

Certified a true copy  
Glasgow *[Signature]*

THE MELTING POT  
("the Company")

SOLICITOR *3/9/2015*

(Company number: SC291663)

~~MEMBERS' WRITTEN ORDINARY RESOLUTION~~  
SPECIAL

Circulation Date: 20<sup>th</sup> August 2015

In accordance with sections 288 to 300 of the Companies Act 2006, we, being members of the Company who represent not less than 75% of the voting rights of those members who are entitled to vote on this resolution on its Circulation Date, agree to the following resolution, which is proposed as a special resolution of the Company:-

THAT the regulations set out in the document attached to this resolution be adopted as the new articles of association of the Company in place of, and to the exclusion of, the existing articles of association.

1 *[Signature]*  
(Roger Hovam)  
Date 20/08/15

2 *[Signature]*  
MARK ANDERSON  
Date 25/08/15

3 *[Signature]*  
ANDREW RICHARDS  
Date 25/8/15

4 *[Signature]*  
CLAIRE CARPENTER  
Date 26/8/15

5 *[Signature]*  
MARIE-AMELIE VIATTE  
Date 28/8/15

6 *[Signature]*  
ANDREW CORCHIE  
Date 31/8/15

NOTES:

1 In order for the above member's written resolution to be passed as special resolution of the Company, the resolution must be agreed by members holding

FRIDAY



SCT \*S4F81XKB\* #414  
04/09/2015  
COMPANIES HOUSE

in aggregate not less than 75% of the total voting rights of those members who are entitled to vote on the resolution on the Circulation Date.

- 2 The relevant statutory provisions state that members may signify their approval of the written resolution by delivering to the Company an authenticated document (in hard copy or electronic form) identifying the resolution and indicating agreement to its terms. It is therefore not necessary to physically sign the written resolution; however, signing the written resolution in the space above the member's name is a valid and effective method of signifying approval.
- 3 If you agree to the resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the company.
- 4 Unless by the end of the period of 28 days beginning with the Circulation Date noted above, sufficient agreement has been received for the resolution to pass, it will lapse.



**THE COMPANIES ACT 2006**

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

**ARTICLES of ASSOCIATION**

**of**

**THE MELTING POT**

**(as adopted by members' special written resolution on 31 August 2015)**



Director **C. CARPENTER**

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

**ARTICLES of ASSOCIATION**

of

**THE MELTING POT**  
(as adopted by members' special written resolution on 31 August 2015)

<b>CONTENTS</b>		
<b>GENERAL</b>	constitution of the company, defined terms, objects, powers, restrictions on use of assets, limit on liability	articles 1 - 12
<b>MEMBERS</b>	qualifications, application, maximum number, subscription, register, cessation of membership	articles 13-30
<b>GENERAL MEETINGS (meetings of members)</b>	general, notice, procedure, votes of members, special/ordinary resolutions, written resolutions	articles 31-60
<b>DIRECTORS</b>	appointment of directors, retiral/re-appointment of directors, disqualification/removal of directors, register, office bearers, directors' interests, remuneration and expenses, powers	articles 63-86
<b>DIRECTORS' MEETINGS</b>	procedure, conduct of directors	articles 87-103
<b>ADMINISTRATION</b>	delegation to sub-committees, secretary, minutes, accounting records and annual accounts, notices	articles 104-116
<b>MISCELLANEOUS</b>	winding-up, indemnity	articles 117-123

**Constitution of the company**

- 1 The model articles of association as prescribed in Schedule 2 to The Companies (Model Articles) Regulations 2008 are excluded in respect of this company.

**Defined terms**

- 2 In these articles of association, unless the context requires otherwise:
  - 2.1 "Act" means the Companies Act 2006;
  - 2.2 "charity" means 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 1 of the Charities Act

2011, providing (in either case) that its objects are limited to charitable purposes;

- 2.3 “charitable purpose” means 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 Acts;
  - 2.4 “electronic form” has the meaning given in section 1168 of the Act;
  - 2.5 “OSCR” means the Office of the Scottish Charity Regulator;
  - 2.6 “property” means any property, heritable or moveable, real or personal, wherever situated; and
  - 2.7 “subsidiary” has the meaning given in section 1159 of the Act.
- 3 Any reference to a provision of any legislation (including any statutory instrument) shall include any statutory modification or re-enactment of that provision in force from time to time.

