

THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE AND NOT
HAVING A SHARE CAPITAL

ARTICLES of ASSOCIATION of
THE SCOTTISH WILDLIFE TRUST

(as amended by Special Resolutions passed on 11
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1 Constitution of the Trust

The model articles of association as prescribed in Schedule 2 to The Companies (Model Articles) Regulations 2008 are excluded in respect of the Trust.

2 Defined terms

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

2.1.1 "Act" means the Companies Act 2006;

2.1.2 "charity" means a body which is either a "Scottish charity" within the meaning of section 13 of the Charities and Trustee Investment (Scotland) Act 2005 or a "charity" within the meaning of section 1 of the Charities Act 2011, providing (in either case) that its objects are limited to charitable purposes;

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

2.1.4 "Council" means the governing body for the time being of the Trust comprising the trustees;

2.1.5 "electronic form" has the meaning given in section 1168 of the Act;

2.1.6 "OSCR" means the Office of the Scottish Charity Regulator;

2.1.7 "property" means any property, heritable or moveable, real or personal, wherever situated;

2.1.8 "subsidiary" has the meaning given in section 1159 of the Act;

2.1.9 "Trust" means the above-named Trust, being the Scottish Wildlife Trust; and

2.1.10 "trustees" means the trustees of the Trust from time to time.

2.2 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.

3 Objects

- 3.1 The Trust's objects are to advance the conservation of Scotland's biodiversity for the benefit of present and future generations, and for that purpose (but not otherwise), and not exclusively but as may be determined by the Council, the Trust may:-
- 3.1.1 safeguard and enhance the range of native habitats and species through the management of wildlife reserves;
 - 3.1.2 advocate, encourage, influence, advise and campaign for best conservation practice and land, sea and freshwater management practice in ways that favour biodiversity, ecosystem health and sustainable development;
 - 3.1.3 undertake practical and direct action, in partnership or independently, to protect threatened habitats and wild places at both local and national levels on Scotland's land, water and seas;
 - 3.1.4 take account of other aspects of the natural heritage, which wildlife is dependent on or contributes to, such as geology, landforms, wild places and landscapes;
 - 3.1.5 promote the participation by groups of individual members in the object of the Trust;
 - 3.1.6 encourage a diverse range of people to be increasingly knowledgeable about, and actively engaged in, conservation, wildlife and safeguarding natural resources and the environment;
 - 3.1.7 promote and undertake research into and the gathering and sharing of information on wildlife habitats and species to improve their conservation; and
 - 3.1.8 improve people's quality of life through supporting a biodiversity-led approach to the management and design of the built-environment;
- 3.2 The Trust's objects are restricted to those set out in article 3 (but subject to article 3.3).
- 3.3 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 3); 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.

4 Powers

In pursuance of the objects listed in article 3 (but not otherwise), the Trust shall have the following powers:-

- 4.1 To engage with, and encourage participation by, its members in relation to the above objects.
- 4.2 To carry on any other activities which further any of the above objects.
- 4.3 To promote companies whose activities may further one or more of the above objects, or may generate income to support the activities of the Trust, acquire and hold shares in such companies and carry out, in relation to any such Trust which is a subsidiary of the Trust, all such functions as may be associated with a holding Trust.

- 4.4 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.
- 4.5 To purchase, take on lease, hire, or otherwise acquire, any property or rights which are suitable for the Trust's activities.
- 4.6 To improve, manage, develop, or otherwise deal with, all or any part of the property and rights of the Trust.
- 4.7 To sell, let, hire out, license, or otherwise dispose of, all or any part of the property and rights of the Trust.
- 4.8 To lend money and give credit (with or without security) and to grant guarantees and issue indemnities.
- 4.9 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.
- 4.10 To employ such staff 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 dependants.
- 4.11 To engage such consultants and advisers as are considered appropriate from time to time.
- 4.12 To effect insurance of all kinds (which may include officers' liability insurance).
- 4.13 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).
- 4.14 To liaise with other voluntary sector bodies, local authorities, UK or Scottish government departments and agencies, and other bodies, all with a view to furthering the Trust's objects.
- 4.15 To establish and/or support any other charity, and to make donations for any charitable purpose falling within the Trust's objects.
- 4.16 To take such steps as may be deemed appropriate for the purpose of raising funds for the Trust's activities.
- 4.17 To accept subscriptions, grants, donations and legacies of all kinds (and to accept any reasonable conditions attaching to them).
- 4.18 To oppose, or object to, any application or proceedings which may prejudice the Trust's interests.
- 4.19 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.
- 4.20 To do anything which may be incidental or conducive to the furtherance of any of the Trust's objects.

