

**THE COMPANIES ACTS 1985 to 2006**  
**COMPANY LIMITED BY GUARANTEE AND**  
**NOT HAVING A SHARE CAPITAL**  
**MEMORANDUM and ARTICLES**  
**Of ASSOCIATION**  
**of**  
***MOFFAT TOWN HALL REDEVELOPMENT TRUST***

**THE COMPANIES ACTS 1985 to 2006**  
**COMPANY LIMITED BY GUARANTEE AND**  
**NOT HAVING A SHARE CAPITAL**

**MEMORANDUM of ASSOCIATION**

**of**

*Moffat Town Hall Redevelopment Trust*

1. The company's name is "Moffat Town Hall Redevelopment Trust"
2. The company's registered office is to be situated in Scotland.
3. The company has been formed to benefit the community of Moffat and surrounding District which comprises the postcode unit(s) DG10 [Appendix 1 lists the full references for this postcode] thereafter defined as 'the Community' with the following objects:
  - (1) To advance heritage through preserving for public benefit the historical, architectural and constructional heritage that may exist in and around Moffat in buildings (including any part of a building, and any other structure or erection) of particular beauty or of historical, architectural or constructional interest; and including Moffat Town Hall;
  - (2) To provide recreational facilities within Moffat, and organise recreational activities, where such facilities/activities are available to members of the public at large with the object of improving their conditions of life;
  - (3) To advance education, and in particular (but without limitation) through provision, or support for the provision, of library and public-access internet services, tourist information, information on local heritage and wildlife, and training in IT skills;
  - (4) To advance citizenship and community development within Moffat by:

- (A) enabling young people within Moffat to find new interests and to form effective relationships with other people through leisure time and educational activities;
  - (B) promoting volunteering and the voluntary sector;
  - (C) helping to develop links among those resident in Moffat through the organisation of community-based events;
  - (D) providing a variety of opportunities, including the provision of recreational activities, to assist in the integration of young and older people resident in Moffat;
- (5) To advance the arts, through organising and/or supporting music and other arts events of all kinds; and
  - (6) To promote and/or support other similar projects and programmes which further charitable purposes within the Operating Area.

In pursuance of those aims (but not otherwise), the company shall have the following powers:-

- (a) To manage community land and associated assets for the benefit of the Community and the public in general as an important part of the protection and sustainable development of Scotland's natural environment
- (b) To establish, maintain, develop and/or operate a centre or centres providing facilities for childcare, community learning, healthy living initiatives, educational and cultural activities, training activities, leisure pursuits and accommodation for community groups, and for public sector agencies which provide services of benefit to the community, and which may include refreshment facilities
- (c) To advise in relation to, prepare, organise, conduct and/or support training courses, educational and training events and activities of all kinds

- (d) To design, prepare, publish and/or distribute information packs, leaflets, books, newsletters, magazines, posters and other publications, audio visual recordings, multimedia products and display materials, and to create and maintain a website or websites
- (e) To promote, operate, co-ordinate, monitor, and/or support other projects and programmes (which may include workspace projects) which further the aims of the company
- (f) To liaise with local authorities, central government authorities and agencies, local enterprise companies, charities/community benefit bodies and others, all with a view to furthering the aims of the company
- (g) To register any interest in land and to exercise the right to buy under the provisions of Part 2 of the Land Reform (Scotland) Act 2003 (including any statutory amendment or re-enactment of those provisions which may be in force from time to time)
- (h) To carry on any further activities which further any of the above objects
- (i) To promote companies whose activities may further one or more of the above objects, or may generate income to support the activities of the company, acquire and hold shares in such companies and carry out, in relation to any such company which is a subsidiary of the company, all such functions as may be associated with a holding company
- (j) To acquire and take over the whole or any part of the undertaking and liabilities of any body holding property or rights which are suitable for the company's activities
- (k) To purchase, take on lease, hire, or otherwise acquire, any property or rights which are suitable for the company's activities
- (l) To improve, manage, develop, or otherwise deal with, all or any part of the property and rights of the company
- (m) To sell, let, hire out, license, or otherwise dispose of, all or any part of the property and rights of the company

