



**THE COMPANIES ACT 2006**

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

**MEMORANDUM of ASSOCIATION**

**of**

**QUEEN'S PARK ARENA**

**Burness**



120 Bothwell Street, Glasgow, G2 7JL  
Telephone: 0141 248 4933 FAS: 8859  
[www.burness.co.uk](http://www.burness.co.uk)




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**QUEEN'S PARK ARENA**

Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company.

Name of each subscriber	Signature of each subscriber
EVELYN ANN SILBER	
SCOTT JAMES MACKAY	
CLAIRE JANE JOSÈPHE CHARLWOOD	C Charlwood .
GAVIN MCNAE	

Dated:-

**THE COMPANIES ACT 2006**  
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**QUEEN'S PARK ARENA**

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**Constitution of 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 and interpretation**

- 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 2006, 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 a charitable purpose under section 2 of The Charities Act 2006;
  - 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 the arts, heritage and culture;
  - 4.2 To advance education including through:-
    - 4.2.1 the promotion of the arts, heritage and culture;
    - 4.2.2 the provision of training and skills of all kinds (particularly such skills as will assist the participants in obtaining paid employment);
  - 4.3 To advance health;
  - 4.4 To advance citizenship and community development;
  - 4.5 To provide recreational facilities and organise recreational activities with such facilities/activities being available to members of the public at large with the object of improving their conditions of life;
  - 4.6 To promote for the public benefit the preservation, maintenance, repair, restoration, development and improvement of buildings and other structures of historic, religious and/or architectural significance, which are open to the public and which are in the vicinity of a landfill site;
  - 4.7 To advance environmental protection or improvement through the provision, maintenance or improvement of a public park or other public amenity in the vicinity of a landfill site;

- 4.8 To promote, operate, establish and/or support other similar projects and programmes which further charitable purposes,

but on the understanding that the activities of the company shall not be for the unique benefit of landfill site operators who contribute to the company and claim credit under the Landfill Communities Fund, nor shall they be for the unique benefit of contributing third parties, as defined in the Landfill Communities Tax Regulations 1996 (as amended from time to time).

- 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 restore the amphitheatre/former bandstand area within Queen's Park, Glasgow for public use.
- 7.2 To organise and promote a range of activities within the amphitheatre/bandstand area, once restored, including (without prejudice to that generality) music performances, theatrical performances, dance performances, skating, children's activities, exercise classes, film screenings and storytelling activities.
- 7.3 To encourage the participation of local arts groups and other community organisations, educational establishments, local businesses and others in the designated public space.
- 7.4 To accept grants, donations and legacies of all kinds (and to accept any reasonable conditions attaching to them).
- 7.5 To provide financial support through the award of grants and/or other means in pursuance of the company's objects.
- 7.6 To take such steps as may be deemed appropriate for the purpose of raising funds and obtaining in-kind donations for the company's activities.
- 7.7 To liaise with local authorities, central government authorities and agencies, charities/community benefit bodies and others, all with a view to furthering the objects of the company.

- 7.8 To promote partnership and integration of organisations and activities for the benefit of the community and its integrated and sustainable development.
- 7.9 To initiate, promote, conduct, participate in (whether via a wholly-owned subsidiary, a joint venture company or a limited liability partnership or otherwise), co-ordinate, monitor and/or assist (whether financially or otherwise), projects, initiatives and schemes of all kinds which further any of the objects of the company.
- 7.10 To advise in relation to, prepare, organise, conduct and/or support conferences, seminars and workshops, and educational and training events, courses and programmes of all kinds.
- 7.11 To develop and deliver community engagement and development initiatives directly or in conjunction with other agencies.
- 7.12 To commission and/or conduct research, and to publish and promote the results of such research.
- 7.13 To design, prepare, publish and/or distribute information packs, leaflets, books, newsletters, magazines, posters and other publications, audio and video recordings, multimedia products and display materials, and to create and maintain a database or databases.
- 7.14 To provide information, advisory, support and/or consultancy services which further any of the objects of the company.
- 7.15 To liaise with European, UK, Scottish and local government authorities and agencies, local enterprise companies, local economic development companies, voluntary sector bodies and others, all with a view to maximising the effectiveness of the company in pursuing its objectives.
- 7.16 To carry on any other activity which may be appropriately carried on in connection with any of the objects of the company.
- 7.17 To establish and/or participate in joint ventures and to promote companies and/or other bodies 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, stocks, debentures and other interests in such companies or other bodies, 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.
- 7.18 To acquire and take over the whole or any part of the undertaking and liabilities of any person entitled to any property or rights suitable for any of the objects of the company.
- 7.19 To purchase, take on lease, hire, or otherwise acquire, any property or rights which are suitable for the company's activities.

