

The Companies Act 2006

Company Limited by Guarantee and not Having a Share Capital

Articles of Association

of

Minginish Community Hall Association

Approval and adoption

This document was approved by all Directors following changes to the MCHA Constitution required to meet with the Community Asset Transfer Scheme legislation (CATS) in July 2017. It is counter-signed by the Officers of the Company as at that date.

Mrs Julie Burnett	Director	Date 23/7/17
Mr Graham Campbell	Director	Date 23/7/17
Mr Nick Duffill	Director	Date 23/7/17
Mr Peter Meister	Director	Date 26/7/17
Mr David Oliver	Director	Date 24/7/17
Mrs Janice Page	Director	Date 25-7-17
Mr Keith Sadler	Director	Date 23/7/17
Mr Jeremy Seal	Director	Date 24/7/17

1 Constitution of the Company

The model Articles as prescribed in Schedule 2 to The Companies (Model Articles) Regulations 2008 are excluded in respect of this Company.

2 Defined Terms and Interpretation

2.1 In these Articles and the Memorandum (as hereinafter defined) the following definitions and rules of interpretation shall apply:

2.2 “**2005 Act**” means the Charities and Trustee Investment (Scotland) Act 2005;

2.3 “**Act**” means the Companies Act 2006;

2.4 “**Articles**” means the Articles of the Company;

2.5 “**Community**” means the community of Minginish, more particularly defined by the postcode units: IV47 8SN; IV47 8SD; IV47 8SL; IV47 8SJ; IV47 8SH; IV47 8SE; IV47 8SY; IV47 8SR; IV47 8SS; IV47 8SZ; IV47 8ST; IV47 8SU; IV47 8SX; IV47 8SP; IV47 8SF; IV47 8SG; IV47 8SQ and IV47 8TA.

2.6 “**Company**” means Minginish Community Hall Association;

2.7 “**electronic communication**” has the same meaning as is assigned to that expression in the Electronic Communications Act 2000;

2.8 “**Memorandum**” means the Memorandum of Association of the Company; and

2.9 reference in these Articles to the singular shall be deemed to include the plural.

3 Objects

3.1 The Company shall operate for the public benefit in pursuance of the following charitable purposes or objects:

3.1.1 The advancement of citizenship or community development, in particular, but without limitation:

3.1.1.1 the management of community land and associated assets for the benefit of the Community and the general public; and

3.1.1.2 urban and/or rural regeneration;

3.1.2 To provide recreational facilities and/or organise recreational activities (in each case, available to members of the public at large), with the object of improving the conditions of life for those living, working or visiting the Community;

3.1.3 To advance education, and in particular to increase public knowledge of the history, culture, heritage and environment of, and/or other points of interest associated with, the Community;

3.1.4 To advance environmental protection and improvement within the Community, in particular, but without limitation:

3.1.4.1 advancing sustainable development and conservation of the natural environment;

- 3.1.4.2 the maintenance, improvement or provision of environmental amenities for the Community; and
 - 3.1.4.3 the preservation of buildings or sites of architectural, historic or other importance to the Community; and
 - 3.1.5 to carry out any other business which may be advantageously carried on in connection with this article 3.1.
- 3.2 These objects are subject also to article 3.3.
- 3.3 The Company may add to, remove or alter the statement of the Company's objects in article 3.1; 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 purposes or objects set out in article 3.1 (but not otherwise), the Company shall have the following powers:

- 4.1 To initiate, promote, conduct, participate in (whether via a wholly-owned subsidiary, a joint venture company or a limited liability partnership or otherwise), co-ordinate, monitor and/or assist (whether financially or otherwise), projects, initiatives and schemes of all kinds which further any of the objects of the Company;
- 4.2 To provide information, advisory, support and/or consultancy services which further any of the objects of the Company;
- 4.3 To liaise with European, UK, Scottish and local government authorities and agencies, local development companies, voluntary sector bodies and others, all with a view to maximising the effectiveness of the Company in pursuing its objectives;
- 4.4 To advertise the activities of the Company for the purposes of increasing membership and support from the community;
- 4.5 To subscribe to any charities, to make any charitable donation either in cash or assets and to establish, support or manage, alone or jointly with any other persons or organisations, any other charities;
- 4.6 To establish and promote companies whose activities may further one or more of the above objects, or may generate income to support the activities of the Company, acquire and hold shares in such companies and carry out, in relation to any such Company which is a subsidiary of the Company, all such functions as may be associated with a holding Company;
- 4.7 To acquire and take over the whole or any part of the undertaking and liabilities of any person entitled to any property or rights suitable for any of the objects of the Company;
- 4.8 To purchase, take on lease, hire, or otherwise acquire, any property or rights which are suitable for the Company's activities;
- 4.9 To improve, manage, develop, or otherwise deal with, all or any part of the property and rights of the Company;