5 Restrictions on use of the Trust's assets

- 5.1 The income and property of the Trust shall be applied solely towards promoting the Trust's objects.

- 5.2 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.
- 5.3 No trustee 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.
- 5.4 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.

6 **Liability of members**

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:

- 6.1 payment of the Trust's debts and liabilities contracted before he/she ceases to be a member;
- 6.2 payment of the costs, charges and expenses of winding up; and
- 6.3 adjustment of the rights of the contributories among themselves.

7 **General structure**

The structure of the Trust consists of:-

- 7.1 the MEMBERS - who have the right to attend the annual general meeting (and any other general meeting) and have important powers under the articles of association and the Act; in particular, the members elect people to serve as trustees and take decisions in relation to changes to the articles themselves; and
- 7.2 the TRUSTEES - who are directors of the Trust for the purposes of the Act and shall 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.

8 **Qualifications for membership**

- 8.1 The members of the Trust shall consist of the subscribers to the memorandum of association and such other persons as are admitted to and who hold membership from time to time under articles 9.1 to 14.
- 8.2 Membership shall be open to any person who is in sympathy with the objects of the Trust and who wishes to support the work of the Trust.
- 8.3 An eligible person shall become qualified to become a member by reference to any membership contribution or other arrangement approved from time to time by the Council.

9 **Application for membership**

- 9.1 Any person who wishes to become a member must submit an application for membership to join the Trust. The application may be made by a person for himself/herself and/or jointly for another person and/or for his/her family or for some other person or persons that he/she wishes to sponsor as a member ("the applicants"). Such application shall be in the form prescribed by the Council from time

to time and shall contain such information as the Council shall prescribe. The application may be made by any means the Council may prescribe and shall include the appropriate membership contribution.

9.2 The Council may, at its discretion, decline to accept an application for membership and without being required to state a reason provided notification of refusal is given to the applicant within a reasonable time.

9.3 The Council may by resolution elect any person an honorary member. For the avoidance of doubt, an honorary member shall not be required to apply for membership in accordance with article 9.1.

10 **Classes of membership**

The Council shall from time to time create such different classes of membership as appear to it to be desirable. It shall from time to time decide the membership contributions (subject to approval by the Trust in general meeting where applicable) and the rights and privileges (if any) for each such class and the conditions for admission to and termination of any such class. This information will be available on the Trust's website.

11 **Register of Members**

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.

12 **Termination of membership**

12.1 A person may cease to be a member by giving notice (which may be in writing, in electronic form or by telephone) to the Trust. No refund or return of membership contributions shall be due to the former member, unless so determined at the discretion of the Chief Executive of the Trust from time to time.

12.2 A person shall cease to be a member if the membership contribution for any prescribed time period is not paid or satisfied and after due reminder remains unpaid or unsatisfied.

12.3 A person shall cease to be an individual member on his/her death. The membership of any family member(s) or other joint member shall continue until the death of the last surviving family or joint member, as the case may be.

13 **Expulsion from membership**

13.1 Any person may be expelled from membership by special resolution (see article 17.1), providing the following procedures have been observed:-

13.1.1 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; and

13.1.2 the member concerned shall be entitled to be heard on the resolution at the general meeting at which the resolution is proposed.

13.2 If the Council proposes that a member be expelled from membership pursuant to article 13.1 above as a consequence of the conduct of such member being in the reasonable opinion of the Council, contrary to the objects of the Trust or injurious to the Trust or its character or reputation the Council shall give to any such member an opportunity within the period of 21 days set out above to justify or explain such conduct or resign. Any subscription paid by any such member shall be forfeited.

