 13 of the 2006 Act; or (b) if copies are sent or submitted to members on different days, the first of those dates),
- 29 2 the reference to "required majority" is to the majority required to pass an ordinary or a special resolution under the Companies Acts, as follows
- 29 2 1 in order to pass an ordinary resolution by way of written resolution, it must be passed (in accordance with article 28) by members representing a simple majority of the total voting rights of eligible members;
- 29 2 2 in order to pass a special resolution by way of written resolution, it must be passed (in accordance with article 28) by members representing not less than 75% of the total voting rights of eligible members and the resolution must specifically state that it was proposed as a special resolution
- 30 [Ⓢ]For the avoidance of doubt, a resolution to remove a director (under section 168 of the 2006 Act) or a resolution to remove an auditor (under section 391 of the 1985 Act (for so long as it is in force) or section 510 of the 2006 Act) cannot be proposed as a written resolution under article 28.
- 31 [Ⓢ]For the purposes of article 28, a proposed written resolution will lapse if it is not passed before the end of a period of 28 days beginning with the circulation date (as defined in article 29) and the agreement of any member to

[Ⓢ] As inserted by decision of the sole member dated 20 December 2007

a written resolution will be ineffective if signified after the expiry of that period.

Votes of members

32 Every member shall have one vote, which may be given either via its duly authorised representative present at the meeting or by proxy

33 *A member which wishes to appoint a proxy to vote on its behalf at any meeting

33 1 shall lodge with the company, at the company's registered office, a written instrument of proxy (in such form as the directors require), signed by an appropriate officer of the member; or

33 2 shall send by electronic means to the company at such electronic address as may have been notified to the members by the company for that purpose, an instrument of proxy (in such form as the directors require)

providing (in either case) the instrument of proxy is received by the company at the relevant address not less than 48 hours before the time for holding the meeting (or, as the case may be, adjourned meeting), for the avoidance of doubt, in calculating the 48 hour period referred to in the preceding provisions of this article 33, no account shall be taken of any part of a day that is not a working day

34 *An instrument of proxy, which does not conform with the provisions of article 33, or which is not lodged or sent in accordance with such provisions, shall be invalid

35 A member shall not be entitled to appoint more than one proxy to attend on the same occasion

36 A proxy appointed to attend and vote at any meeting instead of a member shall have the same right as the member which appointed him/her to speak at the meeting and need not be a member of the company

37 A member which is an incorporated body may authorise an individual to act as its representative at any general meeting of the company, providing particulars of the individual so authorised and of the body which he/she is to represent are received by the company prior to the commencement of the general meeting, the individual so authorised shall be entitled to exercise the same powers on behalf of the member which he/she represents as that incorporated body could exercise if it were an individual member

38 The chairperson of a meeting shall not be entitled to a casting vote if an equality of votes arises in relation to any resolution.

* As altered by decision of the sole member dated 20 December 2007

- 39 A vote given by proxy or by the duly authorised representative of a member which is an incorporated body shall be valid notwithstanding that the authority of the person voting had terminated prior to the giving of such vote unless notice of such termination was received by the company at the company's registered office (or, where contained in an electronic communication, was received by the company at the address notified by the company to the members for the purpose of electronic communication) before the commencement of the meeting or adjourned meeting at which the vote was given.

Categories of director

- 40 *For the purposes of these articles

"Partner Director" means a director appointed or re appointed under articles 43 to 47,

"Independent Director" means a director appointed or re appointed under articles 48 to 55,

"Executive Director" means a director appointed under articles 56 and 57

Number of directors

- 41 *The maximum number of directors shall be eleven; out of that number

- a maximum of six directors shall be Partner Directors
- a maximum of four directors shall be Independent Directors
- no more than one shall be the Executive Director

Composition of the board: general

- 42 *The composition of the board shall reflect the following principles:

- 42 1 except in the case of the Executive Director, an individual shall not be eligible for appointment as a director if he/she is an employee of the company,
- 42 2 the Nominations Committee shall, without displacing its primary focus on the skills that candidates would bring to the board, take account, in the course of carrying out its functions, of principles of good practice as regards equalities issues

