

THE COMPANIES ACT 2006

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

ARTICLES OF ASSOCIATION

of

THE HEALTH AND SOCIAL CARE ALLIANCE SCOTLAND

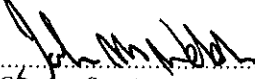
(as altered by special resolution passed on 3 December 2008)

(as altered by special resolution passed on 23 February 2010)

(as altered by special resolution passed on 1 May 2013)

(as altered by special resolution passed on 25 June 2015)

(as altered by special resolution passed on 6 September 2018)



 Company Secretary

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Objects

1 The company's objects are:-

- (A) ♦♦to relieve the needs of people suffering from long term conditions and of the elderly (hereinafter called “**the beneficiaries**”), in particular by bringing together voluntary organisations established for the relief of beneficiaries in a common effort to improve their care, treatment and management;
- (B) ♦♦to advance the education of the public on the causes, effects, treatment and management of all long term conditions and, additionally, of the specific needs of the elderly; and
- (C) ♦to relieve the needs of people whose welfare is adversely affected by problems in accessing appropriate health care, social care and/or welfare support and their families and carers by (a) providing advice and one-to-one support and/or (b) by directing them to appropriate organisations and agencies which are in a position to assist and/or (c) by encouraging them to participate in activities in the community which may improve their health and wellbeing.

In furtherance of the said objects, but not further or otherwise, the company shall have power:-

- (a) *to establish and support or aid in the establishment and support of any charity or charities and to subscribe or guarantee money for charitable purposes in any way connected with the objects of the company or calculated to further its objects;
- (b) to raise funds and invite and receive contributions from any person or persons whatsoever by way of subscription or donation but not by taxable trading;
- (c) to cause to be written, printed, put on computer disk, website or otherwise originated and reproduced, and republished or circulated (whether gratuitously or not), any newspapers, periodicals, magazines, or books, pamphlets, leaflets or other documents, or films, recorded tapes or disks (with audio or visual or both);
- (d) to hold exhibitions, meetings, lectures, classes, seminars, workshops, conferences and courses either alone or with others;

♦ As altered by special resolution passed on 6 September 2018

♦ As altered by special resolution passed on 25 June 2015

♦ As altered by special resolution passed on 6 September 2018

♦ As altered by special resolution passed on 25 June 2015

♦ As inserted by special resolution passed on 6 September 2018

* As altered by special resolution passed on 3 December 2008

- (e) to promote research, experimental work, scientific investigation and development into any aspect of the objects of the company and its work and to disseminate the useful results of any such research for the public benefit;
- (f) to co-operate with and enter into arrangements with any charities, voluntary bodies, authorities, statutory authorities, government departments and agencies, and to exchange information and advice with them;
- (g) to acquire, merge with or to enter into any partnership or joint venture arrangement with any other charity formed for any of the objects;
- (h) to accept subscriptions, donations, devises and bequests of and to purchase, take on lease or in exchange, hire or otherwise acquire and hold any real or personal estate, to construct, maintain and alter any of the same as are necessary for any of the objects of the company and (subject to such consents as may be required by law) sell, lease or otherwise dispose of or mortgage any such real or personal estate;
- (i) to issue appeals, hold public meetings and take such other steps as may be required for the purpose of procuring or encouraging contributions to the funds of the company in the form of donations, subscriptions or otherwise;
- (j) to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, cheques and other instruments, and to operate bank accounts in the name of the company;
- (k) to borrow and raise money for the objects of the company on such terms and conditions and on such security as may be thought fit, subject to such consents as may be required by law;
- (l) to carry on any trade in so far as either the trade is exercised in the actual carrying out of a primary object of the company or such trade as is temporary and ancillary to the carrying out of the said object;
- (m) to take and accept any gift of money, property or other assets, whether subject to any special trust or not, for any one or more of the objects of the company;
- (n) to subscribe for (either absolutely or conditionally) or otherwise acquire shares, stocks, debentures, debenture stock or other securities or obligations of any other company;
- (o) to invest the moneys of the company not immediately required for its objects in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may be imposed or required by law and subject also as hereinafter provided;

