

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

**ARTICLES
OF ASSOCIATION
MAVISBANK TRUST**

Company Number SC237311

**Incorporated on 25th September 2002
Amended by written resolution on 14th December 2016**

Scottish Charity Number. SC034064

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OBJECTS & ACTIVITIES

Name

1. The name of the Company is "Mavisbank Trust" (the "**Company**").j

Objects of the Company

2. The objects for which the Company is established are to preserve for the benefit of the people of Scotland, such of the historical, architectural and constructional heritage in land and buildings situated in Scotland as may be of particular beauty or historical, architectural or constructional interest, including, without prejudice to the foregoing generality, the property known as Mavisbank House at Loanhead, Midlothian together with the designed landscape and policies relating to the same (the "**Objects**").

Activities of the Company

3. Notwithstanding the generality of the Objects for which the Company is established the main activity of the Company is to secure the restoration of and provide public access to the aforementioned Mavisbank House, its policies and its designed landscape.
4. Through its own efforts and by engaging and collaborating in partnership with others, including public agencies, local authorities, private and voluntary sector bodies, local communities and individuals, the Company seeks to develop plans, secure funding, commission physical works and undertake any other necessary management and administrative actions in order to achieve its aims.

Powers of the Company

5. The Company in carrying out the above Objects and Activities shall have and may exercise (but only to the extent to which the same may lawfully be exercised by a charity on the Scottish Charities Register and in accordance with the Charities and Trustee Investment (Scotland) Act 2005) all or any of the following powers:-
 - (a) to encourage, provide, support and otherwise facilitate the work of those interested in the objects of the Company.
 - (b) to raise funds, solicit, issue appeals, undertake public events, and take such other steps as may be required for the purposes of procuring contributions to the funds of the Company and receive and accept financial assistance, subscriptions, donations, endowments, legacies, gifts and loans of money, rents and any other property whatsoever, heritable or moveable, subject or not to any specific charitable trusts or conditions;
 - (c) to establish, support or aid in the establishment and support of any charitable associations or institutions established for similar purposes and to subscribe monies for charitable purposes in any way connection with the purposes of the Company or calculated to further its objects;
 - (d) to purchase, take on lease or in exchange or otherwise acquire and to hold, manage, develop, sell, dispose of lease or deal in any way with any heritable or moveable property and any interests therein;

- (e) to borrow and raise money for the objects of the Company and secure or discharge any debt or obligation of or binding on the Company in such manner and on such terms and conditions as may be thought fit, and in particular by mortgages of or charges upon the undertaking and all or any of the real and personal property (present and future) of the Company;
- (f) to make grants or loans of money and to give guarantees;
- (g) to open, operate and manage bank and other accounts and to invest funds of the Company not immediately required in such investments, securities or property as may be considered appropriate (and to dispose of any vary, such investments;
- (h) to employ as a professional investment manager any person who is entitled to carry on investment business under the supervision of the Financial Services Authority (or its successors) and to delegate to any such manager the exercise of all or any of its powers of investment on such terms and at such reasonable remuneration as the Board of Trustees thinks fit, and to enable investments to be held for the Trust in nominee names, but subject always to the provisions of the Charities Act;
- (i) to grant, continue and pay such remuneration and pensions to any person or persons who renders services to the Company supervising, organising, carrying on the work of and advising the Company as may from time to time be thought proper, and to establish pension funds and other trust funds or charitable arrangements of any kind whatsoever for persons employed at any time by the Company and their widows and dependants subject to the provisions of Clause 5;
- (j) to insure and arrange insurance cover of all kinds, which may include property and to indemnify its officers, employees and voluntary workers and those of its members and trustees from and against, all such risks incurred in the course of the performance of their duties as may be thought fit;
- (k) to oppose, or object to, any application or proceedings which may prejudice the interests of the Trust;
- (l) to promote, arrange, organise and conduct public events, including meetings, seminars, conferences, lectures, workshops, training, music and drama;
- (m) to prepare, edit, print, publish, issue, acquire, circulate and distribute books, pamphlets, papers, periodicals and other literary material, pictures, prints, photography, films, sound recordings and mechanical and other models and equipment, and to establish, form, promote, organise, conduct and maintain public collection displays and exhibitions of literature, statistics, charts, information and other material;
- (n) to purchase, take on lease, hire, or otherwise acquire property of any kind, including land, suitable for the Trust and to promote the preservation of, repair, renovate, newly construct, convert, improve, develop, maintain, alter and demolish any buildings or erections whether of a permanent or temporary nature, and to manage and operate or arrange for the professional or other appropriate

management and operation of the Trust's property and to sell, lease, let, mortgage, dispose of or otherwise deal with all or any part of the same;