- 4.10 To sell, let, hire out, license, or otherwise dispose of, all or any part of the property and rights of the Company;
- 4.11 To borrow money, and to give security in support of any such borrowings by the Company, in support of any obligations undertaken by the Company or in support of any guarantee issued by the Company;
- 4.12 To employ such staff as are considered appropriate for the proper conduct of the Company's activities;
- 4.13 To engage such consultants and advisers as are considered appropriate from time to time;
- 4.14 To effect insurance of all kinds (which may include officers' liability insurance);
- 4.15 To invest any funds which are not immediately required for the Company's activities in such investments as may be considered appropriate (and to dispose of, and vary, such investments);
- 4.16 To take such steps as may be deemed appropriate for the purpose of raising funds for the Company's activities;
- 4.17 To accept 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 Company'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 Company, and to enter into any arrangement for co-operation or mutual assistance with any charity;
- 4.20 To amalgamate with any body, whether incorporated or unincorporated, having objects altogether or in part similar to those of the Company; and
- 4.21 To do anything which may be incidental or conducive to the furtherance of any of the Company's objects.

And it is declared that:

- (i) in this article 4, "**property**" means any property, heritable or moveable, wherever situated; and
- (ii) in this article 4, and throughout these Articles: the expression "**charity**" shall mean a body which is either a "**Scottish charity**" within the meaning of the 2005 Act or a "**charity**" within the meaning of section 1 of the Charities Act 1996; and the expression "**charitable purpose**" shall mean a charitable purpose under section 7 of the 2005 Act which is also regarded as a charitable purpose in relation to the **Taxes Acts**; and
- (iii) any reference in these Articles to a provision of any legislation shall include any statutory modification or re-enactment of that provision in force from time to time.

5 Restrictions on the use of the Company's assets

- 5.1 The income and property of the Company shall be applied solely towards promoting the Company's objects (as set out in article 3).
- 5.2 No part of the income or property of the Company shall be paid or transferred (directly or indirectly) to the members of the Company, whether by way of dividend, bonus or otherwise.
- 5.3 No director of the Company shall be appointed as a paid employee of the Company; no director shall hold any office under the Company for which a salary or fee is payable.
- 5.4 No benefit (whether in money or in kind) shall be given by the Company to any director except (i) repayment of out-of-pocket expenses or (ii) reasonable payment in return for particular services (not being of a management nature) actually rendered to the Company in accordance with the terms of article 25.5.

6 Liability of Members

- 6.1 The liability of the members is limited.
- 6.2 The liability of each full member (who, if a natural person, has attained the age of 16) is limited to £1, being the amount that each full member (who, if a natural person, has attained the age of 16) undertakes to contribute to the assets of the Company in the event of its being wound up while he is a member or within one year after he ceases to be a member, for—
- 6.2.1 payment of the Company's debts and liabilities contracted before he ceases to be a member;
- 6.2.2 payment of the costs, charges and expenses of winding up; and
- 6.2.3 adjustment of the rights of the contributories among themselves.

7 Winding Up

- 7.1 If upon the winding-up of the Company any property remains after satisfaction of all the Company's debts and liabilities, such property shall not be paid to or distributed among the members of the Company; that property shall instead be transferred to some other body as set out below:
- a) Another Community Transfer body
 - b) A charity
 - c) A community body as approved by Scottish Ministers
 - d) A crofting community body, or
 - e) If no such community body approved, to Scottish Ministers or **such charity they may direct.**
- 7.2 The body or bodies to which property is transferred under article 7.1 shall be determined by the members of the Company at or before the time of dissolution or, failing such determination, by such court as may have jurisdiction at the time.