- (p) *to make any donation in furtherance of charitable purposes either in cash or assets for the furtherance of the objects of the company;
- (q) to lend money and give credit, but only in the short term and to take security for such loans or credit and to guarantee or give security for the performance of contracts or obligations by any person or company as may be necessary for the work of the company;
- (r) *to employ and pay any person or persons not being members of the board of directors of the company to supervise, organise, carry on the work of and advise the company;
- (s) to pay, subject to the provisions of clause 4 hereof, reasonable annual sums or premiums for or towards the provision of pensions for officers or employees for the time being of the company and their dependants;
- (t) to apply monies in insuring any buildings or other property to their full value;
- (u) *to amalgamate with any companies, institutions, societies or associations which are charities and have objects altogether or mainly similar to those of the company and prohibit the payment of any dividend or profit to and the distribution of any other of their assets amongst their members at least to the same extent as such payments or distributions are prohibited in the case of members of the company by this memorandum of association;
- (v) to pay out of the funds of the company the costs, charges and expenses of and incidental to the formation and registration of the company;
- (w) to establish where necessary branches (whether autonomous or not); and
- (x) to do all such other lawful things as shall further the above objects or any of them.

*And it is declared that:-

- (i) in this clause where the context so admits, “**property**” means any property, heritable or moveable, real or personal, wherever situated;
- (ii) in this clause, and throughout this memorandum of association,
 - (A) the expression “**charity**” shall mean a body which is either a “Scottish charity” within the meaning of section 13 of the Charities and Trustee Investment (Scotland) Act 2005 or a “charity” within the meaning of section 1 of the Charities Act

* As altered by special resolution passed on 3 December 2008

2006, providing (in either case) that its objects are limited to charitable purposes;

- (B) the expression "charitable purpose" shall mean a charitable purpose under section 7 of the Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the application of sections 505 and 506 of the Income and Corporation Taxes Act 1988;
- (iii) any reference in this memorandum of association to a provision of any legislation shall include any statutory modification or re-enactment of that provision in force from time to time.

Application of income and property

- 2 (a) The income and property of the company shall be applied solely towards promoting the company's objects (as set out in clause 3).
- (b) No part of the income or property of the company shall be paid or transferred (directly or indirectly) to the members of the company, whether by way of dividend, bonus or otherwise.
- (c) No director of the company shall be appointed as a paid employee of the company; no director shall hold any office under the company for which a salary or fee is payable.
- (d) No benefit (whether in money or in kind) shall be given by the company to any director except (i) repayment of out-of-pocket expenses or (ii) reasonable payment in return for particular services (not being of a management nature) actually rendered to the company.

Limit on members' liability

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

Distribution of assets on a winding-up

- 5 (a) *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; that property shall instead be transferred to some other

* As altered by special resolution passed on 3 December 2008

charity or charities (whether incorporated or unincorporated) whose objects are similar (wholly or in part) to the objects of the company.

- (b) *The charity or charities to which property is transferred under paragraph (a) 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 jurisdiction at the time.
- (c) *To the extent that effect cannot be given to the provisions of paragraphs (a) and (b) of this clause 7, the relevant property shall be applied to some other charitable purpose or purposes.

Accounting records

- 6 Accounting records shall be kept in accordance with all applicable statutory requirements and such accounting records shall, in particular, contain entries from day to day of all sums of money received and expended by the company and the matters in respect of which such receipt and expenditure take place and a record of the assets and liabilities of the company; such accounting records shall be open to inspection at all times by any director of the company.

General Structure

- 7 The structure of the company consists of:-
 - 7.1 the MEMBERS - who have the right to attend general meetings and have important powers under the articles of association and the Companies Acts; in particular, the members elect/appoint people to serve as directors and take decisions in relation to changes to the articles themselves;
 - 7.2 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

- 8 The membership of the company shall consist of such individuals and bodies as are admitted to membership under the articles of association of the company in force from time to time.

Qualifications for membership

- 9 Subject to articles 8 to 12, membership shall be open to the following: -

* As altered by special resolution passed on 3 December 2008

- 9.1 any individual who has been nominated for membership by an unincorporated body (voluntary or non-profit distributing) which is concerned with long term conditions and operates in Scotland;
- 9.2 any corporate body (voluntary or non-profit distributing) which is concerned with long term conditions and operates in Scotland.
- 9.3 any corporate body (voluntary or non-profit distributing) which is concerned with the wider support of people who are disabled or living with long term conditions, and their carers and families.♦
- 10 Where an organisation has local branches, a local branch will not be entitled to apply for membership (or, in the case of an unincorporated body, to nominate an individual for membership) in its own right, unless it is a legal entity separate from the parent organisation.
- 11 No more than one individual nominated under clause 9.1 by each unincorporated body may be a member of the company at any given time.
- 12 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

