

THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

**ARTICLES of ASSOCIATION
of
KYLE OF SUTHERLAND FISHERIES TRUST**

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Constitution of trust

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

Defined terms

2 In these articles of association, unless the context requires otherwise:-

(a) "Act" means the Companies Act 2006 including any statutory modifications or re-enactments thereof for the time being in force;

(b) "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;

(c) “charitable purpose” means a charitable purpose under section 7 of the Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the application of the Taxes Acts;

(d) “electronic form” has the meaning given in section 1168 of the Act;

(e) “OSCR” means the Office of the Scottish Charity Regulator;

(f) “property” means any property, heritable or moveable, real or personal, wherever situated; and

(g) “subsidiary” has the meaning given in section 1159 of the Act.

(h) “the Articles” means the articles of the trust.

(i) “clear days” in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect. “executed” includes any mode of execution.

(j) “office” means the registered office of the trust.

(k) “Secretary” means the Secretary of the trust or any other person appointed to perform the duties of the secretary of the trust, including a joint assistant or deputy secretary.

(l) “the United Kingdom” means Great Britain and Northern Ireland.

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 trust’s objects are:

- to assist and advise on the restoration, maintenance and improvement of aquatic biodiversity within the catchment of the Kyle of Sutherland extending to its seaward limit; by means of practical, responsible and sustainable approaches to land, water and fishery management, all based upon sound science and for the environmental, social and economic benefit of the community as a whole.
- The Trust seeks to protect, conserve, improve and enhance all native fish species and their habitats, to advance education, training and research initiatives and to provide a communications resource to all interested parties.

5 The trust’s objects are restricted to those set out in article 4 (but subject to article 6).

6 The trust may (subject to first obtaining the consent of OSCR) add to, remove or alter the statement of the trust’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 trust shall have the following powers:-

- To secure and provide sustainable finance in support of projects and initiatives by encouraging membership, partnership and private
- To promote best practice and education
- To influence relevant land, freshwater and general environmental policy
- To gather scientific data to be used as a benchmark for strategic management of the Kyle of Sutherland habitat
- To involve the local community in appreciation of the valuable resource that is the Kyle of Sutherland habitat through educational initiatives.
- To offer and distribute information and advice to those involved with managing, regulating and living within and using the fisheries and catchment area habitat
- To acquire and take over the whole or any part of the undertaking and liabilities of any body holding property or rights which are suitable for the trust's activities.
- To purchase, take on lease, hire, or otherwise acquire, any property or rights which are suitable for the trust's activities.
- To improve, manage, develop, or otherwise deal with, all or any part of the property and rights of the trust.
- To sell, let, hire out, license, or otherwise dispose of, all or any part of the property and rights of the trust.
- To borrow money, and to give security in support of any such borrowings by the trust, in support of any obligations undertaken by the trust or in support of any guarantee issued by the trust.
- To employ such staff or identify such executive directors as are considered appropriate for the proper conduct of the trust'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 dependents.
- To engage such consultants and advisers as are considered appropriate from time to time.
- To effect insurance of all kinds (which may include officers' liability insurance).
- To invest any funds which are not immediately required for the trust's activities in such investments as may be considered appropriate (and to dispose of, and vary, such investments)
- To liaise with other voluntary sector bodies, local authorities, UK or Scottish government departments and agencies, and other commercial or non-commercial bodies, all with a view to furthering the trust's objects.
- To establish and/or support any other charity, and to make donations for any charitable purpose falling within the trust's objects.
- To take such steps as may be deemed appropriate for the purpose of raising funds for the trust's activities.

- To accept grants, donations and legacies of all kinds (and to accept any reasonable conditions attaching to them).
- To oppose, or object to, any application or proceedings which may prejudice the trust's interests.
- To enter into any arrangement with any organisation, government or authority which may be advantageous for the purposes of the activities of the trust, and to enter into any arrangement for co-operation or mutual assistance with any charity.
- To do anything which may be incidental or conducive to the furtherance of any of the trust's object

Restrictions on use of the trust's assets

8 (a) The income and property of the trust shall be applied solely towards promoting the trust's objects (as set out in clause 4).

(b) No part of the income or property of the trust shall be paid or transferred (directly or indirectly) to the members of the trust, whether by way of dividend, bonus or otherwise.