#### **Objects**

- 4 The company’s objects are:
- 4.1 to advance education;
  - 4.2 to advance citizenship and community development; and
  - 4.3 to relieve unemployment
- through a range of projects, initiatives and activities which stimulate and support social innovation.
- 5 The company’s objects are restricted to those set out in article 4 (but subject to article 6).
- 6 The company may (subject to first obtaining the consent of OSCR) add to, remove or alter the statement of the company’s objects in article 4; on any occasion when it does so, it must give notice to the registrar of companies and the amendment will not be effective until that notice is registered on the register of companies.

#### **Powers**

- 7 In pursuance of the objects listed in article 4 (but not otherwise), the company shall have the following powers:
- 7.1 To promote, establish, deliver, assist (in respect of applications for funding or otherwise), co-ordinate, monitor and/or support (whether financially or otherwise) projects, initiatives and programmes of all kinds which further any of the aims of the company.
  - 7.2 To provide information, advisory, support and/or consultancy services which further any of the aims of the company.

- 7.3 To design, prepare, publish and/or distribute information packs, leaflets, books, newsletters, magazines, posters and other publications, audio and video recordings, multi-media products and display materials, and to create and maintain a website or websites.
- 7.4 To liaise with local authorities, European, UK and Scottish government authorities and agencies, local enterprise companies, local economic development companies, European programme management executives, registered social landlords and other charities or community-benefit bodies, all with a view to furthering the aims of the company.
- 7.5 To commission research, studies and reports with a view to identifying, evolving and (as appropriate) implementing appropriate strategies and programmes which advance any of the aims of the company.
- 7.6 To advise in relation to, prepare, organise and/or conduct training courses, seminars, conferences, and other educational events, courses and programmes of all kinds.
- 7.7 To carry on any other activities which further any of the above objects.
- 7.8 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.
- 7.9 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.
- 7.10 To purchase, take on lease, hire, or otherwise acquire, any property or rights which are suitable for the company's activities.
- 7.11 To improve, manage, develop, or otherwise deal with, all or any part of the property and rights of the company.
- 7.12 To sell, let, hire out, license, or otherwise dispose of, all or any part of the property and rights of the company.
- 7.13 To lend money and give credit (with or without security) and to grant guarantees and issue indemnities.
- 7.14 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.
- 7.15 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.
- 7.16 To engage such consultants and advisers as are considered appropriate from time to time.

- 7.17 To effect insurance of all kinds (which may include officers' liability insurance).
- 7.18 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).
- 7.19 To establish and/or support any other charity, and to make donations for any charitable purpose falling within the company's objects.
- 7.20 To take such steps as may be deemed appropriate for the purpose of raising funds for the company's activities.
- 7.21 To accept grants, donations and legacies of all kinds (and to accept any reasonable conditions attaching to them).
- 7.22 To oppose, or object to, any application or proceedings which may prejudice the company's interests.
- 7.23 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.
- 7.24 To do anything which may be incidental or conducive to the furtherance of any of the company's objects.

#### **Restrictions on use of the company's assets**

- 8 The income and property of the company shall be applied solely towards promoting the company's objects.
- 9 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.
- 10 No director of the company (other than the Executive Director, as defined in articles 68 and 69) shall be appointed as a paid employee of the company; no director (other than the Executive Director) shall hold any office under the company for which a salary or fee is payable.
- 11 No benefit (whether in money or in kind) shall be given by the company to any director except in relation to:
  - 11.1 repayment of out-of-pocket expenses;
  - 11.2 reasonable payment in return for particular services (not being of a management nature) actually rendered to the company; or
  - 11.3 in the case of the Executive Director only, reasonable remuneration, and reasonable pension and/or other benefits, paid or provided to him/her in his/her capacity as an employee of the company.