- 13 Any incorporated body 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 one of its authorised officers.
- 14 Any individual who wishes to become a member on the basis of nomination by an unincorporated body 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 one of the authorised officers of the unincorporated body, nominating him/her for membership.
- 15 Each application for membership shall be accompanied by such information and evidence in support of the application as the directors require and (subject to article 23) shall also be accompanied by a remittance to meet the annual membership subscription in full.
- 16 The directors shall consider each application for membership at the first directors' meeting which is held after receipt of the application (and accompanying remittance and, if required by the directors, supporting information and evidence required under article 15).
- 17 The directors may, at their discretion, refuse to admit any individual or body to membership.
- 18 The directors shall, within a reasonable time after the meeting which an application for membership is considered, notify the applicant of its decision

♦ As amended by special resolution dated 1 May 2013.

on the application and, if the decision was to refuse admission, shall return to the applicant any remittance lodged by him/her/it under article 15.

- 19 The directors shall be entitled to delegate, to the chief executive officer of the company, their powers and responsibilities under articles 15 to 18.

Membership subscription

- 20 Members shall be required to pay an annual membership subscription; the amount of the annual membership subscription, and the date on which it falls due in each year, shall be determined by the directors of the company from time to time.
- 21 If the membership subscription payable by any member remains outstanding more than 24 weeks after the date on which it fell due (and providing the member has been given at least one written reminder), the directors shall be entitled (by way of resolution to that effect passed at a board meeting) to expel that individual or body from membership.
- 22 An individual or body who/which ceases (for whatever reason) to be a member shall not be entitled to any refund of the membership subscription.
- 23 Where an individual who was admitted to membership on the basis of nomination by an unincorporated body ceases to be a member but has paid the membership subscription applicable to the year in which he/she ceases to be a member, another individual nominated by that body for membership in his/her place shall not require to lodge a membership subscription for that year.

Register of members

- 24 The directors shall maintain a register of members, setting out the full name and address of each member, the date on which he/she/it was admitted to membership, and the date on which any person or body ceased to be a member; in the case of a member who was admitted under article 9.1, the entry against his/her name shall also include details of the unincorporated body which nominated him/her for membership.

Withdrawal from membership

- 25 Any person or body who/which wishes to withdraw from membership shall sign (in the case of a corporate body, through an appropriate officer), and lodge with the company, a written notice to that effect; on receipt of the notice by the company, he/she/it shall cease to be a member.
- 26 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 one of its authorised officers; 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

- 27 Any person or body may be expelled from membership by special resolution (see article 56), providing the following procedures have been observed:-
- 27.1 at least 21 days' notice of the intention to propose the resolution must be given to the member concerned, specifying the grounds for the proposed expulsion;
 - 27.2 the member concerned shall be entitled to be heard on the resolution at the general meeting at which the resolution is proposed.

Termination/transfer

- 28 Membership shall cease on death or (in the case of corporate body) on receivership, liquidation, dissolution or striking-off of the body which constituted the member.
- 29 A member may not transfer his/her/its membership to any other person or body.

General meetings (meetings of members)

- 30 The directors shall convene an annual general meeting in each year.
- 31 Not more than 15 months shall elapse between one annual general meeting and the next.
- 32 The business of each annual general meeting shall include:-
- 32.1 a report by the directors on the activities of the company;
 - 32.2 consideration of the annual accounts of the company;
 - 32.3 the election re/election of directors, as referred to in articles 68 to 76.
- 33 The directors must convene a general meeting if there is a valid requisition by members (under section 303 of the 2006 Act) or a requisition by a resigning auditor (under section 518 of the 2006 Act).
- 34 Subject to the provisions of articles 30, 31 and 33, the directors may convene general meetings at any time.

Notice of general meetings

- 35 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.
- 36 The reference to "clear days" in article 35 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.

- 37 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 56) (or a resolution requiring special notice under the Companies Acts) is to be proposed, state that fact, giving the exact terms of the resolution; and (c) contain a statement informing members of their right to appoint a proxy.
- 38 A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting.
- 39 Notice of every general meeting shall be given:-
- 39.1 in hard copy form;
- 39.2 (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
- 39.3 (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 2006 Act) by means of a website.
- 40 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings of that meeting.