- (n) To borrow money, and to give security in support of any such borrowings by the company, in support of any obligations undertaken by the company or in support of any guarantee issued by the company
- (o) To employ such staff as are considered appropriate for the proper conduct of the company's activities, and to make reasonable provision for the payment of pension and/or other benefits for members of staff, ex-members of staff and their dependants
- (p) To engage such consultants and advisers as are considered appropriate from time to time
- (q) To effect insurance of all kinds (which may include officers' liability insurance)
- (r) To invest any funds which are not immediately required for the company's activities in such investments as may be considered appropriate (and to dispose of, and vary, such investments)
- (s) To liaise with other voluntary sector bodies, local authorities, UK or Scottish government departments and agencies, and other bodies, all with a view to furthering the company's objects
- (t) To establish and/or support any other charity, and to make donations for any charitable purpose falling within the company's objects
- (u) To take such steps as may be deemed appropriate for the purpose of raising funds for the company's activities
- (v) To accept grants, donations and legacies of all kinds (and to accept any reasonable conditions attaching to them)
- (w) To oppose, or object to, any application or proceedings which may prejudice the company's interests
- (x) To enter into any arrangement with any organisation, government or authority which may be advantageous for the purposes of the activities of the company, and to enter into any

arrangement for co-operation or mutual assistance with any charity

- (y) To do anything which may be incidental or conducive to the furtherance of any of the company's objects

And it is declared that:

- (i.) in this clause, and throughout this memorandum of association,

"property" means any property, heritable or moveable, wherever situated

"sustainable development" means development which meets the needs of the present without compromising the ability of future generations to meet their own needs

the expression "charity" shall mean a body which is either a "Scottish charity" within the meaning of section 13 of the Charities and Trustee Investment (Scotland) Act 2005 or a "charity" within the meaning of section 96 of the Charities Act 1993

the expression "charitable purpose" shall mean a charitable purpose under section 7 of the Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the application of sections 505 and 506 of the Income and Corporation Taxes Act 1988;

- (ii.) any reference in this memorandum of association to a provision of any legislation shall include any statutory modification or re-enactment of that provision in force from time to time.

4.

- (a) The income and property of the company shall be applied solely towards promoting the company's objects (as set out in clause 3) [and in particular (but without limiting the generality of that provision) any surplus funds or assets of the company must be applied for the benefit of the Community].

- (b) No part of the income or property of the company shall be paid or transferred (directly or indirectly) to the members of the company, whether by way of dividend, bonus or otherwise.
- (c) No director of the company shall be appointed as a paid employee of the company; no director shall hold any office under the company for which a salary or fee is payable.
- (d) No benefit (whether in money or kind) shall be given by the company to any director except (i) repayment of out-of-pocket expenses or (ii) reasonable payment in return for particular services (not being of a management nature) actually rendered to the company.

5. The liability of the members is limited.

6. Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while he/she is a member or within one year after he/she ceases to be a member, for payment of the company's debts and liabilities contracted before he/she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

7.

- (a) If on the winding-up of the company any property (including any land acquired by the company in terms of the Land Reform (Scotland) Act 2003) remains after satisfaction of all the company's debts and liabilities, such property shall not be paid to or distributed among the members of the company; instead, that property shall (subject to paragraph (c) of this clause 7) be transferred to some other community body or bodies (as defined in section 34 of the Land Reform (Scotland) Act 2003) or to a crofting community body or bodies (as defined in section 71 of the Land Reform (Scotland) Act 2003) as may be determined by the members (subject to the identity of the transferee body or bodies being first approved by the Scottish Ministers).
- (b) If the members do not resolve to transfer any property of the nature referred to in paragraph (a) to a community body or bodies or crofting community body or bodies approved by Scottish Ministers, such property shall instead be transferred to

the Scottish Ministers or to such charity as the Scottish Ministers may direct

- (c) No property shall be transferred under paragraph (a) or (b) to any body unless it is a Scottish charity.
8. Accounting records shall be kept in accordance with all applicable statutory requirements and such accounting records shall, in particular, contain entries from day to day of all sums of money received and expended by the company and the matters in respect of which such receipt and expenditure take place and a record of the assets and liabilities of the company; such accounting records shall be open to inspection at all times by any director of the company.