#### **Liability of members**

- 12 Every member of the company undertakes that if the company is wound up while he/she is a member (or within one year after he/she ceases to be a member), he/she will contribute - up to a maximum of £1 - to the assets of the company, to be applied towards
- 12.1 payment of the company's debts and liabilities contracted before he/she ceases to be a member;
  - 12.2 payment of the costs, charges and expenses of winding up; and
  - 12.3 adjustment of the rights of the contributories among themselves.

### **Membership**

- 13 The membership of the company shall consist of such individuals as are admitted to membership under the articles of association of the company in force from time to time.
- 14 Membership shall cease on death.
- 15 A member may not transfer his/her membership to any other individual.

### **Qualifications for membership**

- 16 Membership shall be open to any individual who wishes to support the aims and activities of the company who has been nominated for membership by two directors of the company.
- 17 No employee of the company may become a member; an individual admitted to membership shall automatically cease to be a member if he/she becomes an employee of the company.
- 18 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**

- 19 Any person who wishes to become a member shall lodge with the company a written application for membership (in such form as the directors require), signed by him/her, and also signed by the two directors nominating him/her for membership.
- 20 A person applying for membership shall lodge with the company such information and evidence in support of his/her application as the directors require.
- 21 Each application for membership shall be considered by the directors at the first meeting of the directors which is held after receipt by the company of the written application (and, if required by the directors, supporting information and evidence) required under articles 19 and 20.
- 22 The directors shall be entitled at their discretion (and without giving any reason) to refuse to admit any person to membership; in determining whether or not to admit an applicant to membership, the directors shall have regard to the skills of the



applicant, and the potential contribution which the applicant could make to the conduct and development of the company's activities.

- 23 The directors shall, within a period of seven days after the meeting at which an application for membership is considered, notify the applicant in writing of the directors' decision as to whether or not to admit him/her to membership.
- 24 A person, once admitted to membership, shall remain a member (subject to the provisions of articles 18, 26, 27 and 29) unless and until he/she submits a written notice of retiral under article 28.

#### **Register of members**

- 25 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.

#### **Cessation of membership**

- 26 Membership shall cease on death.
- 27 An individual shall automatically cease to be a member if he/she ceases (for whatever reason) to be a director of the company.
- 28 Any person who wishes to withdraw from membership shall lodge with the company a written notice of retiral (in such form as the directors require), signed by him/her; on receipt of the notice by the company he/she shall cease to be a member.
- 29 The directors shall (subject to article 43) be entitled to expel any individual from membership by way of a resolution to that effect passed at a board meeting, providing that 75% (to the nearest round number) of the directors then in office voted in favour of that resolution.
- 30 Any director who wishes to propose at any board meeting a resolution for the expulsion of any individual from membership shall lodge with the company written notice of his/her intention to do so (identifying the member concerned and specifying the grounds for the proposed expulsion) not less than 28 days before the date of the board meeting; the company shall, on receipt of such a notice, send a copy of the notice to the member concerned, and the member concerned shall be entitled to be heard on the resolution at the board meeting at which the resolution is proposed.

#### **General meetings**

- 31 The directors must convene a general meeting if there is a valid requisition by members (under section 303 of the Act) or a requisition by a resigning auditor (under section 518 of the Act).
- 32 Subject to the provisions of article 31 the directors may convene general meetings whenever they think fit.
- 33 For the avoidance of doubt, the directors shall be under no obligation to convene annual general meetings.

### **Notice of general meetings**

- 34 At least 14 clear days' notice of each general meeting must be given to all the members and directors and (if auditors are in office at the time) to the auditors.
- 35 The reference to "clear days" in article 34 shall be taken to mean that, in calculating the period of notice, the day after the notice is posted (or, in the case of notice sent by electronic means, the day after it was sent), and also the day of the meeting, should be excluded.
- 36 A notice calling a meeting shall specify the time, date and place of the meeting; it shall:
- 36.1 indicate the general nature of the business to be dealt with at the meeting;
  - 36.2 if a special resolution (see article 54) or a resolution requiring special notice under the Act is to be proposed, state that fact, giving the exact terms of the resolution; and
  - 36.3 contain a statement informing members of their right to appoint a proxy.
- 37 A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting.
- 38 Notice of every general meeting shall be given:
- 38.1 in hard copy form;
  - 38.2 (where the individual or body to whom/which notice is given has notified the company of an address to be used for the purpose of electronic communication) in electronic form; or
  - 38.3 subject to the company notifying members of the presence of the notice on the website, and complying with the other requirements of section 309 of the Act, by means of a website.