Procedure at general meetings

- 41 No business shall be dealt with at any general meeting unless a quorum is present; the quorum for a general meeting shall be 8 members or 10 per cent of the membership (whichever is greater), present in person, or represented by proxy; or (in the case of members which are corporate bodies) present via their duly authorised representatives.
- 42 If a quorum is not present within 30 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 directors may determine.
- 43 The chair of the company shall (if present and willing to act as chairperson) preside as chairperson of each general meeting; if the chair is not present and willing to act as chairperson within 15 minutes after the time at which the meeting was due to commence, the directors present at the meeting shall elect from among themselves the person who will act as chairperson of that meeting, or, if there is only one director present and willing to act, he/she shall be chairperson of the meeting.
- 44 A director shall, notwithstanding that he/she is not a member, be entitled to attend and speak at any general meeting.
- 45 The chairperson of a general meeting may, with the consent of meeting, adjourn the meeting to such time and place as the chairperson may determine,

but no other business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for fourteen days or more, notice of the adjourned meeting shall be given as in the case of an original meeting; otherwise it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

- 46 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).
- 47 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

- 48 Every member shall have one vote, which may be given either personally (in the case of a member which is an incorporated body, via its duly authorised representative) or (whether on a show of hands or on a secret ballot) by proxy.

- 49 A member who/which wishes to appoint a proxy to vote on his/her/its behalf at any meeting (or adjourned meeting):-

49.1 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

49.2 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 49, no account shall be taken of any part of a day that is not a working day.

- 50 An instrument of proxy which does not conform with the provisions of article 49, or which is not lodged or sent in accordance with such provisions, shall be invalid.

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

- 52 A proxy appointed to attend and vote at any meeting instead of a member shall have the same right as the member who/which appointed him/her to speak at the meeting and need not be a member of the company.
- 53 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.
- 54 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.
- 55 If there is an equal number of votes for and against any resolution, the chairperson of the meeting shall be entitled to a casting vote, in addition to any other vote he/she may have.

Special resolutions and ordinary resolutions

- 56 For the purposes of these articles, a "special resolution" means a resolution passed by 75% or more of the votes cast on the resolution at a general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with articles 35 to 40; 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.
- 57 In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Companies Acts allow the company, by special resolution:-
- 57.1 ♦to alter its name; and
- 57.2 ♦[deleted]
- 57.3 to alter any provision of these articles or adopt new articles of association.
- 58 For the purposes of these articles, an "ordinary resolution" means a resolution passed by majority vote (taking account only of those votes cast in favour as

♦ As altered by special resolution passed on 6 September 2018

♦ As deleted by special resolution passed on 6 September 2018

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 35 to 40.

Written resolutions

- 59 A written resolution can be passed by the members of the company (having been proposed by either the members or the directors in accordance with the procedures detailed in Chapter 2 of Part 13 of the 2006 Act) and will have effect as if passed by the members of the company in general meeting; a written resolution is passed when the required majority of eligible members have signified their agreement to it by sending to the company (in hard copy or electronic form) an authenticated document which identifies the resolution to which it relates and which indicates the member's agreement to it (agreement to which cannot thereafter be revoked).
- 60 For the purposes of the preceding article:-
- 60.1 the reference to "eligible members" is to those members who would have been entitled to vote on the resolution on the circulation date of the resolution (which is either (a) the date on which copies of the written resolution are sent or submitted to the members in accordance with the procedures detailed in Chapter 2 of Part 13 of the 2006 Act; or (b) if copies are sent or submitted to members on different days, the first of those dates);
- 60.2 the reference to "required majority" is to the majority required to pass an ordinary or a special resolution under the Companies Acts, as follows:-
- 60.2.1 in order to pass an ordinary resolution by way of written resolution, it must be passed (in accordance with article 59) by members representing a simple majority of the total voting rights of eligible members;
- 60.2.2 in order to pass a special resolution by way of written resolution, it must be passed (in accordance with article 59) 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.
- 61 For the avoidance of doubt, a resolution to remove a director (under section 168 of the 2006 Act) or a resolution to remove an auditor (under section 510 of the 2006 Act) cannot be proposed as a written resolution under article 59.
- 62 For the purposes of article 59, 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 60), and the agreement of any member to a written resolution will be ineffective if signified after the expiry of that period.