**THE COMPANIES ACTS 1985 to 2006**

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

**ARTICLES of ASSOCIATION**

**of**

***MOFFAT TOWN HALL REDEVELOPMENT TRUST***

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## **General structure**

1. The structure of the company consists of:-
  - a. the FULL MEMBERS - who have the right to attend the annual general meeting (and any extraordinary general meeting) and have important powers under the articles of association and the Companies Acts; in particular, the members elect people to serve as directors and take decisions in relation to changes to the articles themselves
  - b. the DIRECTORS - who hold regular meetings during the period between annual general meetings, and generally control and supervise the activities of the company; in particular, the directors are responsible for monitoring the financial position of the company.
  - c. For the purposes of these articles:
    - i. 'Full Member' means a member admitted under Article 3; 'Full Membership' shall be construed accordingly
    - ii. 'Associate Member' means a member admitted under Article 4; 'Associate Membership' shall be construed accordingly
    - iii. 'Junior Member' means a member admitted under Article 5; 'Junior Membership' shall be construed accordingly.

## **Qualifications for membership**

2. The members of the company shall consist of the subscribers to the memorandum of association and such other persons as are admitted to membership under articles 3 to 9.
3. Full Membership shall (subject to articles 6 and 8) be open to any person aged 18 years or over who:
  - a. is ordinarily resident in the Community (as defined in the memorandum of association of the company);
  - b. is entitled to vote at a local government election in a polling district that includes the Community or part of it; and

c. supports the aims and activities of the company;

an individual, once admitted to membership, shall cease to be a member if he/she ceases to be eligible for membership in terms of this article 3.

4. Associate Membership will be open to anyone who is not ordinarily resident within the Community as defined, but with an interest in, and supporting the aims and objectives of the Trust. For the avoidance of doubt, Associate Members shall not have voting rights at general meetings.
5. Junior Membership will be open to anyone aged 14-18 who is ordinarily resident within the Community and with an interest in, and supporting the aims and objectives of the Trust. For the avoidance of doubt, Junior Members shall not have voting rights at general meetings.
6. Employees of the company shall not be eligible for membership; a person who becomes an employee of the company after admission to membership shall automatically cease to be a member.

### **Application for membership**

7. Any person who wishes to become a member must sign, and lodge with the company, a written application for membership.
8. The directors shall consider each application for membership at the first directors' meeting which is held after receipt of the application.
9. The directors shall, within a reasonable time after a meeting of the directors at which an application for membership is considered, notify the applicant of their decision on the application.

### **Minimum number of members**

10. The minimum number of members is 20; in the event that the number of members falls below 20, the directors may not conduct any business other than to ensure the admission of sufficient members to achieve the minimum number.

11. For the avoidance of doubt, the majority of members will, at all times, be those persons ordinarily resident in the community eligible under article 3.

### **Membership subscription**

12. Members shall decide at the first AGM the level of subscription.
13. The members may introduce or vary the amount of the annual membership subscription and/or the date on which it falls due in each year, by way of an ordinary resolution to that effect passed at an annual general meeting.

### **Register of members**

14. The directors shall maintain a register of members, setting out the full name and address of each member, the date on which he/she was admitted to membership, and the date on which any person ceased to be a member.

### **Withdrawal from membership**

15. Any person who wishes to withdraw from membership shall sign, and lodge with the company, a written notice to that effect; on receipt of the notice by the company, he/she shall cease to be a member.

### **Expulsion from membership**

16. Any person may be expelled from membership by special resolution (see article 28), providing the following procedures have been observed:-
  - a. at least 21 days' notice of the intention to propose the resolution must be given to the member concerned, specifying the grounds for the proposed expulsion
  - b. the member concerned shall be entitled to be heard on the resolution at the general meeting at which the resolution is proposed.

## **Termination/transfer**

17. A member may not transfer his/her membership to any other person.

## **General meetings (meetings of members)**

18. The directors shall convene an annual general meeting in each year (but excluding the year in which the company is formed); the first annual general meeting shall be held not later than 18 months after the date of incorporation of the company.
19. Not more than 15 months shall elapse between one annual general meeting and the next.
20. The business of each annual general meeting shall include:-
  - a. a report by the chair on the activities of the company
  - b. consideration of the annual accounts of the company
  - c. the election/re-election of directors, as referred to in articles 48 to 53.
21. The directors may convene an extraordinary general meeting at any time.
22. The directors must convene an extraordinary 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)

## **Notice of general meetings**

23. At least 14 clear days' notice must be given to all the members and directors of an annual general meeting or extraordinary general meeting.
24. The reference to "clear days" in article 23 shall be taken to mean that, in calculating the period of notice, the day after the notice is posted, and also the day of the meeting, should be excluded.