(c) No trustee of the trust shall be appointed as a paid employee of the trust; no trustee shall hold any office under the trust for which a salary or fee is payable.

(d) No benefit (whether in money or in kind) shall be given by the trust to any trustee 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 trust.

Liability of members

9 Each member undertakes that if the trust is wound up while he/she is a member (or within one year after he/she ceases to be a member), he/she will contribute - up to a maximum of £1 - to the assets of the trust, to be applied towards:

(a) payment of the trust's debts and liabilities contracted before he/she ceases to be a member;

(b) payment of the costs, charges and expenses of winding up; and

(c) adjustment of the rights of the contributories among themselves.

General structure

10 The structure of the trust consists of:-

(a) the MEMBERS - who have the right to attend the annual general meeting (and any extraordinary general meeting) and have important powers under the articles of association and the Act; in particular, the members elect people to serve as trustees and take decisions in relation to changes to the articles themselves.

(b) the TRUSTEES - who hold regular meetings during the period between annual general meetings, and generally control and supervise the activities of the trust; in particular, the trustees are responsible for monitoring the financial position of the trust. The roles and responsibilities of trustees are the same as those referred to in the Act as defined in article 2(a) above. Trustees shall also be members in terms of these articles.

Qualifications for membership

11 The members of the trust shall consist of the subscribers to the memorandum of association and such other persons as are admitted to membership under articles 14 to 16. 12 Membership shall be open to:

- a) any individual who has applied for membership and been approved by the trustees.
- b) Any corporate body approved by the trustees which is working for the conservation and enhancement of native fish and their environments in the Kyle of Sutherland districts.

13 Employees of the trust shall not be eligible for membership; a person who becomes an employee of the trust after admission to membership shall automatically cease to be a member.

Application for membership

14 Any person who wishes to become a member must sign, and lodge with the trust, a written application for membership.

- a) in the case of an application under article 12 a) the application must be signed by the applicant
- b) in the case of an application under 12 b) the application must be signed by the appropriate officer of that body.

15 The trustees may, at their discretion, refuse to admit any person to membership.

Membership subscription

16. Members may require to pay an annual membership subscription at a rate to be determined by the members.

17. The annual membership subscriptions shall be payable on or before 1 May in each year

17A. The members may vary the amount of the annual membership and/or the date on which it falls due each year, by way of an ordinary resolution to that effect passed at an annual general meeting.

17B. If the membership subscription payable by any member remains outstanding more than 6 weeks after the date on which it fell due (and providing he/she has been given at least one written reminder) the trustees may, by resolution to that effect, expel him/her from membership.

17C. A person who ceases (for whatever reason) to be a member shall not be entitled to any refund of the membership subscription.

Register of members

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

Withdrawal from membership

19 Any person who wishes to withdraw from membership shall sign (in the case of a corporate body, through the appropriate officer), and lodge with the trust, a written notice to that effect; on receipt of the notice by the trust, he/she shall cease to be a member.

Expulsion from membership

20 Any person may be expelled from membership by special resolution (see article 33), providing the following procedures have been observed:-

(a) at least 21 days' notice of the intention to propose the resolution must be given to the member concerned, specifying the grounds for the proposed expulsion

(b) the member concerned shall be entitled to be heard on the resolution at the general meeting at which the resolution is proposed and/or to submit written representation which will be circulated to trustees before the general meeting at which the resolution is proposed.

(c) failure to comply with any of the provisions of this Article shall render any resolution for the expulsion of a person from membership invalid.

Termination/transfer

21 Membership shall cease in the following circumstances

(a) A member of the Trust shall cease to be a member of the Trust on his or her death or if he or she becomes of unsound mind or resigns his or her membership by notice in writing sent to or left with the Secretary at the office. Corporate members shall cease to be members of the Trust if the corporation is wound up for any reason whatsoever.

(b) The trustees shall have the right for good and sufficient reason to terminate the membership of any member provided that the member concerned shall have a right to be heard before any final decision is made. Any person whose membership has been so terminated shall be entitled to appeal the decision of the trustees at the next General Meeting of the Trust.