Categories of Director

63 For the purposes of these articles:

“**Member Director**” means a director elected/appointed or re-appointed under articles 68 to 76;

“**Co-opted Director**” means a director appointed or re-appointed under articles 77 to 79.

Maximum / Minimum number of directors

64 The maximum number of directors shall be 15; out of that number, no more than 12 shall be Member Directors and no more than 3 shall be Co-opted Directors.

65 The minimum number of directors shall be four.

Eligibility

66 A person shall not be eligible for election/appointment as a Member Director unless he/she is a member of the company or has been nominated for election/appointment as a director by a member which is a corporate body; a person appointed as a Co-opted Director need not, however, be a member of the company or be nominated for appointment by a member which is a corporate body.

67 A person shall not be eligible for election/appointment as a director if he/she is an employee of the company.

61A ⁺The directors and members of the company shall take account of principles of good practice as regards equalities and shall take reasonable steps to secure that, at any given time, there is a reasonable balance of representation on the board of directors (from an equalities perspective).

Election, retiral, re-election: Member Directors

68 At each annual general meeting, the members may (subject to article 65) elect any member (providing he/she is willing to act) to be a director (“**a Member Director**”).

69 The directors may at any time appoint any member (providing he/she is willing to act) to be a director either to fill a vacancy or (subject to article 64) as an additional director.

70 A member which is a corporate body may (subject to article 71) nominate any individual for election/appointment as Member Director; he/she will then be deemed to be a member of the company for the purpose of articles 54 and 55.

⁺ As inserted by special resolution passed on 25 June 2015

71 No more than one individual nominated under article 70 by each corporate member may serve as a director at any given time.

72 *At each annual general meeting, sufficient Member Directors shall retire from office to ensure that, taking account of both Member Directors retiring at the meeting and vacancies among the Member Directors existing as at the commencement of the meeting, there will be four places to which Member Directors can be elected or re-elected at the meeting; the directors to retire shall (subject to article 67A) comprise:-

72.1 any Member Director appointed under article 63 during the period since the preceding annual general meeting;

and (if further places need to be made available, after taking account of vacancies among the Member Directors)

72.2 out of the remaining Member Directors, sufficient directors to bring up the total number of places to which Member Directors can be elected or re-elected at that annual general meeting, to four.

73 The directors to retire under article 71 shall be those who have been longest in office since they were last elected or re-elected; as between persons who were last elected/re-elected on the same date, the question of which of them is to retire shall be determined by some random method.

67A *With reference to article 66:

67A.1 if the number of vacancies among the Member Directors existing as at the commencement of an annual general meeting is such that if all the Member Directors referred to in article 66.1 were to retire from office at that annual general meeting, the total number of places to which Member Directors could be elected or re-elected at the meeting would exceed four, then the number of Member Directors retiring under article 66.1 shall be reduced accordingly so that no more than four places are available; the question of which Member Directors should retire under article 66.1 in these circumstances shall be determined by some random method;

67A.2 if the number of vacancies among the Member Directors existing as at the commencement of an annual general meeting, when added to the number of Member Directors retiring under article 66.1 at that meeting, is four, then no Member Directors shall require to retire from office at that meeting under article 66.2;

67A.3 if there are more than four vacancies among the Member Directors existing as at the commencement of an annual general meeting, the number of places to which Member Directors may be elected at that meeting shall nevertheless be limited to four.

* As altered by special resolution passed on 23 February 2010

- 74 *A director who retires from office under article 66 (as read with article 67A) shall (subject to article 69) be eligible for re-election.
- 75 On the second occasion on which a Member Director retires from office under article 71, he/she will not be eligible for re-election or re-appointment as a director until the following annual general meeting.
- 76 A person seeking election as a Member Director must lodge with the company, seven days prior to the annual general meeting, notice:-
- 76.1 (in the case where an individual is nominated by a corporate member under article 70) by a corporate member of the company, of its intention to propose that person for election; and
- 76.2 by that person, of his/her willingness to be elected as a director

Appointment/re-appointment: Co-opted Directors

- 77 In addition, to their powers under article 69, the directors may (subject to article 64) at any time appoint any non-member of the company to be a director (providing he/she is willing to act) either on the basis that he/she has been nominated by a body with which the company has close contact in the course of its activities or on the basis that he/she has specialist experience and/or skills which could be of assistance to the directors.
- 78 At the conclusion of each annual general meeting, all of the Co-opted Directors shall retire from office.
- 79 Immediately following each annual general meeting, the directors may (subject to article 64) 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.