### **Procedure at general meetings**

- 39 No business shall be dealt with at any general meeting unless a quorum is present; the quorum for a general meeting shall be half of the total number of members (rounded upwards, if necessary), present in person or represented by proxy.
- 40 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.
- 41 The Chairperson shall (if present and willing to act as chairperson) preside as chairperson of each general meeting; if the Chairperson 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.

- 42 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.
- 43 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.
- 44 If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such manner as the chairperson may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded.
- 45 Unless a secret ballot is demanded in accordance with article 43, a declaration by the chairperson that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority, and an entry to that effect in the minutes of the meeting, shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the resolution.

#### **Votes of members**

- 46 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.
- 47 A member who wishes to appoint a proxy to vote on his/her behalf at any meeting
- 47.1 shall lodge with the company, at the company's registered office, a written instrument of proxy (in such form as the directors require), signed by him/her; or
- 47.2 shall send by electronic means to the company, at such electronic address as may have been notified to the members by the company for that purpose, an instrument of proxy (in such form as the directors require);
- providing (in either case) the instrument of proxy is received by the company at the relevant address not less than 48 hours before the time for holding the meeting.
- 48 For the avoidance of doubt, in calculating the 48-hour period referred to in article 47, no account shall be taken of any day that is not a working day.
- 49 An instrument of proxy, or electronic communication containing the appointment of a proxy, which does not conform with the provisions of article 47, or which is not lodged or sent in accordance with such provisions, shall be invalid.
- 50 A member shall not be entitled to appoint more than one proxy to attend the same meeting.
- 51 A proxy need not be a member of the company.
- 52 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.

- 53 In the case of an equality of votes, whether on a show of hands or on a ballot, a member of the company who is the chairperson of a general meeting shall be entitled to a second or casting vote in addition to any other vote he/she may have.

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

- 54 For the purposes of these articles, a “special resolution” means (without prejudice to articles 57 to 60) a resolution passed by 75% or more of the votes cast on the resolution at a general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with articles 34 to 38; 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.

- 55 In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Act allow the company, by special resolution,

55.1 to alter its name

55.2 to alter any provision of these articles or adopt new articles of association.

- 56 For the purposes of these articles, an “ordinary resolution” means (without prejudice to articles 57 to 60) 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 a general meeting, providing proper notice of the meeting has been given in accordance with articles 34 to 38.

#### **Written resolutions**

- 57 A written resolution can be passed by the members of the company (having been proposed by either the members or the directors in accordance with the procedures detailed in Chapter 2 of Part 13 of the Act) and will have effect as if passed by the members of the company in general meeting; a written resolution is passed when the required majority of eligible members have signified their agreement to it by sending to the company (in hard copy or electronic form) an authenticated document which identifies the resolution to which it relates and which indicates the member’s agreement to it (agreement to which cannot thereafter be revoked).

- 58 For the purposes of the preceding article:

58.1 the reference to “eligible members” is to those members who would have been entitled to vote on the resolution on the circulation date of the resolution (which is either (a) the date on which copies of the written resolution are sent or submitted to the members in accordance with the procedures detailed in Chapter 2 of Part 13 of the Act; or (b) if copies are sent or submitted to members on different days, the first of those dates); the reference to “required majority” is to the majority required to pass an ordinary or a special resolution under the Act, as follows:-

58.1.1 in order to pass an ordinary resolution by way of written resolution, it must be passed (in accordance with article 57) by members representing a simple majority of the total voting rights of eligible members;

58.1.2 in order to pass a special resolution by way of written resolution, it must be passed (in accordance with article 57) by members representing not less than 75% of the total voting rights of eligible members and the resolution must specifically state that it was proposed as a special resolution.