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

General meetings (meetings of members)

23 The trustees shall convene an annual general meeting in the last quarter of the year.

24 Not more than 15 months shall elapse between one annual general meeting and the next.

25 The business of each annual general meeting shall include:-

(a) a report by the chair on the activities of the trust

(b) consideration of the annual accounts of the trust

(c) the election/re-election of trustees, as referred to in articles 51 to 53.

26 The trustees may convene an extraordinary general meeting at any time.

27 The trustees must convene an extraordinary 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). Subject to the foregoing the Trustees may convene general meetings whenever they deem appropriate.

Notice of general meetings

28 An annual general meeting or an extra-ordinary general meeting convened for the passing of a special resolution requiring special notice shall be called by at least twenty-one clear days' notice. In all other cases at least 14 clear days' notice must be given of an annual general meeting or extraordinary general meeting.

29 The reference to "clear days" in article 28 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.

30 A notice calling a meeting shall specify the time and place of the meeting; it shall (a) indicate the general nature of the business to be dealt with at the meeting and (b) if a special resolution (see article 34) (or a resolution requiring special notice under the Act) is to be proposed, shall also state that fact, giving the exact terms of the resolution.

31 A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting; any other general meeting shall be called an extraordinary general meeting.

32 Notice of every general meeting shall be given to the members, trustees, executive directors and to the auditors in one of the following forms:

(a) in hard copy form

(b) in writing or, (where the individual to whom notice is given has notified the trust of an address to be used for the purpose of electronic communication) in electronic form; or

(c) (subject to the Trust notifying members of the presence of the notice on the website, and complying with the other requirements of section 309 of the Act) by means of a website.

Special resolutions and ordinary resolutions

33 For the purposes of these articles, a “special resolution” means a resolution passed by 75% or more of the votes cast on the resolution at an annual general meeting or extraordinary general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with articles 28 to 32; 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.

34 In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Act allow the trust, by special resolution,

(a) to alter its name

(b) to alter any provision of these articles or adopt new articles of association.

35 For the purposes of these articles, an “ordinary resolution” means a resolution passed by majority vote (taking account only of those votes cast in favour as compared with those votes against), at an annual general meeting or extraordinary general meeting, providing proper notice of the meeting has been given in accordance with articles 28 to 32.

Procedure at general meetings

36 No business shall be dealt with at any general meeting unless a quorum is present; the quorum for a general meeting shall be fifty per cent of the individuals entitled to vote each being a member or a proxy for a member; in the event of the members entitled to vote on the business exceeding twenty then ten persons shall be a quorum and at no time shall a quorum be less than five members

37 The chair of the Trust 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 trustees present at the meeting shall elect from among themselves the person who will act as chairperson of that meeting.

38 If a quorum is not present within 15 minutes after the time at which a general meeting was due to commence - or if, during a meeting, a quorum ceases to be present - the meeting shall stand adjourned to such time and place as may be fixed by the chairperson of the meeting. No business shall be transacted at an adjourned meeting other than business which could properly have been transacted at the meeting which was adjourned if the adjournment had not taken place. Where a meeting is adjourned for thirty days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and indicating the general nature of the business to be transacted; In any other case, it shall not be necessary to give any notice of an adjourned meeting.

39 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. Executive Directors of the Trust will not be entitled to vote.

40 A resolution put to the vote of the meeting shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is demanded by the chairman or by at least two members having the right to vote at the meeting. Unless a poll is demanded, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority, and an

entry to that effect in the Minutes of the meeting, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. The demand for a poll may, before the poll is taken, be withdrawn, but only with the consent of the chairman; a demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made nor the result of a show of hands declared after the demand is so withdrawn. If a poll is demanded in accordance with Article 30, it shall be taken at once by means of a secret ballot of all persons present and entitled to vote conducted in such manner as the chairman may direct; the result of such poll shall be declared at the meeting at which the poll was demanded. No objection may be raised as to the validity of any vote except at the meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid; any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

41 Any member who wishes to appoint a proxy to vote on his/her behalf at any meeting (or adjourned meeting):

(a) shall lodge with the trust, at the trust's registered office, a written instrument of proxy (in such form as the trustees require), signed by him/her; or

(b) shall send by electronic means to the trust, at such electronic address as may have been notified to the members by the trust for that purpose, an instrument of proxy (in such form as the trustees require) providing (in either case), the instrument of proxy is received by the trust at the relevant address not less than 48 hours before the time for holding the meeting (or, as the case may be, adjourned meeting).