14 **Transfer**

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

15 **General meetings (meetings of members)**

- 15.1 The trustees shall convene an annual general meeting in each year.
- 15.2 Not more than 15 months shall elapse between one annual general meeting and the next.
- 15.3 The business of each annual general meeting shall include:-
- 15.3.1 a report by the Chair on the activities of the Trust;
 - 15.3.2 consideration of the annual accounts of the Trust;
 - 15.3.3 subject always to the terms of article 17.4, the election/re-election of trustees, as referred to in articles 21.1 to 21.3; and
 - 15.3.4 consideration of the annual subscriptions for ordinary, affiliate, joint, junior and family members and the lifetime subscriptions to be paid by life members and the subscriptions for such other classes of membership as the Council may create from time to time.
- 15.4 Subject to articles 15.1, 15.2 and 15.5, the trustees may convene a general meeting at any time.
- 15.5 The trustees must convene a general meeting if there is a valid requisition by 50 current members or by members (under section 303 of the Act) or a requisition by a resigning auditor (under section 518 of the Act).
- 15.6 The Council shall determine in relation to each general meeting the means of attendance at and participation in the meeting, including whether the persons entitled to attend and participate (including by means of voting) in the meeting shall be enabled to do so:-
- 15.6.1 by means of electronic facility or facilities pursuant to article 18.15 (and for the avoidance of doubt, the Council shall be under no obligation to offer or provide such facility or facilities, whatever the circumstances); and/or
 - 15.6.2 by simultaneous attendance and participation at a satellite meeting place or places pursuant to article 15.7 (and for the avoidance of doubt, the Council shall be under no obligation to offer or provide such facility or facilities, whatever the circumstances).
- 15.7 Without prejudice to article 18.15, the Council may resolve to enable persons entitled to attend and participate in a general meeting to do so by simultaneous attendance and participation at a satellite meeting place or places anywhere in the world. The members present in person or by proxy at satellite meeting places shall be counted in the quorum for, and be entitled to participate in, the general meeting in question, and the meeting shall be duly constituted and its proceedings valid if the Chair is satisfied that adequate facilities are available throughout the meeting to ensure that members attending at all the meeting places are able to:
- 15.7.1 participate in the business for which the meeting has been convened;

- 15.7.2 hear all persons who speak (whether by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise) in the principal meeting place and any satellite meeting place; and
- 15.7.3 be heard by all other persons so present in the same way, and the meeting shall be deemed to take place at the place where the Chair of the meeting presides (the principal meeting place, with any other location where that meeting takes place being referred in these Articles as a satellite meeting). The Chair shall be present at, and the meeting shall be deemed to take place at, the principal meeting place and the powers of the Chair shall apply equally to each satellite meeting place, including his or her power to adjourn the meeting as referred to in article 18.4. Unless otherwise determined by the Chair of the meeting a satellite meeting will not be recorded.
- 15.8 If pursuant to article 18.15 the Council determines that a general meeting shall be held partly by means of electronic facility or facilities, the notice shall:
- 15.8.1 include a statement to that effect;
- 15.8.2 specify the means, or all different means, of attendance and participation (including voting) thereat, and any access, identification and security arrangements; and
- 15.8.3 state how it is proposed that persons attending or participating in the meeting electronically should communicate with each other during the meeting.

The notice shall also specify such arrangements (if any) as have at that time been made for the purpose of article 15.7.

16 **Notice of general meetings**

- 16.1 At least 21 clear days' notice must be given of a general meeting.
- 16.2 The reference to "clear days" in article 16.1 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.
- 16.3 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 17.1) (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.
- 16.4 A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting.
- 16.5 Notice of every general meeting shall be given:-
- 16.5.1 in hard copy form, including, without limitation, by its inclusion in the members' magazine or such other publication as may be sent by the Trust to members from time to time;
- 16.5.2 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

- 16.5.3 (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.