25. A notice calling a meeting shall specify the time 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 articles 28-29) (or a resolution requiring special notice under the Companies Acts) is to be proposed, shall also state that fact, giving the exact terms of the resolution and (c) contain a statement informing members of their right to appoint a proxy.
26. A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting; any other general meeting shall be called an extraordinary general meeting.
27. Notice of every general meeting shall be given
  - a. in hard copy form; or
  - b. (where the individual to whom notice is given has notified the company of an address to be used for the purpose of electronic communication) in electronic form; or
  - c. (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.

### **Special resolutions and ordinary resolutions**

28. For the purposes of these articles, a "special resolution" means a resolution passed by 75% or more of the votes cast on the resolution at an annual general meeting or extraordinary general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with articles 23 to 27; 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.

29. In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Companies Acts allow the company, by special resolution,
- a. to alter its name
  - b. to alter its memorandum of association with respect to the company's objects
  - c. to alter any provision of these articles or adopt new articles.
30. For the purposes of these articles, an "ordinary resolution" means a resolution passed by majority vote (taking account only of those votes cast in favour as compared with those votes against, and (as applicable) the chairperson's casting vote), at an annual general meeting or extraordinary general meeting, providing proper notice of the meeting has been given in accordance with articles 23 to 27.

### **Procedure at general meetings**

31. No business shall be dealt with at any general meeting unless a quorum is present; the quorum for a general meeting shall be 10 persons entitled to vote, each being a member or a proxy for a member.
32. If a quorum is not present within 15 minutes after the time at which a general meeting was due to commence - or if, during a meeting, a quorum ceases to be present - the meeting shall stand adjourned to such time and place as may be fixed by the chairperson of the meeting.
33. The chair of the company shall (if present and willing to act as chairperson) preside as chairperson of each general meeting; if the chair is not present and willing to act as chairperson within 15 minutes after the time at which the meeting was due to commence, the directors present at the meeting shall elect from among themselves the person who will act as chairperson of that meeting.
34. The chairperson of a general meeting may, with the consent of the meeting, adjourn the meeting to such time and place as the chairperson may determine.

35. Every member shall have one vote, which (whether on a show of hands or on a secret ballot) may be given either personally or by proxy.
36. A member who wishes to appoint a proxy to vote on his/her behalf at any meeting
  - a. shall lodge with the company, at the company's registered office, a written instrument of proxy (in such form as the directors require), signed by him/her; or
  - b. shall send a representative, but shall not be entitled to appoint more than one proxy to attend the same meeting.
37. A proxy must be a member of the company.
38. A proxy appointed to attend and vote at any meeting instead of a member shall have the same right as the member who appointed him/her to speak at the meeting.
39. If there is an equal number of votes for and against any resolution, the chairperson of the meeting shall (subject to article 40) be entitled to a casting vote.
40. The chairperson of the meeting shall not be entitled to a casting vote unless he/she is a member of the company eligible under article 3 (individuals ordinarily resident in the Community)
41. A resolution put to the vote at a general meeting shall be decided on a show of hands unless a secret ballot is demanded by the chairperson (or by at least two persons present at the meeting and entitled to vote, whether as members or as proxies for members); a secret ballot may be demanded either before the show of hands takes place, or immediately after the result of the show of hands is declared.
42. If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such a manner as the chairperson may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded.



## **Categories of director**

43. For the purposes of these articles  
    "Member Director" means a director (drawn from the membership of the company) appointed under articles 48 to 53  
  
    "Co-opted Director" means a (non-member) director appointed or re-appointed by the directors under articles 54 and 55.

## **Maximum/minimum number of directors**

44. The maximum number of directors shall be 12; out of that number, no more than 8 shall be Member Directors and no more than 4 shall be Co-opted Directors.
45. The minimum number of directors shall be no less than four of whom a majority must be Member Directors.

## **Eligibility**

46. A person shall not be eligible for election/appointment as a Member Director unless he/she is a member of the company; a person appointed as a Co-opted Director need not, however, be a member of the company.
47. A person shall not be eligible for election/appointment as a director if he/she is an employee of the company.