- (o) to establish and administer a building fund or funds or guarantee fund or funds or endowment fund or funds;
- (p) to make arrangements where appropriate to enable the public to view and enjoy any property (whether free or at charge),
- (q) to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange and other negotiable or transferable instruments;
- (r) to promote and incorporate or to join in the promotion or incorporation of any charitable company with limited or unlimited liability, organisations, societies or associations for the purpose of carrying out any object which the Company itself could carry out and to subscribe for or otherwise acquire the shares, stock or other securities of such company or to lend money to such company on such terms as may be thought fit;
- (s) to co-operate and enter into arrangements with any organisation, government or authority, national, local or otherwise;
- (t) to amalgamate with any companies, organisations, societies or associations which are charitable at law and have objects altogether or mainly similar to those of the Company and prohibit the payment of any dividend or profit to, and the distribution of any of their assets amongst their members at least to the same extent as such payments or distributions are prohibited in the case of members of the Company;
- (u) to enter into contracts to provide services to or on behalf of others;
- (v) to pay the costs of forming the Trust and its subsequent development;
- (w) to carry out the Objects in any part of the world as principal, agent, contractor, director or in any other capacity; and
- (x) to do all such other things as are necessary for the attainment of the Objects.

6. The income and property of the Company shall be applied solely towards the promotion of the Objects of the Company as set out in Article 2 above and subject to the following paragraphs no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to the members of the Company. Nothing herein shall prevent any payment in good faith by the Company:-

- (a) no director shall be appointed as a paid employee of the Trust, except for the Chairman, who may receive remuneration in terms of section 67 of the Charities Act.
- (b) no benefit (whether in money or in kind) shall be given by the Trust to any member or director except the possibility of:
 - (i) repayment of out-of-pocket expenses, reimbursement of

costs paid on behalf of the Company and reasonable payment in return for services rendered to the Company; (subject to prior agreement by the Board); or

- (ii) payment of interest at a rate not exceeding the commercial rate on money lent to the Trust by any member or director; or
- (iii) payment of rent or hiring fee at a rate not exceeding the open market rent for property let to the Trust by any member or director; or
- (iv) the purchase of property from any member or director provided that such purchase is at or below market value or the sale of property to any member or director provided that such sale is at or above market value; or

MEMBERS

Registers of Members

7. The directors shall maintain registers of members, setting out the full name and address of each member and the date on which any member ceased to be a member.

Classes of Membership

8. There shall be one class of members and every member shall have the right to vote.

Qualifications for Membership

9. The members of the Company shall consist of:
 - (a) the directors of the Company at the date of the adoption of these Articles of Association and
 - (b) directors appointed from time to time who shall automatically become a member on the date of their appointment as a director.
10. A member may not transfer or assign their membership to any other person.

Employees

11. An employee shall not be eligible to become a member or a director.

Subscription

12. Members shall not be required to pay any membership subscription.

Withdrawal from Membership

13. Any member 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, they shall cease to be a member and automatically cease to be a director of the Company;
14. Any member shall automatically cease to be a member on their withdrawal or termination as a director of the Company for whatever reason.

Expulsion from Membership

15. Any member may be expelled from membership by resolution of the directors, providing the following procedures have been observed:-
- (a) at least 14 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 meeting at which the resolution is proposed.

General Meetings (meetings of members)

16. The members
- (a) shall convene an annual general meeting in each year;
 - (b) shall ensure that not more than 15 months shall elapse between one annual general meeting and the next;
 - (c) may convene a general meeting at any time; and
 - (d) must convene a general meeting if there is a valid requisition by no less than 10% of members from time to time.
17. The business of each annual general meeting shall include:-
- (a) a report by the chair on the activities of the company;
 - (b) the report of the independent financial examiner;
 - (c) consideration of the annual accounts of the company;
 - (d) the election/re-election of directors, as referred to in Article 32; and
 - (e) the appointment and remuneration of the independent financial examiner.