42 An instrument of proxy which does not conform to the provisions of article 41, or which is not lodged or sent in accordance with such provisions, shall be invalid.

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

44 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 trust.

45 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 trust at the trust's registered office (or, where sent by electronic means, was received by the trust at the address notified by the trust to the members for the purpose of electronic communications) before the commencement of the meeting or adjourned meeting at which the vote was given or the ballot demanded.

46 If there are an equal number of votes for and against any resolution, whether on a show of hands or on a poll, the chairperson of the meeting shall not be entitled to a casting vote in addition to any other vote that he or she may have.

47 A resolution put to the vote at a general meeting shall be decided on a show of hands unless a secret ballot is demanded by the chairperson (or by at least two persons present in person at the meeting and entitled to vote (whether as members or proxies for members)); a secret ballot may be demanded either before the show of hands takes place, or immediately after the result of the show of hands is declared.

48 If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such a manner as the chairperson may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded.

Maximum number of trustees

49 The Board of Trustees shall consist of not less than five and no more than fifteen persons appointed by the members of the Trust.

Eligibility

50 A person shall not be eligible for election/appointment as a trustee under articles 51 to 52 unless he/she is a member of the trust; a person appointed as a trustee under article 53 need not, however, be a member of the trust.

50A. A person shall not be eligible for election/appointment as a trustee if he/she is an employee or executive director of the trust

50B. For the purposes of article 50B:

- (a) the period between the date of appointment/election of a trustee and the annual general meeting which next follows shall be deemed to be period of one year, unless it is of less than six months duration in which case it shall be disregarded
- (b) the period between one annual general meeting and the next shall be deemed to be a period of one year
- (c) if a trustee ceases to hold office but is re-appointed/re-elected as a trustee within a period of six months, he/she shall be deemed to have held office as a trustee continuously
- (d) if a trustee is appointed as chair then the period prior to his appointment shall be disregarded

Election, retiral, re-election of trustees

51 Each annual general meeting, the members may (subject to article 49) elect any member (providing he/she is willing to act) to be a trustee. At each annual general meeting one third or the nearest round number shall retire from office and shall be eligible for re-election as trustees of the trust, provided that they have not served as a trustee for 6 consecutive years. The foregoing restriction on the length of continuous service does not apply to the outgoing chair of the trustees. The trustees to retire shall be those who have been longest in office since they were last appointed or re-appointed and the question of who is to retire as between trustees appointed or re-appointed on the same date shall be determined by lot. No trustee other than the outgoing chair may serve for more than 6 consecutive years as a trustee but would subsequently be eligible for re-election after having stood down for a minimum period of one year after completing the maximum consecutive years' service

Appointment/co-option of trustees

52. The trustees may at any time appoint any member (providing he/she is willing to act) to be a trustee (subject to articles 49,50 and 51)

53. In addition to their powers under article 52, the trustee may (subject to article 49) at any time appoint any non-member to the trust to be a trustee (providing he/she is willing to act) on the basis that he/she has specialist experience or skills that could be of assistance to the trustees.

53A. At each annual general meeting, all the trustees (if any) appointed under article 52 and/or 53 shall retire from office – but shall then be eligible for re-appointment under articles 52 or 53 but subject to the limitations on consecutive years service in article 51

Termination of office

54A trustee shall automatically vacate office if:-

- (a) he/she ceases to be a trustee through the operation of any provision of the Act or becomes prohibited by law from being a trustee
- (b) he/she becomes debarred under any statutory provision from being a charity trustee
- (c) he/she becomes incapable for medical reasons of fulfilling the duties of his/her office and such incapacity is expected to continue for a period of more than six months
- (d) (in the case of a trustee elected/appointed under articles 51 or 52) he/she ceases to be a member of the trust
- (e) he/she becomes an employee of the trust
- (f) he/she resigns office by notice to the trust
- (g) he/she is absent (without permission of the trustees) from more than three consecutive meetings of the trustees, and the trustees resolve to remove him/her from office
- (h) he/she is removed from office by ordinary resolution (special notice having been given) in pursuance of section 168 of the Act.
- (i) he/she becomes bankrupt or apparently insolvent
- (j) he/she has already served as a trustee for 6 consecutive years except in the case of the chair of the trustees

Register of trustees

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

Office bearers

56 The trustees may elect from among themselves a chair and a treasurer, and such other office bearers (if any) as they consider appropriate.