Disqualification and removal of directors

- 80 A director shall automatically vacate office if:-
- 80.1 he/she ceases to be a director by virtue of any provision of the Companies Acts or becomes prohibited by law from being a director or a charity trustee (within the meaning of the Charities and Trustee Investment (Scotland) Act 2005);
- 80.2 he/she is sequestrated;
- 80.3 he/she becomes incapable for medical reasons of fulfilling the duties of his/her office and such incapacity has continued, or is expected to continue, for a period of more than six months;
- 80.4 (in the case of a Member Director) he/she ceases to be a member or (if he/she was nominated by an incorporated body) the incorporated body which nominated him/her ceases to be a member;

- 80.5 he/she resigns office by notice to the company;
- 80.6 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;
- 80.7 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 90);
- 80.8 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
- 80.9 he/she is removed from office by ordinary resolution (special notice having been given) in pursuance of section 168 of the 2006 Act.
- 81 A resolution under article 80.7 or 80.8 shall be valid only if:-
- 81.1 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;
- 81.2 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
- 81.3 at least two thirds (to the nearest round number) of the directors then in office vote in favour of the resolution.

Register of directors

- 82 The directors shall maintain a register of directors, setting out full details of each director, the name of the corporate body which nominated each director (if applicable), the date on which each such person became a director, and the date on which any person ceased to hold office as a director.

Appointment to offices

- 83 The directors shall elect from among themselves a chair and a treasurer, and such other office bearers (if any) as they consider appropriate.
- 84 All of the office bearers shall cease to hold office at the conclusion of each annual general meeting, but shall then be eligible for re-election.
- 85 A person elected to any office shall cease to hold that office shall cease to hold that office if he/she ceases to be a director, or if he/she resigns from that office by written notice to that effect.

Directors' interests

86 Subject to the provisions of the Companies Acts and of the Charities and Trustee Investment (Scotland) Act 2005 and of clause 4 of the memorandum of association and provided that he/she has disclosed to the directors the nature and extent of any personal interest which he/she has (unless immaterial), and has complied with the code of conduct as referred to in article 90), a director (notwithstanding his/her office):-

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

86.2 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;

86.3 may be a director or secretary of, or employed by, or have some other personal interest in, any associated company; and

86.4 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.

87 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

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

89 Without prejudice to the principle set out in article 88, 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:-

- 89.1 seek, in good faith, to ensure that the company acts in a manner which is in accordance with its purposes;
 - 89.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;
 - 89.3 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
 - 89.3.1 put the interests of the company before that of the other party;
 - 89.3.2 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;
 - 89.4 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.
- 90 Each of the directors shall comply with the code of conduct (incorporating detailed rules on conflict of interest) prescribed by the board of directors from time to time; for the avoidance of doubt, the code of conduct shall be supplemental to the provisions relating to the conduct of directors contained in these articles of association, and the relevant provisions of these articles shall be interpreted and applied in accordance with the provisions of the code of conduct in force from time to time.

Directors' remuneration and expenses

- 91 No director may serve as an employee of the company and no director may be given any remuneration by the company for carrying out his/her duties as a director or as chair of the company or as the holder of any other office under article 83.
- 92 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

- 93 Subject to the provisions of the Companies Acts, the memorandum of association and these articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company.
- 94 No alteration of the memorandum of association or these articles and no direction given by special resolution shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given.

- 95 The powers conferred by article 93 shall not be limited by any special power conferred on the directors by these articles.
- 96 A meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

Procedure at directors' meetings

- 97 Subject to the provisions of these articles, the directors may regulate their proceedings as they think fit.
- 98 Any director may call a meeting of the directors or request the secretary to call a meeting of the directors.
- 99 Questions arising at a meeting of the directors shall be decided by a majority of votes; if an equality of votes arises, the chairperson of the meeting shall have a casting vote.
- 100 No business shall be dealt with at a meeting of the directors unless a quorum is present; the quorum for meetings of the directors may be fixed by the directors, and unless so fixed shall be one third (to the nearest round number) of the total number of directors then in office, subject to a minimum of four.
- 101 If the quorum required under article 100 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.
- 102 If at any time the number of directors in office falls below the number fixed as the quorum, the remaining director(s) may act only for the purpose of filling vacancies or of calling a general meeting.
- 103 Unless he/she is unwilling to do so, the chair of the company shall preside as chairperson at every directors' meeting at which he/she is present; if the chair is unwilling to act as chairperson or is not present within 15 minutes after the time when the meeting was due to commence, the directors present shall elect from among themselves the person who will act as chairperson of the meeting.
- 104 The directors may, at their discretion, allow any person who they reasonably consider appropriate, to attend and speak at any meeting of the directors; for the avoidance of doubt, any such person who is invited to attend a directors' meeting shall not be entitled to vote and shall not be deemed to constitute a director for the purposes of the Companies Acts or any provision of these articles.
- 105 A director may participate in a meeting of directors by way of a conference telephone or video-conference equipment or any other facility by virtue of which the directors participating in the meeting can all communicate with each other; a director participating in a meeting of directors in this manner