Notice of General Meetings

18. At least 14 clear days' notice must be given of an annual general meeting or general meeting. Where:-
- (a) the term "clear days" in this Article shall be taken to mean that, in calculating the period of notice, the day after the notice is posted, (or, in the case of a notice contained in an electronic communication, the day after the time when it was sent) and also the day of the meeting, should be excluded;
 - (b) any notice calling a meeting shall specify the time and place of the meeting; it shall:-
 - (i) indicate the general nature of the business to be dealt with at the meeting; and
 - (ii) if a special resolution (see article 26) (or a resolution requiring special notice under the Act) is to be proposed,

shall also state that fact, giving the exact terms of the resolution.

- (c) 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 a general meeting; and
- (d) notice of every general meeting shall be given either in writing or, (where the party to whom notice is given has notified the company of an address to be used for the purpose of electronic communications), (by way of an electronic communication) to all the members and directors, and (if there are auditors in office at the time) to the auditors.

Procedure at General Meetings

- 19. No business shall be dealt with at any general meeting unless a quorum is present and where:
 - (a) the quorum for a general meeting shall be the greater of (i) one-third of the persons or (ii) three persons entitled to vote, each being a member or a proxy for a member; and
 - (b) 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.
- 20. The chair of the company shall (if present and willing to act as chairperson) preside as chairperson of each general meeting;
 - (a) 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; and
 - (b) may, with the consent of the meeting, adjourn the meeting to such time and place as the chairperson may determine.
- 21. Every member shall have one vote, which (whether on a show of hands or on a secret ballot) must be given personally or by proxy. A member who is not an individual shall vote through their duly authorised representatives.
- 22. A resolution may be decided by postal ballot if so decided by the Board.
- 23. If there is an equal number of votes for and against any resolution, the chairperson of the meeting shall be entitled to a casting vote.
- 24. 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 members present in person at the meeting); 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.
- 25. 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.

Special Resolutions and Ordinary Resolutions

26. 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 general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with Article 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.
27. In addition to the matters expressly referred to elsewhere in these Articles, the provisions of the Act allow the company, by special resolution,
- (a) to alter its name;
 - (b) to alter its Objects or Activities; and
 - (c) to alter any provision of these articles or adopt new articles of association.
28. For the purposes of these articles, an “ordinary resolution” means a resolution 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 Article 188.

Voting – Written Resolutions

29. (a) ordinary and Special Resolutions may be passed in writing, rather than at a General Meeting, provided that the terms of this Article are followed.
- (b) an ordinary resolution in writing signed by or on behalf of a simple majority of all the members shall be as valid and effective as if the same had been passed at a General Meeting of the Trust duly convened and held, provided that the terms of this Article are followed.
- (c) a Special Resolution in writing signed by or on behalf of not less than 75% of all the members shall be as valid and effective as if the same had been passed at a General Meeting of the Trust duly convened and held, provided that the terms of this Article are followed.
- (d) written resolutions may not be used either for the removal of a director prior to the expiration of his or her term of office, or for the removal of an independent financial examiner prior to the expiration of his or her term of office.
- (e) any written resolution must be issued in hard copy (by hand or by post) or in electronic form (by fax or e-mail), or by means of a website at the same time, to all members on the Circulation Date (that is, the date on which copies of the written resolution are sent to the members).
- (f) where such a written resolution is proposed by the Board, it must include the following express statements:

- (i) an explanation to the eligible members how to signify their agreement to the resolution;
 - (ii) how it can be sent back by them, and whether in hard copy (by hand or by post) and/or in electronic form (by fax or by e-mail);
 - (iii) clarification that a failure to reply will be deemed to be a vote against the resolution in question; and
 - (iv) the date by which the resolution must be passed if it is not to lapse (that is, the date which is 28 days after the Circulation Date).
- (g) Where such a written resolution is proposed by members, the following shall apply:
- (i) the resolution must be requested by not less than 5% of the members (“the members” request”);
 - (ii) the members” request may be made in hard copy (by hand or by post) or in electronic form (by fax or by e-mail);
 - (iii) the members” request must identify the resolution to be put to members. The Board can reject this if it is, in its opinion, either frivolous, vexatious, defamatory of any person or would be ineffective (whether by reason of inconsistency with any enactment or these Articles or otherwise);
 - (iv) the members” request can include an accompanying statement (not exceeding 1,000 words) which they can require the Trust to issue with the written resolution to all the members;
 - (v) within 21 days, the Trust must circulate the resolution and any accompanying statement with the express statements referred to in Article 29(f); and
 - (vi) the Trust may charge a reasonable fee to the requesting members to cover its costs of circulation of the members” request.
- (h) Any such written resolution may consist of several documents in the same form, each signed by or on behalf of one or more members.
- (i) Once a member has signed and returned a written resolution in agreement thereto, his or her agreement is irrevocable.
30. Other persons do not have voting rights but will be eligible to attend events organised from time to time at the sole discretion of the directors.