57 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.

58 A person elected to any office shall cease to hold that office if he/she ceases to be a trustee, or if he/she resigns from that office by written notice to that effect. In the event of such termination of office the trustees shall, at a meeting of trustees held as soon as reasonably practicable after the termination, appoint another trustee to hold such office in his/her place. A trustee so appointed shall hold office until the conclusion of the first annual general meeting which follows such appointment.

Powers of trustees

59 Subject to the provisions of the Act and these articles, and subject to any directions given by special resolution, the trust and its assets and undertaking shall be managed by the trustees, who may exercise all the powers of the trust.

60 A meeting of the trustees at which a quorum is present may exercise all powers exercisable by the trustees.

Personal interests

61 A trustee who has a personal interest in any transaction or other arrangement which the trust is proposing to enter into, must declare that interest at a meeting of the trustees; he/she will be debarred (in terms of article 73) from voting on the question of whether or not the trust should enter into that arrangement.

62 For the purposes of the preceding article, a trustee shall be deemed to have a personal interest in an arrangement if any partner or other close relative of his/hers **or** any firm of which he/she is a partner **or** any limited company of which he/she is a substantial shareholder or director (or any other party who/which is deemed to be connected with him/her for the purposes of the Act), has a personal interest in that arrangement.

63 Provided

(a) he/she has declared his/her interest

(b) he/she has not voted on the question of whether or not the trust should enter into the relevant arrangement and

(c) the requirements of article 65 are complied with,

a trustee will not be debarred from entering into an arrangement with the trust in which he/she has a personal interest (or is deemed to have a personal interest under article 62) and may retain any personal benefit which he/she gains from his/her participation in that arrangement.

64 No trustee may serve as an employee (full time or part time) of the trust, and no trustee may be given any remuneration by the trust for carrying out his/her duties as a trustee.

65 Where a trustee provides services to the trust or might benefit from any remuneration paid to a connected party for such services, then

(a) the maximum amount of the remuneration must be specified in a written agreement and must be reasonable

(b) the trustees must be satisfied that it would be in the interests of the trust to enter into the arrangement (taking account of that maximum amount); and

(c) only executive directors may receive remuneration from the trust (or benefit from remuneration of that nature).

66 The trustees may be paid all travelling and other expenses reasonably incurred by them in connection with their attendance at meetings of the trustees, general meetings, or meetings of committees, or otherwise in connection with the carrying-out of their duties.

Procedure at trustees' meetings

67 Any trustee may call a meeting of the trustees or request the secretary to call a meeting of the trustees.

68 Questions arising at a meeting of the trustees shall be decided by a majority of votes; if an equality of votes arises, the chairperson of the meeting shall have a second or casting vote.

69 No business shall be dealt with at a meeting of the trustees unless a quorum is present; The quorum for the transaction of the business of the trustees may be fixed by the trustees and, unless so fixed at any other number, shall be the nearest whole number representing one-third of the total number of trustees; a person (other than a trustee) acting as alternate trustee shall, if his appointer is not present, be counted in the quorum.

70 If at any time the number of trustees in office falls below the number fixed as the quorum, the remaining trustee(s) may act only for the purpose of filling vacancies or of calling a general meeting.

71 Unless he/she is unwilling to do so, the chair of the trust shall preside as chairperson at every trustees' 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 trustees present shall elect from among themselves the person who will act as chairperson of the meeting.

72 The trustees may, at their discretion, allow any person who they reasonably consider appropriate, to attend and speak at any meeting of the trustees; for the avoidance of doubt, any such person who is invited to attend a trustees' meeting shall not be entitled to vote.

73 A trustee shall not vote at a trustees' meeting (or at a meeting of a committee) on any resolution concerning a matter in which he/she has a personal interest which conflicts (or may conflict) with the interests of the trust; he/she must withdraw from the meeting while an item of that nature is being dealt with.