59 For the avoidance of doubt, a resolution to remove a director (under section 168 of the Act) or a resolution to remove an auditor (under section 510 of the Act) cannot be proposed as a written resolution under article 57.

60 For the purposes of article 57, a proposed written resolution will lapse if it is not passed before the end of a period of 28 days beginning with the circulation date (as defined in article 58), and the agreement of any member to a written resolution will be ineffective if signified after the expiry of that period.

#### **Categories of directors**

61 For the purposes of these articles of association:

“Non-Executive Director” means a director appointed under articles 63 to 67; and

“Executive Director” means a director appointed under articles 68 and 69.

#### **Number of directors**

62 The maximum number of directors shall be ten, of whom nine may be Non-Executive Directors and no more than one shall be the Executive Director; the minimum number of directors shall be three.

#### **Appointment of Non-Executive directors**

63 A person shall automatically become a Non-Executive director of the company immediately upon his/her admission to membership.

64 An individual who ceases (for whatever reason) to be a member shall automatically cease to be a Non-Executive Director with effect from the time at which he/she ceases to be a member of the company.

65 A person shall automatically become a director of the company immediately upon his/her admission to membership.

66 An individual who ceases (for whatever reason) to be a member shall automatically cease to be a Non-Executive Director with effect from the time at which he/she ceases to be a member of the company.

#### **Retiral, re-appointment of Non-Executive Directors**

67 At the final board meeting of the financial year, one third of the Non-Executive directors shall retire from office, but, providing he/she is willing to act, each shall then be eligible for re-appointment by the directors under article 67.

68 The Non-Executive directors to retire under article 65 shall be those who have been longest in office since they were last appointed or re-appointed; if two or more

directors were appointed or re-appointed on the same date, the question of which of them is to retire under article 65 shall be decided by some random method.

- 69 The directors may re-appoint any individual retiring under article 65; if any individual retiring is not so re-appointed, he/she shall cease to be a director and member of the company with effect from the conclusion of the board meeting.

#### **Executive Director**

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

#### **Disqualification and removal of directors**

- 72 A director shall automatically vacate office if:
- 72.1 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;
  - 72.2 he/she becomes debarred under any statutory provision from being a charity trustee;
  - 72.3 he/she is sequestered;
  - 72.4 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;
  - 72.5 (except in the case of the Executive Director) he/she becomes an employee of the company;
  - 72.6 in the case of the Executive Director, he/she ceases to hold the post of managing director of the company;
  - 72.7 in the case of a Non-Executive Director, he/she ceases to be a member of the company;
  - 72.8 he/she resigns office by notice to the company;
  - 72.9 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;
  - 72.10 he/she is removed from office by resolution of the directors on the grounds that he/she is considered to have committed a material breach of the code of conduct for directors in force from time to time (as referred to in article 105);

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

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

73 A resolution under paragraph 70.10 or 70.11 shall be valid only if:-

73.1 the director who is the subject of the resolution is given reasonable prior written notice by the directors of the grounds upon which the resolution for his/her removal is to be proposed;

73.2 the director concerned is given the opportunity to address the meeting of directors at which the resolution is proposed, prior to the resolution being put to the vote;

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

#### **Register of directors**

74 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**

75 Directors shall be appointed to hold the office of Chair and Vice Chair and any other offices which the directors may consider appropriate.

76 The appointments made under the preceding article shall be made at meetings of directors.

77 Each office shall be held (subject to article 76) until the final board meeting of the financial year; a director whose period of office expires under this article may be re-appointed to that office under article 73 (providing he/she is willing to act).

78 The appointment of any director to an office under article 73 shall terminate if he/she ceases to be a director, or if he/she resigns from that office by written notice to the company.

79 If the appointment of a director to any office under article 73 terminates, the directors shall appoint another director to hold the office in his/her place.