shall be deemed to be present at the location where the majority of the directors are physically present.

- 106 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.
- 107 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.
- 108 A director shall not vote at a directors' meeting (or at a meeting of a committee) on any resolution concerning a matter in which he/she has, directly or indirectly, a personal interest or duty (unless immaterial) which conflicts (or may conflict) with the interests of the company; he/she must declare an interest at or before discussion begins on that item, and withdraw from the meeting while an item of that nature is being dealt with (unless expressly invited to remain in order to provide information).
- 109 For the purposes of the preceding article:-
- 109.1 an interest of a person who is taken to be connected with a director for any purpose of the 2006 Act, shall be treated as a personal interest of the director; and
- 109.2 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.
- 110 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.
- 111 The company may (subject to the provisions of 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 108 to 110.
- 112 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 sub-committees

- 113 The directors may delegate any of their powers to any sub-committee consisting of one or more directors and such other persons (if any) as the directors may determine.
- 114 Any delegation of powers under article 113 may be made subject to such conditions as the directors may impose and may be revoked or altered.
- 115 The rules of procedure for any sub-committee shall be as prescribed by the directors.
- 116 Sub-committees shall report all acts and proceedings to the directors fully and promptly.

Operations of bank accounts

- 117 ♦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.

Secretary

- 118 The directors shall (notwithstanding the provisions of the 2006 Act) appoint a company secretary, and on the basis that the term of office, remuneration (if any) and other terms and conditions attaching to the appointment of the company secretary shall be as determined by the directors; the company secretary may be removed by the directors at any time.
- 119 No director may occupy the salaried position of secretary

Minutes

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

Accounting records / annual accounts / audit

- 121 The directors shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements and clause 8 of the memorandum of association.
- 122 The directors shall prepare annual accounts, complying with all relevant statutory requirements.
- 123 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

♦ As altered by special resolution passed on 6 September 2018

conferred by statute or as authorised by the directors or as authorised by ordinary resolution of the company.

Notices

- 124 Any notice to be given in pursuance of these articles shall be given either in writing or by way of electronic means.
- 125 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.
- 126 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.
- 127 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.
- 128 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.
- 129 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/dissolution

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

Indemnity

- 131 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 2006 Act) out of the assets of the company against any loss or liability which he/she may sustain or incur in connection with the execution of the duties of his/her office including, without prejudice to that generality (but only to the extent permitted by those sections of the 2006 Act), any liability incurred by him/her in defending any proceedings, whether civil or criminal, in which judgement is given in his/her favour or in which he/she is acquitted or in

connection with any application in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.

- 132 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 2006 Act (negligence etc. of a director).

Standing Orders

- 133 The directors may from time to time make such standing orders (providing they are consistent with the provisions of these articles) as they may deem necessary or convenient (a) regulating the procedure at general meetings and meetings of the directors and sub-committees or (b) allowing for the admission of organisations and individuals as associate and honorary members, and individuals as patrons, and assigning the rights attaching to associate and honorary membership and the status of patron (but each case, on the basis that an associate or honorary member or patron shall not be entitled to vote at any general meeting or directors' meeting).
- 134 The company in general meeting shall have the power to alter or repeal any standing orders and to make additions to them.

Interpretation

- 135 In these articles:-

“the 2006 Act” means (subject to article 136) the Companies Act 2006;

“the Companies Acts” means (subject to article 136) the Companies Acts 1985 to 2006.

- 136 Any reference in these articles to a statutory provision shall be taken to include any statutory modification or re-enactment of that provision which is in force at the time.
- 137 References in these articles to the singular shall be deemed to include the plural.