74 For the purposes of article 73, a person shall be deemed to have a personal interest in a particular matter if any partner or other close relative of his/hers **or** any firm of which he/she is a partner **or** any limited company of which he/she is a substantial shareholder or director, has a personal interest in that matter.

75 A trustee 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.

76 The trust may, by ordinary resolution, suspend or relax to any extent – either generally, or in relation to any particular matter – the provisions of articles 73 to 75.

77 Subject to provisions of the Articles, the trustees may regulate their proceedings as they think fit.

78 No notice of a meeting of trustees need be given to a trustee who is absent from the United Kingdom

79 All acts done by a meeting of trustees or by a meeting of a committee of trustees or by a person acting as a trustee shall, notwithstanding that it is afterwards discovered that there was a defect in the appointment of any trustee 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 trustee and had been entitled to vote.

80 A resolution in writing agreed by all the trustees entitled to receive notice of a meeting of trustees or of a committee of trustees shall be as valid and effectual as if it had been passed at a meeting of trustees or (as the case may be) a committee of trustees duly convened and held; it may consist of several documents in the same form each agreed by one or more trustees.

81 A resolution agreed by an alternate trustee need not also be agreed by his appointer; a resolution agreed by a trustee who has appointed an alternate trustee need not be agreed by the alternate trustee in that capacity.

82 For the purposes of the Article 73, an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force at the date of incorporation of the Trust), connected with a trustee shall be treated as an interest of the trustee' an interest of the appointer of an alternate trustee shall be treated as an interest in the alternate trustee.

83 The trust may by special resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a trustee from voting at a meeting of the trustees or at a meeting of a committee of trustees.

84 Where proposals are under consideration concerning the appointment of two or more trustees to executive offices with the trust the proposals may be divided and considered in relation to each trustee separately; provided he/she is not for another reason precluded from voting, each of the trustees concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his or her own appointment.

85 If a question arises at a meeting of trustees or at a meeting of a committee of trustees as to the right of a trustee vote, the question may, before the conclusion of the meeting be referred to the chairman of the meeting; his ruling in relation to any trustee other than himself shall be final and conclusive.

Conduct of trustees

86 Each of the trustees shall, in exercising his/her functions as a trustee of the trust, act in the interests of the trust; and, in particular, must

(a) seek, in good faith, to ensure that the trust acts in a manner which is in accordance with its objects (as set out article4)

(b) act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person

(c) in circumstances giving rise to the possibility of a conflict of interest of interest between the trust and any other party

(i) put the interests of the trust before that of the other party, in taking decisions as a trustee

(ii) where any other duty prevents him/her from doing so, disclose the conflicting interest to the trust and refrain from participating in any discussions or decisions involving the other trustees with regard to the matter in question

(d) ensure that the trust complies with any direction, requirement, notice or duty imposed on it by the Charities and Trustee Investment (Scotland) Act 2005.

Delegation to sub-committees

87 The trustees may delegate any of their powers to any sub-committee consisting of one or more trustees and such other persons (if any) as the trustees may determine; they may also delegate to the chair of the trust (or the holder of any other post) such of their powers as they may consider appropriate.

88 Any delegation of powers under article 87 may be made subject to such conditions as the trustees may impose and may be revoked or altered.

89 The rules of procedure for any sub-committee shall be as prescribed by the trustees. In the absence of any such prescription the rules of procedure shall be governed by the Articles so far as they are capable of applying.

Delegation to General Committees

90 For the purposes of the Articles "general committee" means a committee appointed by the trustees whose constitution complies with Article 87.

91 The trustees may, subject to Articles 94, 95 and 96, delegate to any general committee all such powers as the trustees may think fit; any such delegation shall be made collaterally with, and not to the exclusion of, the trustees' powers and may be revoked or altered.

92 The members of a general committee shall include at least one trustee; the remaining members of the committee need not be members of the Trust.

93 The trustee included among the members of a general committee (or, if more than one trustee is included among the members of the committee, the trustee appointed to such office at a meeting of trustees) shall hold office as convenor of the committee.

94 Each general committee shall regulate its proceedings in accordance with the directions issued by the trustees and shall give effect to any instruction or decision on matters of principle issued or made by the trustees.