17 Special resolutions and ordinary resolutions

- 17.1 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 16.1 to 16.5; 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 total number of votes cast in favour and against the resolution.
- 17.2 In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Act allow the Trust, by special resolution,
- 17.2.1 to alter its name
- 17.2.2 to alter any provision of these articles or adopt new articles of association.
- 17.3 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 a general meeting, providing proper notice of the meeting has been given in accordance with articles 16.1 to 16.5.
- 17.4 In relation to the election of Elected Trustees (as defined in article 19 below) a resolution may, if so decided by Council and notwithstanding any other provision of these articles, be passed (as an alternative to the passing of the resolution at a general meeting) by majority vote (taking account of those votes cast in favour as compared with those votes cast against) conducted by such electronic means as the Council shall determine (an "Electronic Ballot"). If a vote is to be conducted by an Electronic Ballot:-
- 17.4.1 the Company Secretary, or their representative will conduct the Electronic Ballot and the counting of votes;
- 17.4.2 a person or persons independent of the Trust will also be appointed to serve as scrutineers to audit the conduct of the Electronic Ballot and the counting of votes;
- 17.4.3 the Trust must send to members of the Trust entitled to vote at the relevant annual general meeting not less than 21 days before the deadline for receipt of votes cast in this way a notice in writing, which may be given by any of the means specified in article 16.5, including an explanation of the purpose of the vote and the voting procedure to be followed by the member, and instruction of how to vote by electronic means together with details of candidates for election, as applicable;
- 17.4.4 the voting procedure for votes cast by electronic means must require the member to be identified and the vote must be authenticated in the manner specified in the voting procedure;
- 17.4.5 votes must be returned by the means specified for returning votes and must be accessed only by authorised individuals;
- 17.4.6 the voting procedure must specify the closing date and time for receipt of votes, and must state that any votes received after the closing date or

not complying with the voting procedure will be invalid and not be counted;

- 17.4.7 the Company Secretary, or their representative, must make a list of names of members casting valid votes, and a separate list of members casting votes which were invalid;
- 17.4.8 votes cast in the Electronic Ballot must be counted by the scrutineers before the annual general meeting. The Company Secretary must provide to the person chairing the meeting written confirmation of the number of valid votes received in the Electronic Ballot and the number of votes received which were invalid [together with a report of the scrutineers confirming that they have audited and agreed the numbers];
- 17.4.9 the result of the Electronic Ballot will not be disclosed, other than to the Chair of the annual general meeting or their representative, who will announce the result of the Electronic Ballot at the annual general meeting; and
- 17.4.10 following the final declaration of the result of the Electronic Ballot, the scrutineers, if requested to, must provide to the Council, or its nominee, anonymised evidence of members submitting valid votes in the Electronic Ballot, evidence of invalid votes; the valid votes; and the invalid votes. Any dispute about the conduct of an Electronic Ballot must be referred initially to a panel set up by the Council, to consist of two trustees and two persons independent of the Trust. If the dispute cannot be satisfactorily resolved by the panel, it must be referred to the Electoral Reform Services

18 Procedure at general meetings

- 18.1 No business shall be dealt with at any general meeting unless a quorum is present; the quorum for a general meeting shall be 12 individuals entitled to vote (each being a member or a proxy for a member).
- 18.2 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 may be fixed by the Chair of the meeting. If at the adjourned meeting a quorum is not present within 30 minutes from the time appointed for the meeting, the members present shall be a quorum.
- 18.3 The Chair of the Trust shall (if present and willing to act as Chair) preside as Chair of each general meeting; if the Chair is not present and willing to act as Chair within 15 minutes after the time at which the meeting was due to commence, the members present at the meeting shall elect from among the trustees present, or if no such trustee shall be present they shall choose from among themselves the person who will act as Chair of that meeting.
- 18.4 The Chair of a general meeting may, with the consent of the meeting, adjourn the meeting to such time and place as the Chair may determine.
- 18.5 Every member other than non-voting members shall have one vote, which (whether on a show of hands or on a secret ballot) may be given either personally or by proxy. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting for which the adjournment took place. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.