8 Accounting Records

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

9 Qualifications for membership

- 9.1 The subscribers to the Memorandum shall be the first full members of the Company.
- 9.2 Subject to articles 9.5 the following persons are eligible for full membership of the Company:
- 9.2.1 individuals of 18 years or more who are permanent residents of the Community;
 - 9.2.2 community groups and/or voluntary organisations operating within the Community; and
 - 9.2.3 bodies corporate operating within the Community.
- 9.3 Subject to articles 9.5, individuals with an interest in the objects of the Company who have not attained the age of 18 years are eligible to apply for junior membership of the Company.
- 9.4 Subject to articles 9.5, any person with an interest in the objects of the Company, who is not eligible for full membership under article 9.2 or junior membership under article 9.3, is eligible to apply for associate membership. For the avoidance of doubt, "person" shall include community groups, voluntary organisations and bodies corporate.
- 9.5 Any person who is eligible and who wishes to become a full, junior or associate member must sign, and lodge with the Company, a written application for membership in such form as the directors require.

10 Register of members

- 10.1 The directors shall maintain a register of members, setting out the full name and address of each member, the date of admission to membership, whether that member is a full, junior or associate member and the date on which any person ceased to be a member.
- 10.2 The Company shall have not fewer than 20 of Members at any time
- 10.3 In the event that the number of Members falls below 20, the Directors may not conduct any business other than taking steps to ensure that sufficient Members are admitted to enable the Company to comply with article 10.2.

11 Withdrawal from membership

- 11.1 Membership of the Company is not transferable.
- 11.2 Any person who wishes to withdraw from membership shall sign, and lodge with the Company, a written notice to that effect; on receipt of the notice by the Company, that person shall cease to be a member with immediate effect.

11.3 A person's membership shall cease where a resolution that that Member be expelled (where that Member's conduct, in their/its capacity as a Member, has been detrimental to the effective functioning of the Company) is passed by special resolution at a GM (notice of which shall state: (a) the full text of the resolution proposed; and (b) the grounds on which it is proposed) at which the Member is entitled to be heard;

11.4 A person's membership terminates when that person dies or ceases to exist.

12 General meetings

12.1 The directors shall convene an annual general meeting in each year.

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

12.3 The business of each annual general meeting shall include:

12.3.1 a report by the chair on the activities of the Company; and

12.3.2 consideration of the annual accounts of the Company.

12.4 The directors may, at any time, convene general meetings in addition to the annual general meeting.

12.5 The directors must convene a general meeting if there is a valid requisition by members (under section 303 of the Act) or a requisition by a resigning auditor (under section 518 of the Act).

13 Notice of general meetings

13.1 At least 14 clear days' notice must be given to all members in respect of a general meeting.

13.2 The reference to "clear days" in article 13.1 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 contained in an electronic communication, the day after it was sent) and also the day of the meeting, shall be excluded.

13.3 A notice calling a meeting shall specify:

13.3.1 the date and time of the meeting;

13.3.2 the place of the meeting;

13.3.3 the general nature of the business to be dealt with at the meeting; and

13.3.4 if a special resolution, or a resolution requiring special notice under the Act, is to be proposed, the notice shall also specify the intention to propose such a resolution and include the exact text of the resolution.

13.4 Notice of every general meeting shall be given (either in writing or, where the party to whom notice is given has notified the Company of an address to be used for the purpose of electronic communications, by way of an electronic communication) to all the members and directors, and (if there are auditors in office at the time) to the auditors.

14 Special resolutions and ordinary resolutions

- 14.1 For the purposes of these Articles, a “special resolution” means a resolution passed by 75% or more of the votes cast on the resolution, providing proper notice of the general meeting and of the intention to propose the resolution has been given in accordance with articles 13.1 to 13.4 (inclusive).
- 14.2 For the avoidance of doubt, the reference in article 14.1 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.
- 14.3 In addition to the matters expressly referred to elsewhere in these Articles, the provisions of the Act allow the Company, by special resolution:
- 14.3.1 to alter its name; or
- 14.3.2 to alter any provision of these Articles or adopt new Articles.
- 14.4 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), providing proper notice of the meeting has been given in accordance with articles 13.1 to 13.4 (inclusive).