- 7.20 To improve, manage, develop, or otherwise deal with, all or any part of the property and rights of the company.
- 7.21 To sell, let, hire out, license, or otherwise dispose of, all or any part of the property and rights of the company.
- 7.22 To lend money and give credit (with or without security) and to grant guarantees and issue indemnities.
- 7.23 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.
- 7.24 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.
- 7.25 To engage such consultants and advisers as are considered appropriate from time to time.
- 7.26 To effect insurance of all kinds (which may include officers' liability insurance).
- 7.27 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).
- 7.28 To liaise with other voluntary sector bodies, local authorities, UK or Scottish government departments and agencies, and other bodies, all with a view to furthering the company's objects.
- 7.29 To establish and/or support any charity, and to make donations for any charitable purpose falling within the company's objects.
- 7.30 To take such steps as may be deemed appropriate for the purpose of raising funds for the company's activities.
- 7.31 To oppose, or object to, any application or proceedings which may prejudice the company's interests.
- 7.32 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.
- 7.33 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 (as set out in article 4).
- 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) 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 (other than the Executive Director) except:-
  - 11.1 repayment of out-of-pocket expenses; or
  - 11.2 reasonable payment in return for particular services (not being of a management nature) actually rendered to the company.

### **Liability of members**

- 12 Each member undertakes that if the company is wound up while he/she/it is a member (or within one year after he/she/it ceases to be a member), he/she/it 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/it 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.

### **General structure**

- 13 The structure of the company consists of:-
  - 13.1 the MEMBERS - who have the right to attend the annual general meeting (and any other general meeting) and have important powers under the articles of association and the Act; in particular, the members elect people to serve as directors and take decisions in relation to changes to the articles themselves;
  - 13.2 the DIRECTORS - who hold regular meetings during the period between annual general meetings, and generally control and supervise the activities of the company; in particular, the directors are responsible for monitoring the financial position of the company.

## **Membership**

- 14 The membership of the company shall consist of the subscribers to the memorandum of association and such individuals and bodies as are admitted to membership under the articles of association of the company in force from time to time.
- 15 Membership shall cease on death or, in the case of an incorporated body, on the dissolution, winding-up, striking-off or receivership of that body.
- 16 A member may not transfer his/her/its membership to any other individual or body.

## **Categories of members**

- 17 For the purposes of these articles:-

**“Partner Member”** means a member admitted under paragraphs 18.1 to 18.4 of article 18; **“Partner Membership”** shall be construed accordingly;

**“Stakeholder Member”** means a member admitted under paragraph 18.5 of article 18; **“Stakeholder Membership”** shall be construed accordingly.

## **Qualifications for membership**

- 18 Membership shall (subject to articles 14 and 20) be open to the following:-
- 18.1 Crosshill/Govanhill Community Council;
- 18.2 Langside, Battlefield and Camphill Community Council;
- 18.3 Mount Florida Community Council;
- 18.4 Shawlands and Strathbungo Community Council; or
- 18.5 any other organisation (which may include community councils other than those eligible for membership under paragraphs 18.1 to 18.4 of this article 18) which is considered by the board of directors to be a significant stakeholder in relation to the activities of the company.
- 19 Any reference in article 18 to an organisation which is an unincorporated body shall (subject to article 19) be interpreted as a reference to such individual as may be nominated from time to time by that unincorporated body.
- 20 No more than one individual nominated by each unincorporated body under article 19 may constitute a member of the company at any given time.
- 21 Employees of the company shall not be eligible for membership; an individual who becomes an employee of the company after admission to membership shall automatically cease to be a member.