## **Election, retiral, re-election: Member Directors**

48. At each annual general meeting, the members may (subject to articles 46 and 47) elect any member (providing he/she is willing to act) to be a director (a "Member Director")
49. The directors may (subject to articles 46 and 47) at any time appoint any member (providing he/she is willing to act) to be a director (a "Member Director").

50. At the first annual general meeting, two of the Member Directors shall retire from office; the question of which of them is to retire shall be determined by an agreed method.
51. At each annual general meeting (other than the first)
  - a. any Member Director appointed under article 49 during the period since the preceding annual general meeting shall retire from office
  - b. out of the remaining Member Directors, two shall retire from office.
52. The directors to retire under paragraph (b) of article 51 shall be those who have been longest in office since they were last elected or re-elected; as between persons who were last elected/re-elected on the same date, the question of which of them is to retire shall be determined by an agreed method.
53. A director who retires from office under article 51 or 52 shall be eligible for re-election.

#### **Appointment/re-appointment: Co-opted Directors**

54. In addition to their powers under article 49, the directors may (subject to articles 46 and 47) at any time appoint any non-member of the company (providing he/she is willing to act) to be a director (a "Co-opted Director") either on the basis that he/she has been nominated by a body with which the company has close contact in the course of its activities **or** on the basis that he/she has specialist experience and/or skills which could be of assistance to the directors.
55. At each annual general meeting, all of the Co-opted Directors shall retire from office – but shall then be eligible for re-appointment under article 54.

## **Termination of office**

56. A director shall automatically vacate office if:-
- a. he/she ceases to be a director through the operation of any provision of the Companies Acts or becomes prohibited by law from being a director
  - b. he/she becomes debarred under any statutory provision from being a charity trustee
  - c. he/she becomes incapable for medical reasons of fulfilling the duties of his/her office and such incapacity is expected to continue for a period of more than six months
  - d. (in the case of a Member Director) he/she ceases to be a member of the company
  - e. he/she becomes an employee of the company
  - f. he/she resigns office by notice to the company
  - g. he/she is absent (without permission of the directors) from more than three consecutive meetings of the directors, and the directors resolve to remove him/her from office; or
  - h. he/she is removed from office by ordinary resolution (special notice having been given) in pursuance of section 168 of the 2006 Act.

## **Register of directors**

57. The directors shall maintain a register of directors, setting out full details of each director, including the date on which he/she became a director, and also specifying the date on which any person ceased to hold office as a director.

## **Office bearers**

58. The directors shall elect from among themselves a chair and a treasurer, and such other office bearers (if any) as they consider appropriate.

59. All of the office bearers shall cease to hold office at the conclusion of each annual general meeting, but shall then be eligible for re-election.
60. A person elected to any office shall cease to hold that office if he/she ceases to be a director, or if he/she resigns from that office by written notice to that effect.

### **Powers of directors**

61. Subject to the provisions of the Companies Acts, the memorandum of association and these articles, and subject to any directions given by special resolution, the company and its assets and undertaking shall be managed by the directors, who may exercise all the powers of the company.
62. A meeting of the directors at which a quorum is present may exercise all powers exercisable by the directors.

### **Personal interests**

63. A director who has a personal interest in any transaction or other arrangement which the company is proposing to enter into, must declare that interest at a meeting of the directors; he/she will be debarred (in terms of article 77) from voting on the question of whether or not the company should enter into that arrangement.
64. For the purposes of the preceding article, a director shall be deemed to have a personal interest in an arrangement if any partner or other close relative of his/hers **or** any firm of which he/she is a partner **or** any limited company of which he/she is a substantial shareholder or director (or any other party who/which is deemed to be connected with him/her under section 252 of the 2006 Act), has a personal interest in that arrangement.
65. Provided he/she has declared his/her interest - and has not voted on the question of whether or not the company should enter into the relevant arrangement - a director will not be debarred (subject to article 70) from entering into an arrangement with the company in which he/she has a personal interest (or is deemed to have a personal interest under article 68) and may retain any personal benefit which he/she gains from his/her participation in that arrangement.