DIRECTORS (TRUSTEES)

Number of Directors

31. The maximum number of directors shall be 12 and the minimum number shall be 5.

Eligibility and Maximum Period in Office for Directors

32. A person shall be appointed a director by the current directors.
33. The Board may at any time elect new or additional directors as required in terms of Article 35 provided that the maximum number expressed in Article 31 is not exceeded.
34. The Board may act notwithstanding any vacancy in it, but where the number of directors falls below the minimum number specified in Article 31, it may only do so for the purpose of appointing sufficient trustees to match or exceed that minimum.
35. Nomination of any candidate for director shall be in writing by not less than any two existing directors. The candidate shall confirm his or her willingness to act as a director if elected and if required shall provide a statement to explain his or her suitability. All nominations to be valid must be delivered to the Registered Office (or to such other address for the Trust as specified in the nomination form) not less than fourteen days prior to the date of the next meeting of the Board of Directors.
36. A director shall be entitled to hold office for 3 years and shall then be eligible for re-election for a further periods of 3 years but no director may serve more than two consecutive terms of office, without at least one year out of office before being eligible again, except where the terms of Article 37(c) applies. A serving director at the date of the adoption of these Articles of Association will be deemed to have completed one term of office irrespective of the period of time previously served.

Rotation of Directors

37. (a) At each AGM (or, if it is decided not to hold an AGM in any subsequent year, then as at the next 31st December), one-third of the directors (or the nearest number upwards) shall retire from office. A retiring director shall retain office until the close or adjournment of the AGM, if held.
- (b) Subject to the terms of Article 37(c), if no other director has or directors have decided or agreed to retire at an AGM (or at a 31st December), the directors to retire at each AGM (or at each 31st December) in terms of Article 37(a) shall be those who have been longest in office since their last election. As between persons who were elected or last re-elected directors on the same day, the one or ones to retire shall (unless they otherwise agree amongst themselves) be determined by lot.
- (c) If a director who would normally be eligible for retiral by rotation in terms of Article 37(a) is at that time either the Chairman or Vice-Chairman and, in terms of Article 42, still has a year of his or her term of office to run (being either the period between the AGM at which he or she would normally be due to retire by rotation and the one after, or a calendar year between one 31st December and the next), such director is not obliged to retire by rotation until the expiry of his or her current three-year term of office as either Chairman or Vice-Chairman, but on completion of such term must then retire by rotation.
- (d) Election of any director shall be by vote of the directors, each having one vote for each vacancy in the directors on the Board.

Casual Vacancies

38. The Board may from time to time fill any casual vacancy arising as a result of the retiral (or deemed retiral for any reason) of any director, from or after the date of such retiral or deemed retiral until the next AGM (or next 31st December).

Termination of Office

39. A director shall automatically vacate office if:-
- (a) he/she ceases to be a director through the operation of any provision of the Act or becomes prohibited by law from being a director;
 - (b) he/she becomes debarred under any statutory provision from being involved in the management or control of a charity;
 - (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 director elected/appointed under Article 41) he/she ceases to be a member of the company;
 - (e) he/she resigns office by notice to the company;
 - (f) 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;
 - (g) he/she is removed from office by resolution of the directors.

Register of Directors/Directors' Interests

40. 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 specifying the date on which any person ceased to hold office as a director and containing details of directors' interests.

Office Bearers

41. The directors shall appoint a Chair, Vice-Chair, Finance Director and such other office bearers (if any) as they consider appropriate.
42. The office bearers shall hold office for a period of three years but will be eligible for re-election for a further term of office of three years.
43. 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.
44. The directors may at their sole discretion decide to appoint a company secretary, who may or may not be a director, for such term, at such remuneration (if any) and upon such conditions as they may think fit; the company secretary may be removed and replaced or not (at the directors sole discretion) by the directors at any time.

Powers of Directors

45. Subject to the provisions of the Act, 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.
46. A meeting of the directors at which a quorum is present may exercise all powers exercisable by the directors.