* As altered by written resolution dated 8 February 2007

* As altered by decision of the sole member dated 20 December 2007

Appointment, removal, retirement: Partner Directors

- 43 Subject to articles 41 and 45, Glasgow City Council, so long as it remains a member of the company, may by notice in writing, signed on its behalf by an appropriate officer and given to the company:
- 43 1 appoint any elected member of Glasgow City Council who is willing so to act to be a director (a "Partner Director"); or
 - 43 2 remove any Partner Director from office as a director.
- 44 Any appointment or removal of a director under article 43 shall have effect from the date on which the relevant notice is given to the company
- 45 The powers conferred by article 43 shall be deemed to be limited such that no more than six individuals appointed by Glasgow City Council may hold office as Partner Directors at any given time.
- 46 At the conclusion of each annual general meeting, two of the Partner Directors shall vacate office but shall then be eligible for re appointment under article 43
- 47 The Partner Directors to vacate office under the provisions of article 46 shall be those who have been longest in office since they were last appointed or re appointed, as between two or more Partner Directors who were last appointed/re appointed on the same date, the question of which of them is to retire shall be determined by some random method

Appointment, removal: Independent Directors

- 48 Subject to articles 41 and 50, Glasgow City Council, so long as it remains a member of the company, may by notice in writing, signed on its behalf by an appropriate officer and given to the company
- 48 1 appoint any person (other than an elected representative or officer of Glasgow City Council) who is willing so to act to be a director (an "Independent Director"); or
 - 48 2 remove any Independent Director from office as a director.
- 49 Any appointment or removal of a director under article 48 shall have effect from the date on which the relevant notice is given to the company
- 50 *The powers conferred by article 48 shall be deemed to be limited such that
- 50 1 no more than four individuals appointed by Glasgow City Council may hold office as Independent Directors at any given time,
 - 50 2 the Independent Directors shall be appointed on the basis of their having skills and experience which, in the opinion of Glasgow City

* As altered by written resolution dated 8 February 2007

Council, would allow them to make a substantial contribution to the work of the board of directors

- 51 *Glasgow City Council shall be guided by the Nominations Committee (as defined in article 101) in relation to the selection of appropriate individuals for appointment as Independent Directors
- 52 The directors of the company shall endeavour to establish the Nominations Committee within a reasonable period after the incorporation of the company; until such time as it is established, the reference in article 51 to Glasgow City Council being guided by the Nominations Committee shall be disregarded

Retirement: Independent Directors

- 53 *Each of the Independent Directors shall (subject to article 55) hold office until the conclusion of the third annual general meeting which follows the date on which he/she was appointed or (as the case may be) was last re appointed, but shall then be eligible for re-appointment under article 48, if re appointed, he/she shall hold office until the conclusion of the third annual general meeting which follows, but will then be eligible for further re appointment under article 48.
- 54 *For avoidance of doubt
- 54 1 there shall be no limit on the number of occasions on which a given Independent Director can be re appointed under article 48,
- 54 2 Glasgow City Council shall be guided by the Nominations Committee in relation to the question of whether an Independent Director vacating office under article 53 or 55 should be re appointed
- 55 [Ⓢ]The following provisions shall apply in relation to those Independent Directors who were appointed during the period of six months after the date of incorporation of the company (“the Initial Independent Directors”)
- 55 1 At the conclusion of the second annual general meeting, two of the Initial Independent Directors shall vacate office, but shall then be eligible for re appointment under article 48,
- 55 2 The Initial Independent Directors to vacate office under the provisions of paragraph 55.1 shall be as agreed among the Initial Independent Directors at least three months prior to the second annual general meeting, or (failing agreement by that time) shall be determined by reference to the alphabetical order of their respective surnames,
- 55 3 At the conclusion of the third annual general meeting, those of the Initial Independent Directors who did not vacate office at the second

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[Ⓢ] As inserted by decision of the sole member dated 20 December 2007

annual general meeting in pursuance of paragraph 55 1 shall vacate office, but shall then be eligible for re appointment under article 48.