95 Unless otherwise determined by special resolution, the following matters shall be excluded from delegation to any general committee.

- a. any introduction of a new policy or any change in policy which could have a significant impact on the Trust or which would fall within the responsibility of another committee or conflict with the declared policy of another committee
- b. any matter involving expenditure not in accordance with the financial regulations of the Trust
- c. any capital building project
- d. the appointment or dismissal of any employee or executive director of the Trust.

96 All contracts with third parties in connection with the discharge of the functions of a general committee shall be entered into by the chairman of the committee or, in his absence, by some other trustee of the Trust; no member of a general committee (other than a trustee) shall contract, or hold himself out as contracting, on behalf of the Trust.

97 All acts done by a general committee shall, notwithstanding that it is afterwards discovered that there was a defect in the appointment of any member of the committee or that any member of the committee was not qualified to act as such, be as valid as if every such person had been duly appointed and was so qualified.

98 A resolution in writing agreed by all the members of a general committee shall be as valid and effectual as if it had been passed at a meeting of the committee duly convened and held; it may consist of several documents in the same form each agreed by one or more members of the committee.

99 A resolution agreed by an alternate trustee appointed by a trustee who is a member of a general committee need not also be agreed by his appointer; a resolution agreed by a member of a general committee who has appointed an alternate trustee need not be agreed by the alternate trustee in that capacity.

Operation of bank accounts

100 Bank accounts shall be operated strictly according to such rules for financial transactions as shall be prescribed by the trustees in writing from time to time.

Secretary

101 The trustees shall (notwithstanding the provisions of the Act) appoint a trust secretary, and on the basis that the term of the appointment, the remuneration (if any) payable to the trust secretary, and the such conditions of appointment shall be as determined by the trustees; the trust secretary may be removed by them at any time.

Minutes

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

Accounting records and annual accounts

103 The trustees shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements.

104 The trustees shall prepare annual accounts, complying with all relevant statutory requirements; if an audit is required under any statutory provisions or if they otherwise think fit, they shall ensure that an audit of such accounts is carried out by a qualified auditor. The accounting record will be held at such place or places as the trustees may consider appropriate and shall always be open to the inspection of any trustee.

105 No member shall (unless he/she is a trustee) have any right of inspecting any accounting or other records, or any document of the trust, except as conferred by statute or as authorised by the trustees or as authorised by ordinary resolution of the trust.

Notices

106 Any notice which requires to be given to a member under these articles shall be given either in writing or by electronic means; such a notice may be given personally to the member or be sent by post in a pre-paid envelope addressed to the member at the address last intimated by him/her to the trust or (in the case of a member who has notified the trust of an address to be used for the purpose of electronic communications) may be given to the member by electronic means.

107 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.

108 Any notice sent by electronic means shall be deemed to have been given at the expiry of 24 hours after it is sent; for the purpose of proving that any notice sent by electronic means was indeed sent, it shall be sufficient to provide any of the evidence referred to in the relevant guidance issued from time to time by the Chartered Institute of Secretaries and Administrators.

Winding-up

109 If on the winding-up of the trust any property remains after satisfaction of all the trust's debts and liabilities, such property shall be transferred to such body or bodies (whether incorporated or unincorporated) as may be determined by the members of the trust at or before the time of dissolution (or, failing such determination, by such court as may have or acquire jurisdiction), to be used solely for a charitable purpose or charitable purposes.

110 To the extent that effect cannot be given to article 109, the relevant property shall be applied to some charitable purpose or purposes.

Indemnity

111 Every trustee or other officer or auditor of the trust shall be indemnified (to the extent permitted by the relevant sections of the Act) out of the assets of the trust against any loss or liability which he/she may sustain or incur in connection with the execution of the duties of his/her office; that may include, without prejudice to that generality, (but only to the extent permitted by those sections of the Act), any liability incurred by him/her in defending any proceedings (whether civil or criminal) in which judgement is given in his/he favour or in which he/she is acquitted or any liability in connection with an application in which relief is granted to him/her by the court from liability for negligence, default or breach of trust in relation to the affairs of the trust.

112 The trust shall be entitled to purchase and maintain for any trustee insurance against any loss or liability which any trustee or other officer of the trust 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 trustee).