#### **Directors' interests**

80 Subject to the provisions of the Act and of articles 8 and 9 and provided that he/she has disclosed to the directors the nature and extent of any personal interest which he/she has (unless immaterial), a director (notwithstanding his/her office):

80.1 may be a party to, or have some other personal interest in, any transaction or arrangement with the company or any associated company;

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

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

- 81 For the purposes of the preceding article, an interest of which a director has no knowledge and of which it is unreasonable to expect him/her to have knowledge shall not be treated as an interest of his/hers; the references to "associated company" shall be interpreted as references to any subsidiary of the company or any other company in which the company has a direct or indirect interest.

#### **Directors' remuneration and expenses**

- 82 No director shall be entitled to any remuneration, whether in respect of his/her office as director or as holder of any office under article 73.
- 83 The Executive Director shall, notwithstanding that he/she is a director of the company, be entitled to retain all remuneration, and all pension and/or other benefits, paid or provided to him/her in his/her capacity as an employee of the company.
- 84 The directors may be paid all travelling and other expenses properly incurred by them in connection with their attendance at meetings of directors, general meetings or meetings of committees of directors or otherwise in connection with the carrying-out of their duties.

#### **Powers of directors**

- 85 Subject to the provisions of the Act, and these articles, and subject to any directions given by special resolution, the business of the company shall be managed by the directors, who may exercise all the powers of the company.
- 86 No alteration of these articles and no direction given by special resolution shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given.
- 87 The powers conferred by article 83 shall not be limited by any special power conferred on the directors by these articles.
- 88 A meeting of the directors at which a quorum is present may exercise all powers exercisable by the directors.

#### **Proceedings of directors**



- 89 Subject to the provisions of these articles, the directors may regulate their proceedings as they think fit.
- 90 Any director may call a meeting of the directors or request the secretary to call a meeting of the directors.
- 91 Questions arising at a meeting of directors shall (except where specifically provided otherwise in these articles) be decided by a majority of votes; in the case of an equality of votes, the chairperson shall have a second or casting vote.
- 92 The quorum for the transaction of the business of the directors shall be half of the total number of all Directors (rounded upwards, if necessary)
- 93 If the quorum required under article 89 is not present within half an hour after the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to such time and place as may be fixed by the chairperson of the meeting.
- 94 A director may participate in a meeting of the directors or a meeting of a committee of directors by means of a conference telephone, video conferencing facility or similar communications equipment whereby all the directors participating in the meeting can hear each other; a director participating in a meeting in this manner shall be deemed to be present in person at the meeting.
- 95 The continuing directors or a sole continuing director may act notwithstanding vacancies but if the number of remaining directors is less than the number fixed as the quorum, they or he/she may act only for the purpose of filling vacancies or of calling a general meeting.
- 96 Unless he/she is unwilling to do so, the Chairperson shall preside as chairperson at every meeting of directors at which he/she is present; if the Chairperson is unwilling to act as chairperson or is not present within fifteen minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairperson of the meeting.
- 97 The directors shall be entitled to allow any person to attend and speak (but not vote) at any meeting of the directors; a person invited to attend a meeting of the directors under the preceding provisions of this article shall not be entitled to exercise any of the powers of a director, and shall not be deemed to constitute a director for the purposes of the Act or any provision of these articles.
- 98 All acts done by a meeting of directors or by a meeting of a committee of directors or by a person acting as a director shall, notwithstanding that it is afterwards discovered that there was a defect in the appointment of any director or that any of them was disqualified from holding office or had vacated office or was not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
- 99 A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held; it may consist of several documents in the same form each signed by one or more directors.

- 100 A director shall not vote at a meeting of directors or at a meeting of a committee of directors on any resolution concerning a matter in which he/she has, directly or indirectly, a personal interest or duty (unless immaterial) which conflicts or may conflict with the interests of the company.
- 101 For the purposes of the preceding article,
- 101.1 an interest of a person who is taken to be connected with a director for any purpose of the Act (excluding any statutory modification not in force at the date of adoption of these articles), shall be treated as a personal interest of the director; and
- 101.2 a director shall be deemed to have a personal interest in relation to a particular matter if a body in relation to which he/she is an employee, director, member of the management committee, officer or elected representative has a personal interest in that matter.
- 102 For the avoidance of doubt, the Executive Director shall not be entitled to vote on any matter relating to his/her remuneration or terms and conditions of employment.
- 103 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.
- 104 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 98 to 100.
- 105 If a question arises at a meeting of directors or at a meeting of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairperson of the meeting; his/her ruling in relation to any director other than himself/herself shall be final and conclusive.