Executive Director

- 56 The directors shall, at the first meeting of the directors which is held after the appointment of any individual to the post of chief executive officer of the company, appoint that individual as a director ("the Executive Director") of the company
- 57 The Executive Director shall continue to hold office as a director of the company unless and until he/she ceases (for whatever reason) to hold the post of chief executive officer of the company.

Disqualification and removal of directors

- 58 A director shall vacate office if:
- 58 1 *he/she ceases to be a director by virtue of any provision of the Companies Acts or becomes prohibited by law from being a director or a charity trustee (within the meaning of the Charities and Trustee Investment (Scotland) Act 2005),
 - 58 2 he/she is sequestrated,
 - 58 3 he/she becomes incapable for medical reasons of fulfilling the duties of his/her office and such incapacity has continued, or is expected to continue, for a period of more than six months;
 - 58.4 in the case of a Partner Director, the body which appointed him/her ceases to be a member of the company;
 - 58 5 +[deleted]
 - 58 6 (except in the case of the Executive Director) he/she becomes an employee of the company;
 - 58 7 in the case of the Executive Director, he/she ceases to hold the post of chief executive officer under the company;
 - 58 8 he/she resigns office by notice to the company;
 - 58 9 he/she is absent (without permission of the directors) from more than three consecutive meetings of directors and the directors resolve to remove him/her from office,
 - 58.10 he/she is removed from office by resolution of the directors on the grounds that he/she is considered to have committed a material breach

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+ As deleted by written resolution dated 8 February 2007

of the code of conduct for directors in force from time to time (as referred to in article 70);

58 11 he/she is removed from office by resolution of the directors on the grounds that he/she is considered to have been in serious or persistent breach of his/her duties under section 66(1) or (2) of the Charities and Trustee Investment (Scotland) Act 2005, or

58 12 *he/she is removed from office by ordinary resolution (special notice having been given) in pursuance of section 168 of the 2006 Act

59 A resolution under paragraph 58.10 or 58.11 shall be valid only if

59 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,

59 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

59 3 at least two thirds (to the nearest round number) of the directors then in office vote in favour of the resolution

Appointments to offices

60 *Directors shall be appointed to hold the office of Chair and such other offices (which shall include the chair of the Audit Committee (as defined in article 105) as the directors may consider appropriate.

61 The appointments under article 60 shall be made at meetings of directors.

62 *Each office shall be held (subject to article 63) until the conclusion of the annual general meeting which next follows; a director whose period of office expires under this article may be re appointed to that office under article 60 (providing he/she is willing to act)

63 The appointment of any director as Chair, or as holder of an office under article 60, shall terminate if he/she ceases to be a director or if he/she resigns from that office by notice to the company

64 If the appointment of a director to any office under article 60 terminates, the directors shall appoint another director to hold the office in his/her place.

Directors' interests

65 *Subject to the provisions of the Companies Acts and of clause 4 of the memorandum of association and provided that he/she has disclosed to the directors the nature and extent of any personal interest which he/she has

* As altered by written resolution dated 8 February 2007

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(unless immaterial) and has complied with the code of conduct (as referred to in article 70), a director (notwithstanding his/her office):

- 65 1 may be a party to, or have some other personal interest in, any transaction or arrangement with the company or any associated company;
- 65 2 may be a party to, or have some other personal interest in, any transaction or arrangement in which the company or any associated company has an interest,
- 65 3 in the case of the Executive Director, may be employed by the company;
- 65 4 may be a director or secretary of, or employed by, or have some other personal interest in, any associated company, and
- 65 5 shall not, because of his/her office, be accountable to the company for any benefit which he/she derives from any such office or employment or from any such transaction or arrangement or from any interest in any such company,

and no such transaction or arrangement shall be liable to be treated as void on the ground of any such interest or benefit

- 66 For the purposes of the preceding article, an interest of which a director has no knowledge and of which it is unreasonable to expect him/her to have knowledge shall not be treated as an interest of his/hers, the references to "associated company" shall be interpreted as references to any subsidiary of the company or any other company in which the company has a direct or indirect interest
- 67 The directors shall procure that a register of directors' interests is maintained in accordance with the provisions in this regard contained in the code of conduct for directors referred to in article 70.