Directors Declarations of Interests

47. The directors may, in accordance with the requirements set out in Articles 47 to 52, authorise any matter proposed to them by any director which would, if not authorised, involve or constitute a director (an "Interested Director") breaching or infringing his duty under section 175 of the Act to avoid conflicts of interest (the "Conflict").
48. Any authorisation under Articles 47 to 52 will be effective only if:
 - (a) the matter in question, to the extent permitted by the Act, shall have been proposed by any director for consideration at a meeting of the Board of Directors in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the Directors may determine;
 - (b) any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the Interested director; and
 - (c) the matter was agreed to without the Interested director voting or would have been agreed to if the Interested director had not been counted in the vote.
49. Any authorisation of a matter under Articles 47 to 52 may (whether at the time of giving the authority or subsequently):
 - (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
 - (b) be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine on the Interested director; or
 - (c) be terminated or varied by the directors at any time.

This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation.

50. Where the directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authority or subsequently) that the director:
 - (a) is excluded from discussions (whether at meetings of the Board of directors or otherwise) related to the Conflict;
 - (b) is not given any documents or other information relating to the Conflict; or
 - (c) may or may not vote (or may or may not be counted in the quorum) at

any future meeting of directors in relation to any resolution relating to the Conflict.

Notwithstanding the fact that the directors have made provisions (or otherwise) under this Article 50, the Interested director whose Conflict has been authorised shall not be in breach of his duties to the Company where the Interested Director, of his own accord, does not attend any discussions, refuses to receive any documents or information relating to the Conflict or refuses to vote on any resolution relating to the Conflict (or refuses to do or does any similar action).

51. Where the directors authorise a Conflict:
- (a) the Interested director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict; and
 - (b) the Interested director will not breach or infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the directors may impose in respect of its authorisation.
 - (c) the directors may decide (whether at the time of giving the authority or subsequently) that, if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to:
 - (i) disclose such information to the directors or to any director or other officer or employee of the Company;
 - (ii) use or apply any such information in performing his duties as a director; where to do so would amount to a breach of that confidence and, accordingly, by not disclosing, using or applying such information, the director shall not be in breach or infringe his duties to the Company in terms of Sections 171 to 177 of the Act.
52. A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract, agreement or arrangement relating to a Conflict that has been authorised by the Board of Directors shall be liable to be avoided on such grounds.

Personal Interests

53. A director who is in any way, whether directly or indirectly interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act. For the purposes of this 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 for the purposes of the Act), has a personal interest in that arrangement.

54. A director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under Article 53.
55. Subject, where applicable, to the disclosures required under Article 54 and Article 54, and to any terms and conditions imposed by the directors in accordance with these Articles 55 to 57, a director shall be entitled to vote in respect of any proposed or existing transaction or arrangement with the Company in which he is interested and if he shall do so his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present.
56. A director need not declare an interest under Article 543 and Article 554 as the case may be:
 - (a) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
 - (b) of which the director is not aware, although for this purpose a director is treated as being aware of matters of which he ought reasonably to be aware;
 - (c) if, or to the extent that, the other directors are already aware of it, and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware; or
 - (d) if, or to the extent that, it concerns the terms of his service contract that have been, or are to be, considered at a meeting of the Board of Directors.
57. Provided he/she has declared his/her interest a director will not be debarred from entering into an arrangement with the company in which he/she has a personal interest and may retain any personal benefit which he/she gains from his/her participation in that arrangement.

DIRECTORS' MEETINGS

Procedure at Directors' Meetings

58. Meetings of the Board may take place in person or by telephone conference call, video conference call or by any other collective electronic means approved from time to time by the Board.
59. Board meetings will be held on a regular basis. Any director may call a meeting of the directors or request the secretary to call a meeting of the directors.
60. The directors can agree to make or confirm decisions by written resolution, telephone or by electronic means as alternatives to making or confirming decisions at directors meetings.
61. 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 have a casting vote.
62. 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 be three. 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.

63. Resolutions relating to the following matters shall require a special decision of not less than 75% of the directors present and voting thereon, namely:
- (a) to purchase or sell any heritable property, wherever situated; or
 - (b) to form, acquire or dispose of any subsidiary; or
 - (c) to grant any guarantee or indemnity to any party, other than any wholly-owned subsidiary of the Trust; or
 - (d) to create or issue or allow to come into being any mortgage, security, or charge upon any part or parts of the property or assets of the Trust; or
 - (e) to acquire or dispose, whether by the Trust or by any of its subsidiaries, of any shares of any other company or the participation or cessation of participation by the Trust or by any of its subsidiaries in any formal trust or joint venture.
64. 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.
65. 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.
66. 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.
67. 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.
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.
69. 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 58 to 682 and 64 to 68.