- 18.6 For the avoidance of doubt, members under the age of 16 are not entitled to attend, or vote at, any general meeting of the Trust, and accordingly, are not entitled to receive notices of such meetings, nominate members to the Council or receive postal ballot papers.
- 18.7 Any member who wishes to appoint a proxy to vote on his/her behalf at any meeting (or adjourned meeting):-
- 18.7.1 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
- 18.7.2 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).
- 18.8 An instrument of proxy which does not conform with the provisions of article 18.7, or which is not lodged or sent in accordance with such provisions, shall be invalid.
- 18.9 A member shall not be entitled to appoint more than one proxy to attend on the same occasion.
- 18.10 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.
- 18.11 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.
- 18.12 If there are an equal number of votes for and against any resolution, the Chair of the meeting shall be entitled to a casting vote.
- 18.13 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 Chair (or by at least three 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.
- 18.14 If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such a manner as the Chair may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded.
- 18.15 Without prejudice to the terms of article 15.7 the Council may resolve to enable persons entitled to attend and participate (including by means of voting) in a general meeting to do so partly (but not wholly) by simultaneous attendance and participation by means of electronic facility or facilities, and may determine the means, or all different means, of attendance and participation used in relation to the general meeting. The members present in person or by proxy by means of an electronic facility or facilities (as so determined by the Council) shall be counted in the quorum for, and be entitled to participate in, the general meeting in question. That meeting shall be duly constituted and its proceedings valid if the Chair is satisfied that adequate

facilities are available throughout the meeting to ensure that members attending the meeting by all means (including the means of an electronic facility or facilities) are able to:-

- 18.15.1 participate in the business for which the meeting has been convened;
- 18.15.2 hear all persons who speak at the meeting; and
- 18.15.3 be heard by all other persons attending and participating in the meeting, and the meeting shall be deemed to take place at the place where the Chair of the meeting presides (the principal meeting place, with any other location where that meeting takes place being referred in these articles as a satellite meeting). The chairperson shall be present at, and the meeting shall be deemed to take place at, the principal meeting place and the powers of the Chair shall apply equally to each satellite meeting place, including his or her power to adjourn the meeting as referred to in Article 18.4.

19 **Maximum number of trustees**

The Council shall consist of not fewer than eight and not more than 14 members of the Trust plus the Chair or such other number as may from time to time be determined by the Trust in general meeting; out of that number, no more than four will be trustees who are co-opted under the provisions of articles 21.2, 22.1 and 22.2 ("**Co-opted Trustees**") and the remainder of whom shall, be elected in accordance with the provisions of articles 21.1 to 21.3 ("**Elected Trustees**").

20 **Eligibility of Elected Trustees**

- 20.1 A person shall not be eligible for election/appointment as an Elected Trustee under articles 21.1 to 21.3 unless (i) he/she is a member of the Trust; and (ii) (unless the Council determines otherwise) he/she is normally resident in Scotland.
- 20.2 A person shall not be eligible for election/appointment as a trustee if he/she is an employee of the Trust or has been an employee of the Trust within the 24 months preceding his or her appointment unless otherwise determined by the Council.
- 20.3 A person who has served as a trustee for a period of three years shall automatically vacate office at the annual general meeting immediately following the expiry of that three year period and shall be eligible to be elected for one further three year term. He/she shall then not be eligible for re-election until a further year has elapsed. These retirement provisions shall not apply (a) as a transitional provision only, to a trustee who is, as at the date of adoption of these articles, a Vice-Chair but instead, upon the termination of the then current three year term of appointment of such a trustee, that trustee shall automatically vacate office at the annual general meeting immediately following such termination and he/she shall not be eligible for re-election until a further year has elapsed; and (b) to a trustee who has been appointed as Chair during that trustee's term in such office, but upon termination of that trustee's term in such office that trustee shall automatically vacate office at the annual general meeting immediately following such termination and he/she shall not be eligible for re-election until a further year has elapsed.
- 20.4 For the purposes of article 20.3:-
 - 20.4.1 the period between the date of appointment of a trustee and the annual general meeting which next follows shall be deemed to be a period of one year, unless it is of less than six months' duration in which case it shall be disregarded;

- 20.4.2 the period between one annual general meeting and the next shall be deemed to be a period of one year; and
- 20.4.3 if a trustee ceases to hold office but is re-appointed as a trustee within a period of six months, he/she shall be deemed to have held office as a trustee continuously.