Conduct of directors

- 68 *It is the duty of each director of the company to take decisions (and exercise his/her other powers and responsibilities as a director) in such a way as he/she considers, in good faith, will be most likely to promote the success of the company in achieving its objects (as outlined in clause 3 of the memorandum of association) and be in the interest of the company, and irrespective of any office, post, engagement or other connection which he/she may have with any other body which may have an interest in the matter in question

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- 69 Without prejudice to the principle set out in article 68, each of the directors shall have a duty, in exercising functions as a charity trustee, to act in the interests of the company, and, in particular, must
- 69 1 seek, in good faith, to ensure that the company acts in a manner which is in accordance with its purposes,
 - 69 2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person,
 - 69 3 in circumstances giving rise to the possibility of a conflict of interest between the company and any party responsible for the appointment of that director
 - (a) put the interests of the company before that of the other party,
 - (b) where any other duty prevents him/her from doing so, disclose the conflicting interest to the company and refrain from participating in any deliberation or decision of the other directors with regard to the matter in question,
 - 69.4 ensure that the company complies with any direction, requirement, notice or duty imposed under or by virtue of the Charities and Trustee Investment (Scotland) Act 2005
- 70 Each of the directors shall comply with the code of conduct (incorporating detailed rules on conflict of interest) prescribed by the board of directors from time to time; for the avoidance of doubt, the code of conduct shall be supplemental to the provisions relating to the conduct of directors contained in these articles of association, and the relevant provisions of these articles shall be interpreted and applied in accordance with the provisions of the code of conduct in force from time to time

Directors' remuneration and expenses

- 71 No director (other than the Executive Director) may serve as an employee of the company, and (subject to article 72) no director may be given any remuneration by the company for carrying out his/her duties as a director or as Chair or as the holder of any other office under article 60
- 72 The Executive Director shall, notwithstanding that he/she is a director of the company, be entitled to retain all remuneration, and all pension and/or other benefits, paid or provided to him/her in his/her capacity as an employee of the company
- 73 The directors may be paid all travelling and other expenses properly incurred by them in connection with their attendance at meetings of directors, general meetings, meetings of committees of directors or otherwise in connection with the carrying out of their duties

Powers of directors

- 74 *Subject to the provisions of the Companies Acts, the memorandum of association and these articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company.
- 75 No alteration of the memorandum of association or these articles and no direction given by special resolution shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given
- 76 The powers conferred by article 74 shall not be limited by any special power conferred on the directors by these articles
- 77 A meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

Proceedings of directors

- 78 Subject to the provisions of these articles, the directors may regulate their proceedings as they think fit
- 79 Any director may call a meeting of the directors or request the secretary to call a meeting of the directors.
- 80 Questions arising at any meeting of directors shall be decided by a majority of votes, the chairperson of a meeting of directors shall be entitled to a casting vote
- 81 *The quorum for the transaction of the business of the directors shall (subject to article 82 and 83) be six
- 82 *During the period of 18 weeks from the date of incorporation of the company, the quorum for the transaction of the business of the directors shall be three and article 83 will not apply.
- 83 *A quorum shall not be deemed to be constituted at any meeting of the directors unless at least two Independent Directors are present at the meeting.
- 84 *If the quorum required under article 81 (as read with articles 82 and 83) is not present within half an hour after the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to such time and place as may be fixed by the chairperson of the meeting.