#### **Conduct of directors**

- 106 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
- 106.1 seek, in good faith, to ensure that the company acts in a manner which is in accordance with its objects;
- 106.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;
- 106.3 in circumstances giving rise to the possibility of a conflict of interest between the company and any other party;
- 106.4 put the interests of the company before that of the other party, in taking decisions as a director;
- 106.5 where any other duty prevents him/her from doing so, disclose the conflicting interest to the company and refrain from participating in any deliberation or decision of the other directors with regard to the matter in question;

- 106.6 ensure that the company complies with any direction, requirement, notice or duty imposed under or by virtue of the Charities and Trustee Investment (Scotland) Act 2005.
- 107 Each of the directors shall comply with the code of conduct (incorporating detailed rules on conflict of interest) prescribed by the board of directors from time to time; for the avoidance of doubt, the code of conduct shall be supplemental to the provisions relating to the conduct of directors contained in these articles of association, and the relevant provisions of these articles shall be interpreted and applied in accordance with the provisions of the code of conduct in force from time to time.

#### **Delegation to sub-committees**

- 108 The directors may delegate any of their powers to any committee consisting of one or more directors; they may also delegate to the Chairperson or a director holding any other office such of their powers as they consider appropriate.
- 109 Any delegation of powers under the preceding article may be made subject to such conditions as the directors may impose and may be revoked or altered.
- 110 Subject to any condition imposed in pursuance of the preceding article, the proceedings of a committee consisting of two or more directors shall be governed by the articles regulating the proceedings of meetings of directors so far as they are capable of applying.

#### **Secretary**

- 111 The directors may (notwithstanding the provisions of the 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**

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

#### **Accounting records and annual accounts**

- 113 The directors shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements.
- 114 The directors shall prepare annual accounts, complying with all relevant statutory requirements; if an audit is required under any statutory provisions or if they otherwise think fit, they shall ensure that an audit of such accounts is carried out by a qualified auditor.
- 115 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 as authorised by the directors or as authorised by ordinary resolution of the company.

#### **Notices**

- 116 Any notice to be given to a member under these articles shall be given either in writing or by electronic means.
- 117 The company may give any notice to a member under these articles either personally to the member or by sending it by post in a pre-paid envelope addressed to the member at the address last intimated by him/her to the company or by leaving it at that address; alternatively, in the case of a member who has notified the company of an address to be used for the purpose of electronic communications, the company may give any notice to that member by electronic means.
- 118 Any notice, if sent by post, shall be deemed to have been given at the expiry of 24 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.
- 119 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.
- 120 A member may give any notice to the company either by sending it by post in a pre-paid envelope addressed to the company at its registered office or by leaving it, addressed to the company secretary, at the company's registered office or (where the company has notified the member of an electronic address to be used for this purpose) by way of electronic means.

#### **Winding-up**

- 121 If on the winding-up of the company any property 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 but shall be transferred to some other charity or charities (whether incorporated or unincorporated) whose objects are altogether or in part similar to the objects of the company and whose constitution restricts the distribution of income and assets among members to an extent at least as great as does article 9 (as read with articles 10 and 11).
- 122 The charity or charities to which property is transferred under article 121 shall be determined by the members of the company at or before the time of dissolution or, failing such determination, by such court as may have or may acquire jurisdiction.
- 123 To the extent that effect cannot be given to article 121 (as read with article 122), the relevant property shall be applied to some charitable purpose or purposes.

#### **Indemnity**

- 124 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 sections 232, 234, 235, 532 and 533 of the 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 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.

- 125 For the avoidance of doubt, the company shall be entitled (subject to the provisions of section 68A of the Charities and Trustee Investment (Scotland) Act 2005) 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 (subject to the provisions of section 68A of the Charities and Trustee Investment (Scotland) Act 2005) extend to liabilities of the nature referred to in section 232(2) of the Act (negligence etc. of a director).