21 Election, retiral, re-election

- 21.1 Subject always to the terms of article 17.4, at each annual general meeting, the members may (subject to articles 19 and 20.1) elect any member (providing he/she is willing to act) to be a trustee. The trustees will timeously make such arrangements (including advertising in membership publications) as they think fit to advertise vacancies and invite nominations for elections. No person (other than a retiring trustee) shall be eligible for appointment at any annual general meeting unless notice in writing in a form specified by the Trust of his or her intention to stand for election has been received by the Trust by 31 May immediately preceding the annual general meeting or by such other date as the Council shall determine for receipt of notice of intention to stand for election at the next annual general meeting of the Trust. Council will make arrangements ahead of any election to ensure that candidates are suitably qualified, experienced and eligible to act as trustees, and that there are no unassailable conflicts of interests. If there are fewer candidates than vacancies the candidates (other than any candidate in respect of whom a counter motion opposing that candidate's appointment is passed at the annual general meeting) shall be deemed elected as trustees at the annual general meeting. Except where the election is conducted by Electronic Ballot in accordance with article 17.4, notice of any counter motion opposing a candidate's appointment must be received by the Trust no later than 48 hours before the date of the annual general meeting.
- 21.2 The trustees may at any time appoint any member (providing he/she is willing to act), including for the avoidance of doubt a member who has been an elected trustee, to be a trustee (subject to articles 19 and 20.1).
- 21.3 At each annual general meeting those trustees required to vacate office in accordance with 20.3 shall retire from office – but shall then (subject to articles 20.2 and 20.3) be eligible for re-election.

22 Appointment/re-appointment of Co-opted Trustees

- 22.1 In appointing Co-opted Trustees pursuant to article 21.2 the Council will seek to address in the Council as a whole any gaps in skills, experience, diversity and geographical representation for the three geographical areas - North, East and West or such other areas as may be determined by the Trust in general meeting.

The three geographic areas defined above consist of the following local unitary authorities:-

North: Aberdeenshire, Aberdeen City, Highland, Moray, Orkney Islands, Shetland Islands, Comhairle nan Eilean Siar;

East: Angus, Scottish Borders, Clackmannanshire, City of Edinburgh, Dundee City, , Falkirk, Fife, East Lothian, West Lothian, Midlothian, Perth & Kinross, Stirling;

West: Argyll & Bute, East Ayrshire, North Ayrshire, South Ayrshire,, East Dunbartonshire, West Dunbartonshire, Dumfries and Galloway, Glasgow City, Inverclyde, North Lanarkshire, South Lanarkshire, Renfrewshire, East Renfrewshire.

- 22.2 Co-opted Trustees shall be appointed for such period (not exceeding three years) and on such other terms (which may, without limitation, include review of the continuation of their period of office annually at the time of the annual general meeting) as the

trustees shall determine when their appointment is made. A Co-opted Trustee will automatically vacate office upon the expiry of a three year period from his or her appointment and may be re-appointed for up to a further three years by the trustees. He/she shall then vacate office and may not be re-appointed as a Co-opted Trustee until a further year has elapsed. For the avoidance of doubt a Co-opted Trustee may stand for election as an Elected Trustee, subject always to the terms articles 20.1 to 20.4, any period during which that Co-opted Trustee has been a Co-opted Trustee being included for the purposes of calculating any periods referred to in those articles.