66. No director may serve as an employee (full time or part time) of the company, and no director may be given any remuneration by the company for carrying out his/her duties as a director.
67. Where a director provides services to the company or might benefit from any remuneration paid to a connected party for such services, then
- a. the maximum amount of the remuneration must be specified in a written agreement and must be reasonable
  - b. the directors must be satisfied that it would be in the interests of the company to enter into the arrangement (taking account of that maximum amount);
  - c. less than half of the directors must be receiving remuneration from the company (or benefit from remuneration of that nature).
68. The directors may be paid all travelling and other expenses reasonably incurred by them in connection with their attendance at meetings of the directors, general meetings, or meetings of committees, or otherwise in connection with the carrying-out of their duties.

### **Procedure at directors' meetings**

69. Any director may call a meeting of the directors or request the secretary to call a meeting of the directors.
70. Questions arising at a meeting of the directors shall be decided by a majority of votes; if an equality of votes arises, the chairperson of the meeting shall (subject to article 71) have a casting vote.
71. The chairperson of the meeting shall not be entitled to have a casting vote if he/she is a Co-opted Director.
72. No business shall be dealt with at a meeting of the directors unless a quorum is present; the quorum for meetings of the directors shall (subject to article 73) be 4.

73. A quorum shall not be deemed to be constituted at any meeting of directors unless the Member Directors form a majority of the total number of directors present at the meeting.
74. If at any time the number of directors in office falls below the number fixed as the quorum, the remaining director(s) may act only for the purpose of filling vacancies or of calling a general meeting.
75. Unless he/she is unwilling to do so, the chair of the company shall preside as chairperson at every directors' meeting at which he/she is present; if the chair is unwilling to act as chairperson or is not present within 15 minutes after the time when the meeting was due to commence, the directors present shall elect from among themselves the person who will act as chairperson of the meeting.
76. The directors may, at their discretion, allow any person who they reasonably consider appropriate, to attend and speak at any meeting of the directors; for the avoidance of doubt, any such person who is invited to attend a directors' meeting shall not be entitled to vote.
77. A director shall not vote at a directors' meeting (or at a meeting of a committee) on any resolution concerning a matter in which he/she has a personal interest which conflicts (or may conflict) with the interests of the company; he/she must withdraw from the meeting while an item of that nature is being dealt with.
78. For the purposes of article 77, a person shall be deemed to have a personal interest in a particular matter if any partner or other close relative of his/hers **or** any firm of which he/she is a partner **or** any limited company of which he/she is a substantial shareholder or director, has a personal interest in that matter.
79. 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.
80. The company may, by ordinary resolution, suspend or relax to any extent – either generally or in relation to any particular matter – the provisions of articles 77 to 78.

## **Conduct of directors**

81. Each of the directors shall, in exercising his/her functions as a director of the company, act in the interests of the company; and, in particular, must
- a. seek, in good faith, to ensure that the company acts in a manner which is in accordance with its objects (as set out in the memorandum of association)
  - b. act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person
  - c. in circumstances giving rise to the possibility of a conflict of interest between the company and any other party
    - i. put the interests of the company before that of the other party, in taking decisions as a director
    - ii. where any other duty prevents him/her from doing so, disclose the conflicting interest to the company and refrain from participating in any discussions or decisions involving the other directors with regard to the matter in question
  - d. ensure that the company complies with any direction, requirement, notice or duty imposed on it by the Charities and Trustee Investment (Scotland) Act 2005.

## **Delegation to sub-committees**

82. The directors may delegate any of their powers to any sub-committee consisting of one or more directors and such other persons (if any) as the directors may determine; they may also delegate to the chair of the company (or the holder of any other post) such of their powers as they may consider appropriate.
83. Any delegation of powers under article 82 may be made subject to such conditions as the directors may impose and may be revoked or altered.

84. The rules of procedure for any sub-committee shall be as prescribed by the directors.

### **Operation of bank accounts**

85. The signatures of a minimum of two out of the signatories appointed by the directors shall be required in relation to all operations (other than lodgement of funds) on the bank and building society accounts held by the company; at least one out of the two signatures must be the signature of a director.