Delegation to Sub-Committees

70. The directors may delegate any of their powers to any sub-committee consisting of two 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. Any delegation of powers under this Article may be made subject

to:-

- (a) such conditions as the directors may impose and may be revoked or altered; and
- (b) such rules of procedure for any sub-committee shall be as prescribed by the directors.

Validation

- 71. All acts bona fide done by any Board meeting, or of any sub-committee, or by any person acting as a director shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a director.
- 72. No alteration of these Articles and no direction given by Special Resolution shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given.

ADMINISTRATION

Principal Officer

- 73. The Board may appoint a Principal Officer of the Trust on such terms (including a decision on the most appropriate job title) and conditions as it may think fit, who shall attend Board and Sub-Committee meetings as appropriate or required, but who shall not be a director and, for the avoidance of doubt, will have no vote thereat.

Honorary Patron(s)

- 74. The Board may agree to the appointment of one or more Honorary Patrons of the Trust, to be appointed either for such fixed period (usually of five years) as it determines or for an unspecified period until such appointment be terminated by it. The Honorary Patron or Patrons would be entitled to notice of all General Meetings and to attend and contribute to discussion but not vote thereat.

Minutes

- 75. 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 or by the chairman of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated. The minutes shall be retained for at least 10 years.

Accounting Records and Annual Accounts

- 76. The directors shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements for both companies and charities. The accounting records shall be maintained by the Principal Officer (if there is one) and overseen by the Finance Director (if there is one), or otherwise by, or as determined by, the Board. Such records shall be kept at such place or places as the Board shall think fit and shall always be open to the inspection of the directors.

Bank Accounts

77. The banking account or accounts of the Trust shall be kept in such bank or building society and/or banks or building societies as the Board shall from time to time determine.
78. All cheques and other negotiable instruments, and all receipts for monies paid to the Trust, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.
79. The signatures of two authorised representatives of the Company (who need not be directors of the Company) shall be required in relation to all operations (other than lodgement of funds) on the bank, building society or other financial institution accounts held by the company.
80. The Board shall ensure that all funds and assets of the Trust are applied towards achieving the Charitable Purposes.

Notices

81. Any notice, document or other information shall be deemed served on or delivered to the intended recipient:-
 - (a) if properly addressed and sent by pre-paid UK first class post to an address (last intimated by him/her/them) to the company in the UK 48 hours after it is posted;
 - (b) a Member whose registered address is not within the United Kingdom shall be entitled to receive notices at such address and such notices shall be sent to the Member by airmail. Notices sent overseas shall be deemed to be given at the expiry of a period of 5 days after the envelope containing it was posted. Sections 1143 to 1148 together with schedule 4 and 5 of the Act shall apply;
 - (c) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - (d) if properly addressed and sent or supplied by electronic mail (e-mail) (in the case of a Member who has notified the company of an address to be used for the purpose of electronic communications) one hour after the e-mail was sent or supplied; and
 - (e) 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 so deemed to have received) notice of the fact that the material is on the website.
82. For the purposes of Article 81, no account will be taken of any part of a day that is not a business day (where a "business day" means any day (other than a Saturday, Sunday or public holiday in Scotland) on which clearing banks in Edinburgh are generally open for business). 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 purposes of the Act.

MISCELLANEOUS

Winding-up

83. If the company is dissolved or wound up, the liquidator shall, if there remains , after the satisfaction of all its debts and liabilities, any property whatsoever, then the property shall not be paid to or distributed among the members of the Company, but shall be paid, given, transferred or distributed to such body or bodies to be determined by the members of the Company at the time of the dissolution or winding up :
- (a) being a charitable body or bodies having objects similar to the Objects of the Company; and
 - (b) being a charitable body or bodies which shall prohibit the distribution of its or their assets, income and property among its or their members to an extent at least as great as is imposed on the Company.

Or failing which such other charitable body or bodies as are willing to take the property of the Company.