23 Termination of office

- 23.1 A trustee shall automatically vacate office if:-
- 23.1.1 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 or a director in terms of the Act
 - 23.1.2 he/she becomes debarred under any statutory provision from being a charity trustee
 - 23.1.3 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
 - 23.1.4 (in the case of a trustee elected/appointed under articles 21.1 to 21.3) he/she ceases to be a member of the Trust or (unless the Council determines otherwise) he/she ceases to be normally resident in Scotland
 - 23.1.5 he/she becomes an employee of the Trust
 - 23.1.6 he/she resigns office by notice to the Trust
 - 23.1.7 he/she is absent (without permission of the trustees) from more than four consecutive meetings of Council
 - 23.1.8 he/she is removed from office by resolution of the trustees on the grounds that he/she is considered to have committed a material breach of the code of conduct for trustees in force from time to time (as referred to in article 29.2);
 - 23.1.9 he/she is removed from office by resolution of the trustees on the grounds that he/she is considered to have been in serious or persistent breach of his/her duties under sub-sections 66(1) or (2) of the Charities and Trustee Investment (Scotland) Act 2005; or
 - 23.1.10 he/she is removed from office by ordinary resolution (special notice having been given) in pursuance of section 168 of the Act.
- 23.2 A resolution under paragraphs 23.1.8 or 23.1.9 of article 23.1 shall be valid only if:-
- 23.2.1 the trustee who is the subject of the resolution is given reasonable prior written notice by the trustees of the grounds upon which the resolution for his/her removal is to be proposed;
 - 23.2.2 the trustee concerned is given the opportunity to address the meeting of trustees at which the resolution is proposed, prior to the resolution being put to the vote; and
 - 23.2.3 at least two thirds (to the nearest round number) of the trustees then in office vote in favour of the resolution.

24 Register of trustees

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.

25 Officebearers

25.1 The trustees shall elect a Chair. The trustees shall also elect such other office bearers from among themselves, including any Vice-Chairs (if any) as they consider appropriate.

25.2 If the Chair considers that a trustee or trustees should be appointed to the role of Vice-Chair the Chair shall propose such appointment to the trustees and any such appointment will (if Council think fit) be made in accordance with article 25.1.

25.3 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.

25.4 The Council shall have power to appoint an Honorary President of the Trust who shall hold office for such period as the Council may determine at the time of appointment or subsequently up to a maximum of two periods of three years and shall carry out such specific duties as the Honorary President wishes to accept on the invitation to do so from the Chair.

25.5 The Council may further appoint such honorary office-bearers (including a patron or patrons) as it may from time to time determine. The appointment of such honorary office-bearers shall subsist until resignation, retirement or recall. Honorary office-bearers shall not ex officio be members of the Council. They may attend the Council meetings but will have no vote.

26 Powers of trustees

26.1 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.

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

26.3 The Council may establish rules governing matters relating to the administration of the Trust that are required from time to time for the effective operation of the Trust (including, without limitation a scheme of delegation of matters to any relevant officer of the Trust)). If there is a conflict between the terms of these Articles and any rules established under this Article, the terms of these Articles shall prevail.

27 Personal interests

27.1 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 Council; he/she will be debarred (in terms of article 28.7) from voting on the question of whether or not the Trust should enter into that arrangement.

27.2 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 Trust of which he/she is a substantial shareholder or trustee **or** any limited liability partnership of which he/she is a member **or** any Scottish charitable incorporated organisation of which he/she is a charity trustee **or** any registered society or unincorporated association of which he/she is a management committee member (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.

27.3 Provided:-

27.3.1 he/she has declared his/her interest

27.3.2 he/she has not voted on the question of whether or not the Trust should enter into the relevant arrangement and

27.3.3 the requirements of article 27.7 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 27.2) and may retain any personal benefit which he/she gains from his/her participation in that arrangement.

27.4 The trustees shall be entitled, for the purposes of section 175 of the Act, to authorise (by way of resolution to that effect) any conflict situation (as defined for the purposes of that section of the Act) that may arise (such that the duty of the trustee concerned, under that section, to avoid conflicts of interest is not infringed) and to amend or vary any such authorisation; the trustees may give such authorisation subject to such terms and conditions as they may consider appropriate and reasonable in the circumstances.

27.5 For the avoidance of doubt, the provisions of section 175 of the Act and article 27.4 do not apply to a conflict of interest relating to a transaction or arrangement with the Trust; conflicts of that kind are regulated by the provisions of articles 27.1 to 27.3 and articles 28.7 to 28.10.