15 Procedure at general meetings

- 15.1 No business shall be dealt with at any general meeting unless a quorum is present.
- 15.2 The quorum for a general meeting shall be 4 members that are entitled to vote.
- 15.3 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.
- 15.4 The chairperson of the Company shall (if present and willing to act as chair) preside as chair of each general meeting; if the chairperson is not present and willing to act as chair within 15 minutes after the time at which the meeting was due to commence, the directors present at the meeting shall elect from among themselves the person who will act as chair of that meeting.
- 15.5 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.
- 15.6 The chair of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 15.7 When adjourning a general meeting, the chair of the meeting must:
- 15.7.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
- 15.7.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

- 15.8 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—
- 15.8.1 to the same persons to whom notice of the Company's general meetings is required to be given, and
 - 15.8.2 containing the same information which such notice is required to contain.
- 15.9 Every full member shall have one vote, given by either a show of hands or secret ballot. Neither associate members nor junior members shall be entitled to vote.
- 15.10 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 a full member; 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.
- 15.11 If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such a manner as the chair of the meeting may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded.

16 Content of proxy notices

- 16.1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:
- 16.1.1 states the name and address of the full member appointing the proxy;
 - 16.1.2 identifies the person appointed to be that full member's proxy and the general meeting in relation to which that person is appointed;
 - 16.1.3 is signed by or on behalf of the full member appointing the proxy, or is authenticated in such manner as the directors may determine; and
 - 16.1.4 is delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- 16.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 16.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 16.4 Unless a proxy notice indicates otherwise, it must be treated as:
- 16.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
 - 16.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.
- 16.5 For the avoidance of doubt, a person attending as a proxy shall exercise only those voting rights as are analogous to the eligibility to vote of the member for whom they are a proxy.

17 Delivery of proxy notices

- 17.1 Subject to clauses 17.2 and 17.3, a person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
- 17.2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 17.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 17.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

18 Number of directors

- 18.1 The number of directors shall be subject to a maximum number of 15 and shall not be less than 2, unless otherwise determined by the directors.

19 Appointment and removal of directors

- 19.1 The directors of the Company shall be such persons as are appointed as directors in accordance with articles 19.2 to 19.4.
- 19.2 Subject to article 21, any full member of the Company who is willing to act as a director and is permitted by law to do so, may be appointed to be a director:
- 19.2.1 by ordinary resolution of the full members of the Company at the annual general meeting; or
- 19.2.2 by a decision of the directors of the Company.
- 19.3 A director shall be removed as a director if two thirds of the other directors vote in favour of the removal at a special meeting convened for that purpose.
- 19.4 Such removal shall take effect upon the date of lodgement of the notice of the special meeting at the registered office of the Company or such later date as may be specified in the notice.

20 Retirement and appointment of directors

- 20.1 The directors duly appointed shall remain directors until retirement in accordance with the following articles: -
- 20.1.1 no director shall serve for a period of more than one year without being reappointed in terms of these Articles; and
- 20.1.2 at the end of the first annual general meeting and at the end of each subsequent annual general meeting the directors must retire.
- 20.2 Directors who have retired in accordance with article 20.1.2 are eligible for immediate reappointment.

21 Termination of office

A person cannot become or remain as and shall immediately cease to be a director if:

- 21.1 he/she ceases to be a director through the operation of any provision of the Act or becomes prohibited by law from being a director and/or a charity trustee;
- 21.2 he/she is or becomes disqualified from being a charity trustee pursuant to section 69 of the 2005 Act or has been suspended or removed as a charity trustee pursuant to section 34 of the 2005 Act;
- 21.3 he/she is found to be or have been in serious or persistent breach of any duties imposed on charity trustees pursuant to section 66 of the 2005 Act;
- 21.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- 21.5 he/she is/becomes an employee of the Company;
- 21.6 he/she resigns office by notice to the Company;
- 21.7 he/she is absent (without permission of the directors) from more than three consecutive meetings of the directors, and the directors resolve to remove him/her from office;
- 21.8 he/she is declared bankrupt under the Bankruptcy (Scotland) Act 1985;
- 21.9 he/she is involved in a formal arrangement with all of his/her creditors;
- 21.10 he/she is sentenced to prison for a month or more or has been convicted of a crime of dishonesty for which the rehabilitation period in terms of the Rehabilitation of Offenders Act 1974 has not expired or for which rehabilitation is excluded in terms of the said Act;
- 21.11 he/she is involved in any legal proceedings in any court or tribunal by or against the Company; or
- 21.12 he/she is removed from office by ordinary resolution (special notice having been given) pursuant to section 303 of the Act or has otherwise been required to vacate office in terms of this article 21.