### **Application for membership**

- 22 Any individual eligible for membership under article 18 (as read with articles 19 and 20) 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 on behalf of the unincorporated body which is nominating him/her for membership.
- 23 An individual eligible for membership under paragraphs 18.1 to 18.4 of article 18 (as read with articles 19 and 20) who lodges a valid application for membership in accordance with article 22 shall automatically constitute a member of the company immediately upon receipt by the company of the application for membership.
- 24 Any incorporated body eligible for membership under paragraph 18.5 of article 18 which wishes to become a member shall lodge with the company a written application for membership (in such form as the directors require), signed on its behalf by an authorised officer of that body.
- 25 The directors may, at their discretion, refuse to admit membership to any individual or body applying for membership under paragraph 18.5 of article 18; each application for membership which falls within the preceding provisions of this article 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 required under article 22 or (as the case may be) 24.
- 26 The directors shall, as soon as reasonably practicable after the meeting at which an application is considered under article 25, notify the applicant in writing of the directors' decision as to whether or not to admit him/her/it to membership.

### **Membership subscription**

- 27 For the avoidance of doubt, no member shall be required to pay any membership subscription, whether at the time of admission to membership, or on any periodic basis.

### **Register of members**

- 28 The directors shall maintain a register of members, setting out the full name and address of each member, the category of membership into which he/she/it falls, the date on which he/she/it was admitted to membership, and the date on which any individual or body ceased to be a member, together with (where applicable) details of the unincorporated body which nominated him/her for membership.

### **Annual retiral of Partner Members**

- 29 One of the members admitted under paragraphs 18.1 to 18.4 shall (subject to article 31) automatically cease to be a member with effect from the

conclusion of each annual general meeting, but shall then be eligible to reapply for membership under articles 22 and 23.

- 30 The Partner Member who is to cease to be a member under the provisions of article 29 shall be the individual who has been a member of the company longest since he/she was last admitted or readmitted; as between two or more Partner Members who were last admitted/readmitted on the same date, the question of which of them is to cease to be a member shall be determined by some random method.
- 31 If a written application for membership (duly signed in accordance with article 23) by an individual who is due to cease to be a member with effect from the conclusion of an annual general meeting under article 29 is received by the company at or prior to that annual general meeting, he/she shall continue as a member of the company until the annual general meeting which next follows.

#### **Withdrawal from membership**

- 32 Any individual or body who/which 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 or, in the case of an incorporated body, signed on its behalf by one of its authorised officers; on receipt of the notice by the company he/she/it shall cease to be a member.
- 33 Any unincorporated body which wishes to withdraw its nomination for membership shall lodge a notice in writing with the company to that effect (in such form as the directors require), signed on its behalf by an appropriate office bearer; on receipt of the notice by the company, the individual admitted to membership on the basis of nomination by that body shall cease to be a member.

#### **Expulsion from membership**

- 34 Subject to articles 35 to 39, the company may, by special resolution, expel any individual or body from membership.
- 35 Any member who/which wishes to propose at any meeting a resolution for the expulsion of any individual or body from membership shall lodge with the company written notice of his/her/its intention to do so (identifying the member concerned and specifying the grounds for the proposed expulsion) not less than six weeks before the date of the meeting.
- 36 The company shall, on receipt of a notice under the preceding article, forthwith send a copy of the notice to the member concerned, and the member concerned shall be entitled to make written representations to the company with regard to the notice.
- 37 If representations are made to the company in pursuance of the preceding article, the company shall (unless such representations are received by the company too late for it to do so):-

- 37.1 state the fact of the representations having been made in the notice convening the meeting at which the resolution is to be proposed; and
- 37.2 send a copy of the representations to every individual/body to whom notice of the meeting is or was given.
- 38 Whether or not a copy of written representations has been given to each of the individuals/bodies entitled to receive notice of the meeting, the individual concerned, or (in the case of an incorporated body) the authorised representative of that body, shall be entitled to be heard on the resolution at the meeting.
- 39 Failure to comply with any of the provisions of articles 35 to 38 shall render any resolution for the expulsion of an individual or body from membership invalid.
- 40 An individual or body expelled from membership under articles 34 to 39 shall cease to be a member with effect from the time at which the relevant resolution is passed and shall not be eligible for readmission to membership for a period of five years following his/her/its expulsion.