Indemnity

84. Without prejudice to Articles 85 and 89 and subject to the provisions of and to the extent permitted by the Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the assets of the Company against any liability incurred by him for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company, provided that this Article shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause this Article, or any element of it, to be treated as void under the Act.
85. Subject to the Act and any agreement made between a director and the Company in accordance with the Act, a director shall be indemnified out of the Company's assets against any expenses which that director incurs in connection with:
- (a) civil proceedings in relation to the Company (unless judgment is given against the director and the judgment is final);
 - (b) criminal proceedings in relation to the Company (unless the director is convicted and the conviction is final); or
 - (c) any application for relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company (unless the court refuses to grant the director relief, and the refusal is final).
86. For the purposes of Article 85 judgment, conviction or refusal of relief becomes final if:
- (a) the period for bringing an appeal (or any further appeal) has ended; and
 - (b) any appeal brought is determined, abandoned or otherwise ceases to have effect.
87. Every director or other officer or auditor of the company shall be indemnified

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; that may include, without prejudice to that generality, 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.

88. The indemnity contained in article 87 shall be subject to the provisions of the Act and is without prejudice to any other indemnity to which a director may otherwise be entitled.

Insurance

89. Subject to the Act, the directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss.

In this Article:-

- (a) a “relevant officer” means any director or former director of the Company, any other officer or employee or former officer or employee of the Company or its associate (but not the auditors), or any trustee of a pension fund or employee benefits trust of the Company;
- (b) a “relevant loss” means any loss or expenditure which has been or may be incurred by a relevant officer in connection with that relevant officer’s duties, powers or responsibilities in relation to the Company or an associate or its pension fund or employee benefits trust; and
- (c) an “associate” means any subsidiary or subsidiary undertaking or holding company of such company and any other subsidiary or subsidiary undertaking of any holding company of such company (“**holding company**” and “**subsidiary company**” having the meanings set out in section 1159 and Schedule 6 of the Companies Act 2006).

Liability of Members

90. The liability of the members is limited to ONE POUND (£1.00). Every member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up while he is a member, or within one year after he ceases to be a member, for payment of the:-

- (a) debts and liabilities of the Company contracted before he ceases to be a member;
- (b) costs, charges and expenses of winding up,

and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding ONE POUND.

91. The income, assets and property of the Company shall be applied solely towards the promotion of the Objects of the Company as set out herein and subject to the following paragraphs no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to the members of the Company. Nothing herein shall prevent any payment in good faith by the Company:-

- (a) of out-of-pocket expenses incurred in carrying out duties by any member, director, officer or employee of the Company;
- (b) reasonable payment in return for services rendered to the Company;
- (c) director/trustee indemnity insurance; and
- (d) payment or benefits permitted in terms of the Charities and Trustee Investment (Scotland) Act 2005.

Interpretation

92. In these articles the following terms and expressions shall have the following meanings:-

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| Act | means the Companies Act 2006 and any reference in these articles to a provision of the Act shall be taken to include any statutory modification or re-enactment of that provision which is in force at the time; |
| Charities Act | means the Charities and Trustee Investment (Scotland) Act 2005 and any reference in these articles to a provision of the Act shall be taken to include any statutory modification or re-enactment of that provision which is in force at the time; |
| Activities | shall have the meaning given to it in Articles 3 and 4. |
| charity | shall mean a body on the Scottish Charity Register which is also regarded as a charity in relation to the application of the Taxes Acts; |
| charitable purpose | shall mean a purpose which constitutes 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 the Taxes Act; |
| electronic communication | shall have the same meaning as is assigned to that expression in the Electronic Communications Act 2000; |
| Model Articles | means the model articles for private companies limited by Guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (S/2008/3229) as amended prior to the date of adoption of these Articles; |
| Objects | shall have the meaning given to it in Article 2; |

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| OSCR | shall mean the Office of the Scottish Charity Regulator, 2 nd Floor, Quadrant House, 9 Riverside Drive, Dundee, DD1 4NY; |
| person | means any individual, organisation or body including any authorised representative of any organisation or body; and |
| Scottish Charity Register | means the register held by OSCR; |
| director | shall have the same meaning as trustee |

93. Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles. Unless the context requires otherwise, words or expressions used in these articles bear the same meaning as in the Act (as said Act is in force at the date of adoption of these articles). For the avoidance of doubt:-

- (a) headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- (b) unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
 - (i) any subordinate legislation from time to time made under it; and
 - (ii) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- (c) reference in these articles to the singular shall be deemed to include the plural.
- (d) any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- (e) the Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles. Regulations 2, 3, 21, 22, 24, 38, 39 of the Model Articles shall not apply to the Company.