27.6 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.

27.7 Where a trustee provides services to the Trust or might benefit from any remuneration paid to a connected party for such services, then:-

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

27.7.2 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

27.7.3 less than half of the trustees must be receiving remuneration from the Trust (or benefit from remuneration of that nature).

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

28 Procedure at trustees' meetings

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

28.2 Questions arising at a meeting of Council shall be decided by a majority of votes; if an equality of votes arises, the Chair of the meeting shall have a casting vote.

- 28.3 No business shall be dealt with at a meeting of Council unless a quorum is present; unless the Council determines otherwise, the quorum for meetings of Council shall be five.
- 28.4 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.
- 28.5 Unless he/she is unwilling to do so, the Chair of the Trust shall preside as Chair at every trustees' meeting at which he/she is present; if the Chair is unwilling to act as Chair 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 Chair of the meeting.
- 28.6 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.
- 28.7 A trustee shall not vote at a Council 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.
- 28.8 For the purposes of article 28.7, 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 Trust of which he/she is a substantial shareholder or trustee **or** any limited liability partnership of which he/she is a member **or** any Scottish charitable incorporated organisation of which he/she is a charity trustee **or** any registered society or unincorporated association of which he/she is a management committee member has a personal interest in that matter.
- 28.9 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.
- 28.10 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 28.7 to 28.9.

29 **Conduct of trustees**

- 29.1 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:-
- 29.1.1 seek, in good faith, to ensure that the Trust acts in a manner which is in accordance with its objects;
- 29.1.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;
- 29.1.3 in circumstances giving rise to the possibility of a conflict of interest of interest between the Trust and any other party:-
- 29.1.3.1 put the interests of the Trust before that of the other party, in taking decisions as a trustee; or
- 29.1.3.2 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; and

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

29.2 Each of the trustees shall comply with the code of conduct (incorporating detailed rules on conflict of interest) prescribed by the board of trustees from time to time.

29.3 For the avoidance of doubt, the code of conduct shall be supplemental to the provisions relating to the conduct of trustees 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.

30 **Delegation to sub-committees**

30.1 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.

30.2 Any delegation of powers under article 30.1 may be made subject to such conditions as the trustees may impose and may be revoked or altered.

30.3 The rules of procedure for any sub-committee shall be as prescribed by the trustees.

31 **Secretary**

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

32 **Minutes**

The trustees shall ensure that minutes are made of all proceedings and resolutions at general meetings, Council meetings and meetings of committees; a minute of any meeting shall include the names of those present.

33 **Accounting records and annual accounts**

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

33.2 Any local group of members, including any members group, may raise and hold funds only if they work to a constitution or other rules decided by the Council. Funds of the Trust raised or expended by a members group or other grouping shall be accounted for in the general accounts of the Trust and shall be subject to direction by the Council.

34 **General Meetings**

34.1 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.

34.2 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.

35 Notices

- 35.1 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.
- 35.2 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.
- 35.3 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 Institute of Chartered Secretaries and Administrators.

36 Winding-up

- 36.1 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.
- 36.2 For the avoidance of doubt, a body to which property is transferred under article 36.1 may be a member of the Trust.
- 36.3 To the extent that effect cannot be given to article 36.1 (as read with article 36.2), the relevant property shall be applied to some charitable purpose or purposes.

37 Indemnity

- 37.1 Every trustee or other officer or auditor of the Trust shall be indemnified (to the extent permitted by sections 232, 234, 235, 532 and 533 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/her favour or in which he/she is acquitted **or** any liability in connection with an application in which relief is granted to him/her by the court from liability for negligence, default or breach of trust in relation to the affairs of the Trust.
- 37.2 The Trust shall be entitled (subject to the provisions of section 68A of the Charities and Trustee Investment (Scotland) Act 2005) to purchase and maintain for any 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 (subject to the provisions of section 68A of the Charities and Trustee Investment (Scotland) Act 2005) extend to liabilities of the nature referred to in section 232(2) of the Act (negligence etc. of a trustee).