#### **General meetings**

- 41 The directors shall convene an annual general meeting in each year (but excluding the year in which the company is formed); the first annual general meeting shall be held not later than 18 months after the date of incorporation of the company.
- 42 Not more than 15 months shall elapse between one annual general meeting and the next.
- 43 The business of each annual general meeting shall include:-
  - 43.1 a report by the Chair on the activities of the company;
  - 43.2 the election/re-election of directors, as referred to in articles 80 to 84.
- 44 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).
- 45 Subject to the provisions of articles 41, 42 and 44, the directors may convene general meetings whenever they think fit.

#### **Notice of general meetings**

- 46 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.
- 47 The reference to "clear days" in article 46 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 sent by electronic means, the day after it was sent), and also the day of the meeting, should be excluded.

- 48 A notice calling a meeting shall specify the time, date and place of the meeting; it shall (a) indicate the general nature of any business to be dealt with at the meeting; (b) if a special resolution (see article 67) (or a resolution requiring special notice under the Act) is to be proposed, state that fact, giving the exact terms of the resolution; and (c) contain a statement informing members of their right to appoint a proxy.
- 49 A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting.
- 50 Notice of every general meeting shall be given:-
- 50.1 in hard copy form;
- 50.2 (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
- 50.3 (subject to the company notifying members of the presence of the notice on a website and complying with the other requirements of section 309 of the Act) by means of a website.

#### **Proceedings at general meetings**

- 51 No business shall be transacted at any meeting unless a quorum is present; the quorum shall be 6 members present in person or represented by proxy - but such that a quorum shall not be deemed to be present unless at least 2 Partner Members are present in person or represented by proxy.
- 52 If the quorum required under article 51 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.
- 53 The Chair of the company shall (if present and willing to act) preside as chairperson of the meeting; if the Chair of the company is not present and willing to act as chairperson of the meeting within half an hour of the time appointed for holding the meeting, the directors present shall elect one of their number to act as chairperson of the meeting, or, if there is only one director present and willing to act, he/she shall be chairperson of the meeting.
- 54 A director shall, notwithstanding that he/she is not a member, be entitled to attend and speak at any general meeting.
- 55 The chairperson of the meeting may, with the consent of the meeting at which a quorum is present (and must, if the meeting requests him/her to do so), adjourn the meeting but not for a period in excess of 30 days; no notice need be given of an adjourned meeting.

- 56 A resolution put to the vote of a meeting shall be decided on a show of hands unless before the show of hands, or immediately after the result of the show of hands is declared, a secret ballot is demanded by the chairperson of the meeting or by any person present at the meeting and entitled to vote (whether as a member, as the proxy for a member, or as the authorised representative of a member which is an incorporated body).
- 57 If a secret ballot is demanded in accordance with the preceding article, it shall be taken at once and shall be conducted in such manner as the chairperson of the meeting may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded.

### **Votes of members**

- 58 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.
- 59 A member who/which wishes to appoint a proxy to vote on his/her/its behalf at any meeting: -

59.1 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 (as the case may be) signed by an appropriate officer of that member; or

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

providing (in either case) the instrument of proxy is received by the company at the relevant address not less than 48 hours before the time for holding the meeting (or as the case may be, adjourned meeting); for the avoidance of doubt, in calculating the 48-hour period referred to in the preceding provisions of this article 59, no account shall be taken of any part of a day that is not a working day.

- 60 An instrument of proxy which does not conform with the provisions of article 59, or which is not lodged or sent in accordance with such provisions, shall be invalid.
- 61 A member shall not be entitled to appoint more than one proxy to attend on the same occasion.
- 62 A proxy shall not be entitled to cast more than one vote in his/her capacity as a proxy (in addition to his/her own vote, if he/she is a member of the company), notwithstanding that he/she may have been appointed as proxy by more than one member.