The authorised signatories must not in any way be connected as per the definition of "connected" within the Charities & Trustee Investment (Scotland) Act 2005 as stated below

- a) The Charities and Trustee Investment (Scotland) Act 2005 defines "connected" as:
- *"Any person to whom the [signatory] is married, is the civil partner of the [signatory] or with whom the [signatory] is living as husband and wife or, where the [signatory] and the other person are of the same sex, in an equivalent relationship.*
  - *Any child, parent, grandchild, grandparent, brother or sister of the [signatory] (and any spouse of any such person)*
  - *For the purposes of the above, a person who is another person's stepchild or brought up or treated by another person as if the person were a child of the other person, is to be treated as that other person's child."*

### **Secretary**

86. 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**

87. The directors shall ensure that minutes are made of all proceedings at general meetings, directors' meetings and meetings of committees; a minute of any meeting shall include the names of those present, and (as far as possible) shall be signed by the chairperson of the meeting.

## **Accounting records and annual accounts**

88. The directors shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements.
89. The accounting records shall be maintained by the Treasurer and overseen by the Chairperson, or otherwise by, or as determined by, the directors; such records shall be kept at such place or places as the directors think fit and shall always be available for inspection by the directors.
90. The directors shall prepare annual accounts, complying with all relevant statutory requirements.
91. Subject to article 92, the directors shall ensure that an audit of such accounts is carried out by an auditor.
92. Notwithstanding the provisions of article 91, an audit (within the meaning of the Companies Acts) by a company auditor (as defined in the Companies Acts) shall not be required, in a case where the company is exempt (under the Companies Acts) from the arrangement to have an audit, if and to the extent that proper arrangements for the auditing of the company's accounts are made in a manner which satisfies the requirements of the Companies Acts and paragraph (f) of subsection 34(1) of the Land Reform (Scotland) Act 2003.
93. No member shall (unless he/she is a director) have any right of inspecting any accounting or other records, or any document of the company, except as conferred by statute or authorised by ordinary resolution of the company.

## **Notices**

94. Any notice to be given in pursuance of these articles shall be in writing; the company may give any such notice to a member either personally or by sending it by post in a pre-paid envelope addressed to the member at his/her registered address or by leaving it at that address; alternatively, in the case of a member who has notified the company of an electronic address to be used for this purpose, the company may give any notice to that member by electronic means.
95. Any notice, if sent by post, shall be deemed to have been given at the expiry of 72 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.
96. Any notice sent by electronic means shall be deemed to have been given at the expiry of 24 hours after it is sent; for the purpose of proving that any notice sent by electronic means was indeed sent, it shall be sufficient to provide any of the evidence referred to in the relevant guidance issued from time to time by the Chartered Institute of Secretaries and Administrators.

## **Winding-up**

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

## **Indemnity**

98. Every director or other officer or auditor of the company shall be indemnified out of the assets of the company (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) against any loss or liability which he/she may sustain or incur in connection with the execution of the duties of his/her office; that may include, 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** any liability in connection with an application in which relief is granted to him/her by the court from liability for negligence, default or breach of trust in relation to the affairs of the company.

99. For the avoidance of doubt, the company shall be entitled to purchase and maintain for any director insurance against any loss or liability which he/she 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**

100. In these articles

“the 1985 Act” means the Companies Act 1985

“the 2006 Act” means the Companies Act 2006

101. Any reference in these articles to a statutory provision 2006 Act shall be taken to include any statutory modification or re-enactment of that provision which is in force at the time.
102. Reference in these articles to the singular shall be deemed to include the plural.

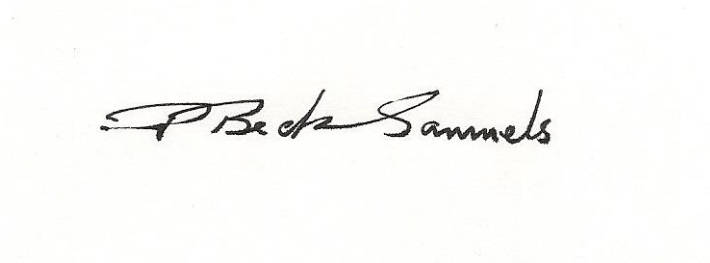
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Names and addresses of subscribers

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1. Dr Peter Beck-Samuels
  2. Mr Paul Thorpe
  3. Mr Thomas P Mulholland
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Dated: 030311

A handwritten signature in black ink, reading "P Beck-Samuels", is centered on a light-colored rectangular background.

Chairman