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- 85 [§]A director may participate in a meeting of the directors or a meeting of a committee of directors by means of a conference telephone, video conferencing facility or similar communications equipment whereby all the directors participating in the meeting can hear each other; a director participating in a meeting in this manner shall be deemed to be present in person at the meeting
- 86 The continuing directors or a sole continuing director may act notwithstanding vacancies, but if the number of remaining directors is less than the number fixed as the quorum they may act only for the purpose of filling vacancies or of calling a general meeting
- 87 Unless he/she is unwilling to do so, the Chair shall preside as chairperson at every meeting of directors at which he/she is present; if the Chair is unwilling to act as chairperson of a meeting of directors or is not present within 15 minutes after the time appointed for the meeting, the directors present shall appoint one of their number to be chairperson of the meeting
- 88 ^{*}The directors shall be entitled to allow any person to attend and speak (but not vote) at any meeting of the directors, a person invited to attend a meeting of the directors under the preceding provisions of this article shall not be entitled to exercise any of the powers of a director, and shall not be deemed to constitute a director for the purposes of the Companies Acts or any provision of these articles
- 89 All acts done by a meeting of directors or by a meeting of a committee of directors or by a person acting as a director shall, notwithstanding that it is afterwards discovered that there was a defect in the appointment of any director or that any of them was disqualified from holding office or had vacated office or was not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote
- 90 A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held, it may consist of several documents in the same form, each signed by one or more directors.
- 91 Subject to article 93, a director shall not vote at a meeting of directors or at a meeting of a committee of directors on any resolution concerning a matter in which he/she has, directly or indirectly, a personal interest or duty (unless immaterial) which conflicts or may conflict with the interests of the company.
- 92 For the purposes of the preceding article.

[§] As inserted by decision of the sole member dated 4 September 2008

^{*} As altered by decision of the sole member dated 20 December 2007

- 92 1 an interest of a person who is taken to be connected with a director for any purpose of the 2006 Act, and
- 92 2 a director shall (subject to article 93) be deemed to have a personal interest in relation to a particular matter if a body in relation to which he/she is an employee, director, member of the management committee, officer or elected representative has an interest in that matter.
- 93 A Partner Director shall, notwithstanding the provisions of article 91 and paragraph 92 2) be entitled to vote in relation to a particular matter notwithstanding that Glasgow City Council has an interest in that matter, but on the basis that in exercising their voting rights in respect of any such matter, the Partner Directors shall comply with the provisions of articles 68, 69 and 70
- 94 A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he/she is not entitled to vote
- 95 The company may (subject to the Charities and Trustee Investment (Scotland) Act 2005) by ordinary resolution suspend or relax to any extent, either generally or in relation to any particular matter, the provisions of articles 91 to 94
- 96 If a question arises at a meeting of directors or at a meeting of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairperson of the meeting, his/her ruling in relation to any director other than himself/herself shall be final and conclusive.

Delegation to committees of directors and holders of offices

- 97 The directors may delegate any of their powers to any committee consisting of two or more directors; they may also delegate to the Chair or a director holding any other office such of their powers as they consider appropriate
- 98 Any delegation of powers under the preceding article may be made subject to such conditions as the directors may impose and either collaterally with or to the exclusion of their own powers and may be revoked or altered.
- 99 Subject to any condition imposed in pursuance of the preceding article, the proceedings of a committee consisting of two or more directors shall be governed by the articles regulating the proceedings of meetings of directors so far as they are capable of applying
- 100 In addition to their powers under article 97, the directors may delegate their powers to any committee consisting of one or more directors and such other individuals (who need not be directors or employees of the company) as the directors may consider appropriate; the provisions of articles 98 and 99 shall apply in relation to any such committee, subject to the qualification that the role of any committee formed under the preceding provisions of this article

shall be limited (except to the extent that the directors otherwise determine) to the issue of reports and recommendations for consideration by the board of directors

Nominations Committee

- 101 *The directors shall establish a committee (referred to in these articles as “the Nominations Committee”) to guide Glasgow City Council in relation to the selection of appropriate individuals for appointment as Independent Directors.
- 102 *The Nominations Committee shall comprise the Chair of the company and four individuals (two being Partner Directors and two being Independent Directors) appointed by the board of directors
- 103 Subject to article 102, the composition and proceedings of the Nominations Committee shall be governed by such standing orders as may be issued by the directors from time to time
- 104 In carrying out its functions, the Nominations Committee shall give effect to the following principles
- 104 1 the Nominations Committee should set an appropriate skills matrix to guide it in selecting and evaluating appropriate candidates, and should review and adjust that skills matrix from time to time;
 - 104 2 nominations for directors falling within the remit of the Nominations Committee should be sought from a range of appropriate sources,
 - 104 3 all expressions of interest should be considered by the Nominations Committee, and
 - 104 4 the Nominations Committee should maintain a register of suitable candidates for future reference.