- 63 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 and need not be a member of the company.
- 64 A member which is an incorporated body may authorise an individual to act as its representative at any general meeting of the company providing particulars of the individual so authorised and of the body which he/she is to represent are received by the company prior to the commencement of the relevant general meeting; the individual so authorised shall be entitled to exercise the same powers on behalf of the member which he/she represents as that incorporated body could exercise if it were an individual member.
- 65 A vote given, or ballot demanded, by proxy shall be valid notwithstanding that the authority of the person voting or demanding a ballot had terminated prior to the giving of such vote or demanding of such ballot unless notice of such termination was received by the company at the company's registered office (or, where contained in an electronic communication, was received by the company at the address notified by the company to the members for the purpose of electronic communication) before the commencement of the meeting at which the vote was given or the ballot demanded.
- 66 A member of the company who is the chairperson of a general meeting shall be entitled to a second or casting vote, in the case of an equality of votes, whether on a show of hands or on a ballot.

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

- 67 For the purposes of these articles, a "special resolution" means (but subject to articles 70 to 73) a resolution of the members, which is 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 46 to 50 (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).
- 68 In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Act allow the company, by special resolution: -
- 68.1 to alter its name;
  - 68.2 to alter any provision of these articles or adopt new articles of association.
- 69 For the purposes of these articles (but subject to articles 70 to 73), an "ordinary resolution" means a resolution, which is passed by majority vote (taking account only of those votes cast in favour as compared with those votes cast against) at a general meeting, providing proper notice of the meeting has been given in accordance with articles 46 to 50.



## **Written resolutions**

- 70 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).
- 71 For the purposes of the preceding article:-
- 71.1 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);
- 71.2 the reference to "required majority" is to the majority required to pass an ordinary or a special resolution under the Act, as follows:-
- 71.2.1 in order to pass an ordinary resolution by way of written resolution, it must be passed (in accordance with article 70) by members representing a simple majority of the total voting rights of eligible members;
- 71.2.2 in order to pass a special resolution by way of written resolution, it must be passed (in accordance with article 70) 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.
- 72 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 70.
- 73 For the purposes of article 70, 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 71), and the agreement of any member to a written resolution will be ineffective if signified after the expiry of that period.

## **Categories of director**

- 74 For the purposes of these articles:-

**“Partner Director”** means a director appointed or re-appointed under articles 78 to 79;

**“Elected Director”** means a director elected, re-elected or appointed under articles 80 to 84;

**“Co-opted Director”** means a director appointed or re-appointed under articles 85 to 87;

**“Executive Director”** means a director appointed under articles 75 and 88.

### **Number of directors**

- 75 The maximum number of directors shall be 13, of whom no more than 4 shall be Appointed Directors, no more than 5 shall be Elected Directors, no more than 3 shall be Co-opted Directors and no more than one shall be the Executive Director.

### **Eligibility**

- 76 An individual shall not be eligible for election/appointment as a Partner Director or as an Elected Director unless he/she is a member of the company or (in the case of an Elected Director) unless he/she is an individual nominated by a Stakeholder Member which is an incorporated body, for appointment as a director; an individual appointed as a Co-opted Director and the individual appointed as the Executive Director need not be members of a company.
- 77 Except in the case of the Executive Director, an individual shall not be eligible for appointment as a director if he/she is an employee of the company.

### **Appointment, removal etc: Partner Directors**

- 78 Each of the individuals admitted to membership under paragraphs 18.1 to 18.4 of article 18 (the Partner Members) shall automatically constitute a director (a “Partner Director”) immediately upon admission to membership; he/she shall remain as a director unless and until he/she ceases (for whatever reason) to be a member of the company.
- 79 At the conclusion of each annual general meeting, one of the Partner Directors shall vacate office but may then become a director once more under articles 29 and 30 (as read with article 78).

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

- 80 At each annual general meeting of the company, the Stakeholder Members may (subject to article 75) elect as a director (a “Stakeholder Director”) any individual (other than an employee of the company) who is a Stakeholder Member, providing he/she is willing so to act.