22 Register of directors

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

23 Office bearers

- 23.1 The directors shall elect from among themselves a chairperson and treasurer and such other office bearers (if any) as they consider appropriate.
- 23.2 All of the office bearers shall cease to hold office at the conclusion of each annual general meeting, but subject to article 23.3, shall then be eligible for re-election.
- 23.3 No director may be elected to the same role for more than two consecutive years.

23.4 A person elected to any office shall cease to hold that office if he/she ceases to be a director or if he/she resigns from that office by written notice to that effect.

24 Powers of directors

24.1 Subject to the provisions of the Act, and these Articles, and subject to any directions given by special resolution, the Company and its assets and undertaking shall be managed by the directors, who may exercise all the powers of the Company.

24.2 No alteration of these Articles and no direction given by special resolution shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given.

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

25 Personal interests

25.1 A director who has a personal interest in any transaction or other arrangement which the Company is proposing to enter into must declare that interest at a meeting of the directors; he/she will be debarred from voting on the question of whether or not the Company should enter into that arrangement and must leave the meeting while such transaction or other arrangement is being considered.

25.2 For the purposes of article 25.1, a director 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 section 317 of the Act), has a personal interest in that arrangement.

25.3 Provided:

25.3.1 he/she has declared his/her interest;

25.3.2 he/she has not voted on the question of whether or not the Company should enter into the relevant arrangement; and

25.3.3 the requirements of article 25.5 are complied with,

a director will not be debarred from entering into an arrangement with the Company in which he/she has a personal interest (or is deemed to have a personal interest under article 25.2) and may retain any personal benefit which he/she gains from his/her participation in that arrangement.

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

25.5 Where a director provides services to the Company or might benefit from any remuneration paid to a connected party for such services, then:

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

- 25.5.2 the directors must be satisfied that it would be in the interests of the Company to enter into the arrangement (taking account of that maximum amount); and
 - 25.5.3 less than half of the directors must be receiving remuneration from the Company (or benefit from remuneration of that nature).
- 25.6 The directors may be paid all travelling and other expenses reasonably incurred by them in connection with their attendance at meetings of the directors, general meetings, or meetings of committees, or otherwise in connection with the carrying-out of their duties.

26 Procedure at directors' meetings

- 26.1 Any director may call a meeting of the directors or request the company secretary to call a meeting of the directors, subject to there being at least four meetings of the directors in every year.
- 26.2 A meeting of the directors shall be called by at least seven clear days' notice but may be called by shorter notice if it is so agreed by a majority of the directors. The notice calling a meeting of the directors shall specify the date, time and place of the meeting and shall set out in reasonable detail the general nature of the business to be transacted at the meeting. The accidental omission to give notice of a meeting of the directors to, or the non-receipt of notice of a meeting by, any director shall not invalidate the proceedings at that meeting.
- 26.3 Questions arising at a meeting of the directors shall be decided by a majority of votes; if an equality of votes arises, the chairperson of the meeting shall have a casting vote. If any issue arises which is not dealt with in terms of these Articles, the chairperson of the meeting at which such issue arises shall decide how the issue shall be dealt with and such decision shall be final and binding on the other directors.
- 26.4 No business shall be dealt with at a meeting of the directors unless a quorum is present. The quorum for directors' meetings may be fixed from time to time by a decision of the directors.
- 26.5 If at any time the number of directors in office falls below the number fixed as the quorum, the remaining director(s) may continue to act but may act only for the purpose of filling any vacancies on the board of directors or of calling a general meeting.
- 26.6 Unless he/she is unwilling to do so, the chairperson of the board of directors shall preside as chair at every directors' meeting at which he/she is present; if the chairperson is unwilling to act as chair or is not present within 15 minutes after the time when the meeting was due to commence, the directors present shall elect from among themselves the person who will act as chair of the meeting.
- 26.7 The directors may, at their discretion, allow any person who they reasonably consider appropriate, to attend and speak at any meeting of the directors; for the avoidance of doubt, any such person who is invited to attend a directors' meeting shall not be entitled to vote and shall not be deemed to constitute a director for the purposes of the Act or any provision of these Articles.
- 26.8 A director shall not vote at a directors' meeting (or at a meeting of a committee) on any resolution concerning a matter in which he/she has a personal interest (as defined in article 25.2) which conflicts (or may conflict) with the interests of the Company; he/she must withdraw from the meeting while an item of that nature is being dealt with.