Audit Committee

- 105 The directors shall establish a committee (referred to in these articles as “the Audit Committee”) to assist the board of directors in fulfilling its responsibilities with regard to oversight of (a) the company’s financial statements and auditing, accounting and related reporting processes and (b) the company’s systems of internal control regarding finances, accounting and financial reporting
- 106 The Audit Committee shall comprise the chair of the Audit Committee (as appointed in pursuance of article 60) and at least two other individuals (who need not be directors of the company) appointed by the board of directors.

* As altered by written resolution dated 8 February 2007

* As altered by decision of the sole member dated 20 December 2007

- 107 Subject to article 106, the composition and proceedings of the Audit Committee shall be governed by such standing orders as may be issued by the directors from time to time

Secretary

- 108 *The directors shall (notwithstanding the provisions of the 2006 Act) appoint a company secretary, and on the basis that the term of office, remuneration (if any), and other terms and conditions attaching to the appointment of the company secretary shall be as determined by the directors, the company secretary may be removed by the directors at any time

Minutes

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

Accounts

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

Notices

- 111 Any notice to be given in pursuance of these articles shall be in writing
- 112 *The company may give any notice to a member in pursuance of these articles either personally or by sending it by post in a pre paid envelope addressed to the member at its registered address or by leaving it at that address, alternatively, in the case of a member which has notified the company of an electronic address to be used for this purpose, the company may give any notice to that member by electronic means
- 113 Any notice, if sent by post, shall be deemed to have been given at the expiry of twenty four hours after posting, for the purpose of proving that any notice was given, it shall be sufficient to prove that the envelope containing the notice was properly addressed and posted
- 114 *Any notice sent by electronic means shall be deemed to have been given at the expiry of 24 hours after it is sent, for the purpose of proving that any notice sent by electronic means was indeed sent, it shall be sufficient to

* As altered by decision of the sole member dated 20 December 2007

* As altered by decision of the sole member dated 20 December 2007

provide any of the evidence referred to in the relevant guidance issued from time to time by the Chartered Institute of Secretaries and Administrators

- 115 A member may give any notice to the company either by sending it by post in a pre paid envelope addressed to the company at its registered office or by leaving it, addressed to the company secretary, at the company's registered office.
- 116 A member present or represented at any meeting of the company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called

Winding up

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

Indemnity

- 118 *Every director or other officer or auditor of the company shall be indemnified (to the extent permitted by section 310 of the 1985 Act (for so long as it is in force) and sections 232, 234, 235, 532 and 533 of the 2006 Act) out of the assets of the company against any loss or liability which he/she may sustain or incur in connection with the execution of the duties of his/her office including, without prejudice to that generality (but only to the extent permitted by those sections of the 2006 Act) any liability incurred by him/her in defending any proceedings, whether civil or criminal, in which judgement is given in his/her favour or in which he/she is acquitted or in connection with any application in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company
- 119 *For the avoidance of doubt, the company shall be entitled to purchase and maintain insurance against any loss or liability which any director or other officer of the company may sustain or incur in connection with the execution of the duties of his/her office, and such insurance may extend to liabilities of the nature referred to in section 232(2) of the 2006 Act (negligence etc of a director)

Interpretation

- 120 *In these articles,
- “the 1985 Act” means the Companies Act 1985 (including any statutory modification or re enactment of the Companies Act 1985 for the time being in force),
- “the 2006 Act” means the Companies Acts 1985 to 2006;

* As altered by decision of the sole member dated 20 December 2007

“the Companies Acts” means the Companies Acts 1985 to 2006.

121 [^][Deleted]

122 References in these articles to the singular shall be deemed to include the plural

Name and address of subscriber

(sgd) ANDREW FALCONER SLEIGH
for and on behalf of
BURNES (NOMINEES) LIMITED
242 West George Street
Glasgow G2 4QY

Dated 21 December 2006

Witness to the above signature

GRAEME THOMAS PALMER
SOLICITOR
242 WEST GEORGE STREET
GLASGOW
G2 4QY

[^] As deleted by decision of the sole member dated 20 December 2007