- 81 The directors may at any time appoint any Stakeholder Member (providing he/she is willing to act) to be a director (a “Stakeholder Director”), either to fill a vacancy or (subject to article 75) as an additional director.
- 82 For the purposes of article 80 and 81, an individual nominated by a Stakeholder Member which is an incorporated body, for appointment as a director, shall be deemed to be a Stakeholder Member.
- 83 At each annual general meeting, two of the Stakeholder Directors shall retire from office, but shall then be eligible for re-election under article 80.
- 84 The Stakeholder Directors to vacate office under the provisions of article 83 shall be those who have been longest in office since they were last elected or re-elected; as between two or more Stakeholder Directors who were last appointed/re-appointed on the same date, the question of which of them is to retire shall be determined by some random method.

#### **Appointment, vacating of office, re-appointment: Co-opted Directors**

- 85 Subject to article 75, the directors may at any time appoint any individual (other than an employee of the company) to be a director (a “Co-opted Director”) providing he/she is willing so to act on the basis that he/she has special skills or experience which would be of assistance to the board.
- 86 At the conclusion of each annual general meeting, all of the Co-opted Directors shall vacate office.
- 87 Immediately following each annual general meeting, the directors may (subject to article 75) re-appoint any person who, as a Co-opted Director, vacated office under the preceding article at the conclusion of the annual general meeting; the directors may alternatively appoint someone in his/her place or resolve not to fill the vacancy.

#### **Executive Director**

- 88 The directors shall, at the first meeting of the directors which is held after the appointment of any individual to the post of Chief Executive of the company (or of appointment of any individual to such other post within the company as the directors deem appropriate from time to time), appoint that individual as a director (“**The Executive Director**”) of the company.
- 89 The Executive Director shall continue to hold office as a director of the company unless and until he/she ceases (for whatever reason) to hold the post of Chief Executive Officer of the company or (as the case may be) such other post within the company as has been deemed appropriate by the directors in accordance with article 88.

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

- 90 A director shall vacate office if:-

- 90.1 he/she ceases to be a director by virtue of any provision of the Act or becomes prohibited by law from being a director;
  - 90.2 he/she becomes debarred under any statutory provision from being a charity trustee;
  - 90.3 he/she is sequestered;
  - 90.4 he/she becomes incapable for medical reasons of fulfilling the duties of his/her office and such incapacity has continued, or is expected to continue, for a period of more than six months;
  - 90.5 (except in the case of the Executive Director) he/she becomes an employee of the company;
  - 90.6 in the case of the Executive Director, he/she ceases to hold the post of Chief Executive of the company;
  - 90.7 in the case of a Partner Director, he/she ceases (whether through the operation of article 29, 33 or otherwise) to be a member of the company;
  - 90.8 in the case of a Stakeholder Director, he/she ceases to be a Stakeholder Member or (if he/she was nominated by an incorporated body) the incorporated body which nominated him/her ceases to be a Stakeholder Member;
  - 90.9 he/she resigns office by notice to the company;
  - 90.10 he/she is absent (without permission of the directors) from more than three consecutive meetings of directors and the directors resolve to remove him/her from office;
  - 90.11 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 100);
  - 90.12 he/she is removed from office by resolution of the directors on the grounds that he/she is considered to have been in serious or persistent breach of his/her duties under section 66(1) or (2) of the Charities and Trustee Investment (Scotland) Act 2005; or
  - 90.13 he/she is removed from office by ordinary resolution (special notice having been given) in pursuance of section 168 of the 2006 Act.
- 91 A resolution under article 90.11 or 90.12 shall be valid only if:-
- 91.1 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;

- 91.2 the director concerned is given the opportunity to address the meeting of directors at which the resolution is proposed, prior to the resolution being put to the vote; and
- 91.3 at least two thirds (to the nearest round number) of the directors then in office vote in favour of the resolution.

### **Register of directors**

- 92 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**

- 93 Directors shall be appointed to hold the office of Chair and such other offices as the directors may consider appropriate; the appointments under the preceding provision shall be made at meetings of directors.
- 94 Each office shall be held (subject to article 95) until the conclusion of the annual general meeting which next follows appointment; a director whose period of office expires under this article may be re-appointed to that office under article 93 (providing he/she is willing to act).
- 95 The appointment of any director to an office under article 93 shall terminate if he/she ceases to be a director or if he/she resigns from that office by notice to the company.