- 26.9 A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he/she is not entitled to vote.
- 26.10 The Company may, by ordinary resolution, suspend or relax to any extent, either generally or in relation to any particular matter, the provisions of articles 26.8 to 27.5 inclusive.

27 Conduct of directors

Each of the directors shall, in exercising his/her functions as a director of the Company, act in the interests of the Company and, in particular, must:

- 27.1 seek, in good faith, to ensure that the Company acts in a manner which is in accordance with its objects (as set out in these Articles);
- 27.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;
- 27.3 in circumstances giving rise to a conflict of interest or which may give rise to a conflict of interest between the Company and any other party:
- 27.3.1 put the interests of the Company before that of the other party, in taking decisions as a director; and
- 27.3.2 where any other duty prevents him/her from doing so, disclose the conflicting interest to the Company and refrain from participating in any discussions or decisions involving the other directors with regard to the matter in question;
- 27.4 ensure that the Company complies with any direction, requirement, notice or duty imposed on it by the Act; and
- 27.5 take such steps as are reasonably practicable for the purposes of ensuring:
- 27.5.1 that any breach of a duty under articles 27.1 to 27.4 inclusive is corrected by the director concerned and not repeated; and
- 27.5.2 that any director who has been in serious or persistent breach of any such duties is removed as a director in terms of article 21.

28 Delegation to sub-committees and others

- 28.1 Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the Articles:
- 28.1.1 to such person or committee;
- 28.1.2 by such means (including by power of attorney);
- 28.1.3 to such an extent;
- 28.1.4 in relation to such matters or territories; and
- 28.1.5 on such terms and conditions;
- as they think fit.

28.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

28.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

29 Operation of bank accounts

29.1 The signatures of two signatories authorised by the directors shall be required in relation to all operations (other than lodgement of funds) on the bank and building society accounts held by the Company. At least one out of the two signatures must be the signature of a director.

30 Secretary

30.1 The directors may appoint a company secretary for such term, at such remuneration (if any), and upon such conditions, as they may think fit; the company secretary may be removed by them at any time.

31 Minutes

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

32 Accounting records and annual accounts

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

32.2 The directors shall prepare annual accounts, complying with all relevant statutory requirements; if an audit is required under any statutory provisions or if they otherwise think fit, they shall ensure that an independent inspection or audit of such accounts is carried out by a qualified auditor.

32.3 Any member of the Company shall have the right to inspect any accounting or other records, or any document of the Company at any time.

33 Notices

33.1 Any notice which requires to be given to a member under these Articles shall be given either in writing or by way of an electronic communication; 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 Company or (in the case of a member who has notified the Company of an address to be used for the purpose of electronic communications) may be given to the member by way of an electronic communication.

33.2 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.

33.3 Any notice contained in an electronic communication shall be deemed to have been given at the expiry of 24 hours after it is sent; for the purpose of proving that any electronic communication was 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.

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

34 Winding-up

34.1 If the Company is wound up, the liquidator shall give effect to the provisions of article 6 and 7.

35 Indemnity

35.1 Every director or other officer or auditor of the Company shall be indemnified (to the extent permitted by section 232, 234, 235, 532 and 533 of the Act) out of the assets of the Company against any loss or liability which he/she may sustain or incur in connection with the execution of the duties of his/her office; that may include, without prejudice to that generality, (but only to the extent permitted by those sections of the Act), any liability incurred by him/her in defending any proceedings (whether civil or criminal) in which judgement is given in his/her favour or in which he/she is acquitted or any liability in connection with an application in which relief is granted to him/her by the court from liability for negligence, default or breach of trust in relation to the affairs of the Company.

35.2 The Company shall be entitled to purchase and maintain for any director insurance against any loss or liability which any director or other officer of the Company may sustain or incur in connection with the execution of the duties of his/her office, and such insurance may extend to liabilities of the nature referred to in section 232 (2) of the Act.