### **Directors' interests**

- 96 Subject to the provisions of the Act and the Charities and Trustee Investment (Scotland) Act 2005 and articles 8 to 11 and provided that he/she has disclosed to the directors the nature and extent of any personal interest which he/she has (unless immaterial), and has complied with the code of conduct as referred to in article 100), a director (notwithstanding his/her office):-
- 96.1 may be a party to, or have some other personal interest in, any transaction or arrangement with the company or any associated company;
- 96.2 may be a party to, or have some other personal interest in, any transaction or arrangement in which the company or any associated company has an interest;
- 96.3 in the case of the Executive Director, may be employed by the company;
- 96.4 may be a director or secretary of, or employed by, or have some other personal interest in, any associated company; and
- 96.5 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.

- 97 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.

### **Conduct of directors**

- 98 It is the duty of each director of the company to take decisions (and exercise his/her other powers and responsibilities as a director) in such a way as he/she considers, in good faith, will be most likely to promote the success of the company in achieving its objects.
- 99 Without prejudice to the principle set out in article 98, each of the directors shall have a duty, in exercising functions as a charity trustee, to act in the interests of the company; and, in particular, must:-
- 99.1 seek, in good faith, to ensure that the company acts in a manner which is in accordance with its purposes;
  - 99.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;
  - 99.3 in circumstances giving rise to the possibility of a conflict of interest between the company and any party responsible for the appointment of that director
    - 99.3.1 put the interests of the company before that of the other party;
    - 99.3.2 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;
  - 99.4 ensure that the company complies with any direction, requirement, notice or duty imposed under or by virtue of the Charities and Trustee Investment (Scotland) Act 2005.
- 100 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.

- 101 The directors shall be entitled, for the purposes of section 175 of the 2006 Act, to authorise (by way of resolution to that effect) any Conflict Situation that may arise (such that the duty of the director concerned, under that section, to avoid conflicts of interest is not infringed) and to amend or vary any such authorisation; the directors may give such authorisation subject to such terms and conditions as they may consider appropriate and reasonable in the circumstances.
- 102 For the purposes of article 101, a “Conflict Situation” means any situation or matter (other than one which cannot reasonably be regarded as likely to give rise to a conflict of interest) in which any director has or could have a direct or indirect interest that conflicts, or possibly might conflict, with the interests of the company; and such that
- 102.1 the situations and matters which fall within this definition may include (without limitation) (a) a situation where a director of the company becomes an employee, director, member of the management committee, officer or elected representative of a body which is a party to a significant contract with the company (or which is competing with the company in the context of any grant application) and (b) any such situation or matter which relates to the exploitation of any property, information or opportunity (irrespective of whether the company could take advantage of the property, information or opportunity);
- 102.2 “conflict of interest” for this purpose includes a conflict of interest and duty, and a conflict of duties.
- 103 For the avoidance of doubt, article 89 shall not apply to a conflict of interest arising in relation to a transaction or arrangement with the company; any conflict of interest of that nature shall be governed by the provisions of articles 96 and 97 and articles 124 to 128 and the code of conduct referred to in article 100.

#### **Directors’ remuneration and expenses**

- 104 No director (other than the Executive Director) may serve as an employee of the company, and (subject to article 105) no director may be given any remuneration by the company for carrying out his/her duties as a director or as Chair or as the holder of any other office under article 93.
- 105 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.
- 106 The directors may be paid all travelling and other expenses properly incurred by them in connection with their attendance at meetings of directors, general meetings, meetings of committees of directors or otherwise in connection with the carrying-out of their duties.

### **Powers of directors**

- 107 Subject to the provisions of the Act, these articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company.
- 108 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.
- 109 The powers conferred by article 107 shall not be limited by any special power conferred on the directors by these articles.
- 110 A meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

### **Proceedings of directors**

- 111 Subject to the provisions of these articles, the directors may regulate their proceedings as they think fit.
- 112 Any director may call a meeting of the directors or request the secretary to call a meeting of the directors.
- 113 Questions arising at a meeting of directors shall be decided by a majority of votes; in the case of an equality of votes, the chairperson of a meeting of directors shall have a second or casting vote.
- 114 The quorum for the transaction of the business of the directors shall (subject to article 115) be as follows:
  - 114.1 if the total number of directors in office is an even number - 50% of the total number of directors in office plus one;
  - 114.2 if the total number of directors in office is an odd number - 50%, rounded upwards, of the total number of directors in office.
- 115 A quorum will not be deemed to be constituted at any meeting of directors unless there are at least two Partner Directors present at the meeting.
- 116 If the quorum required under articles 114 and 115 is not present within 15 minutes 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.
- 117 The continuing directors or a sole continuing director may act notwithstanding vacancies, but if the number of remaining directors is less than the number fixed as the quorum they may act only for the purpose of filling vacancies or of calling a general meeting.
- 118 Unless he/she is unwilling to do so, the Chair of the company shall preside as chairperson at every meeting of directors at which he/she is present; if the



Chair of the company is unwilling to act as chairperson of a meeting of directors or is not present within 15 minutes after the time appointed for the meeting, the directors may appoint one of their number to be chairperson of the meeting.

- 119 A director may participate in a meeting of the directors or a meeting of a committee of directors by means of 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.
- 120 The directors shall be entitled to allow any individual to attend and speak (but not vote) at any meeting of the directors.
- 121 An individual invited to attend a meeting of the directors under article 120 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.
- 122 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.
- 123 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.
- 124 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.
- 125 For the purposes of the preceding article:-
- 125.1 an interest of a person who is taken to be connected with a director for any purpose of the Act, shall be treated as a personal interest of the director; and
- 125.2 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 an interest in that matter.

- 126 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.
- 127 The company may (subject to the Charities and Trustee Investment (Scotland) Act 2005) by ordinary resolution suspend or relax to any extent, either generally or in relation to any particular matter, the provisions of articles 124 to 126.
- 128 If a question arises at a meeting of directors or at a meeting of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairperson of the meeting; his/her ruling in relation to any director other than himself/herself shall be final and conclusive.

#### **Delegation to committees of directors and holders of offices**

- 129 The directors may delegate any of their powers to any committee consisting of two or more directors; they may also delegate to the Chair of the company or a director holding any other office such of their powers as they consider appropriate.
- 130 Any delegation of powers under the preceding article may be made subject to such conditions as the directors may impose and either collaterally with or to the exclusion of their own powers and may be revoked or altered.
- 131 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.
- 132 In addition to their powers under article 129, the directors may delegate their powers to any committee consisting of one or more directors and such other individuals (who need not be directors or employees of the company) as the directors may consider appropriate; the provisions of articles 130 and 131 shall apply in relation to any such committee, subject to the qualification that the role of any committee formed under the preceding provisions of this article shall be limited (except to the extent that the directors otherwise determine) to the issue of reports and recommendations for consideration by the board of directors.

#### **Operation of bank accounts**

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

#### **Secretary**

- 134 The directors shall (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**

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

### **Accounts**

- 136 The directors shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements.
- 137 The directors shall prepare annual accounts, complying with all relevant statutory requirements.
- 138 No member shall (unless he/she is a director) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or as authorised by the directors or by ordinary resolution of the company.

### **Notices**

- 139 Any notice to be given in pursuance of these articles shall be given either in writing or by way of electronic means.
- 140 The company may give any notice to a member either personally or by sending it by post in a pre-paid envelope addressed to the member at his/her/its registered address or by leaving it at that address; in the case of a member who/which has notified the company of an electronic address to be used for this purpose, the company may give any notice to that member by way of electronic means.
- 141 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.
- 142 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.
- 143 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.

- 144 A member present or represented at any meeting of the company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

### **Winding-up**

- 145 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 instead be transferred to some other charity or charities (whether incorporated or unincorporated) which is, in each case, enrolled as an environmental body with ENTRUST and (a) the objects of which are altogether or in part similar to the objects of the company and (b) whose constitution restricts the distribution of income and assets among members to an extent at least as great as do articles 8 to 11.
- 146 The charity or charities to which property is transferred under article 145 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.
- 147 To the extent that effect cannot be given to the provisions of articles 145 and 146, the relevant property shall be applied to some other charitable purpose or purposes provided that the body or bodies to which the property is transferred is, in each case, enrolled as an environmental body with ENTRUST.

### **Indemnity**

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