

THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES of ASSOCIATION

of

EUROPEAN SOCIETY OF COLOPROCTOLOGY

(Registered Number: SC205553)

Constitution of Company

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

Defined terms

- 2 In these articles of association, unless the context requires otherwise:-
 - (a) "Act" means the Companies Act 2006;
 - (b) "charity" means a body which is either a "Scottish charity" within the meaning of section 13 of the Charities and Trustee Investment (Scotland) Act 2005 or a "charity" within the meaning of section 1 of the Charities Act 2011, providing (in either case) that its objects are limited to charitable purposes;
 - (c) "charitable purpose" means a charitable purpose under section 7 of the Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the application of the Taxes Acts;
 - (d) "Company" means European Society of Coloproctology incorporated in Scotland with company number SC205553 and having its registered office at The Coach House, 7 St Albans Road, Edinburgh EH9 2PA;
 - (e) "Council" means the council of the Company comprising the members of the Executive together with national representatives, UEG representatives and the chair of the board of Trustees (as it may be varied from time to time);
 - (f) "electronic form" has the meaning given in section 1168 of the Act;
 - (g) "Executive" means the executive of the Company comprising the President, president elect, president in waiting, immediate past

president, Secretary, treasurer, assistant treasurer, committee chairpersons of the programme, training & education, research, external relations, website, membership, communications and guidelines committees, journal representative, UEMS representative, co-opted members and the assistant chair of the programme committee for the previous year (as it may be varied from time to time);

- (h) “member” means a person registered as a member in the register of members of the Company;
- (i) “OSCR” means the Office of the Scottish Charity Regulator;
- (j) “President” means the president of the Council.
- (k) “property” means any property, heritable or moveable, real or personal, wherever situated;
- (l) “Rules” shall have the meaning given to it in article 100;
- (m) “Trustee” means a director of the Company, and “Trustees” shall be construed accordingly;
- (n) “Secretary” means the company secretary of the Company;
- (o) “subsidiary” has the meaning given in section 1159 of the Act; and
- (p) “Taxes Acts” means any directive, statute, enactment, law or regulation enacted or issued, coming into force or entered into providing for or imposing any form of taxation chargeable in Scotland and shall include orders, regulations, instruments, bye-laws or other subordinate legislation made under the relevant statute or statutory provision and any directive, statute, enactment, law, order, regulation or provision which amends, extends, consolidates or replaces the same.

2A “Full Members”, “Trainee Members”, “Affiliate Members”, “Corporate Members” and “Honorary Members” shall have the meaning given to them in article 12.

3 Any reference to a provision of any legislation (including any statutory instrument) shall include any statutory modification or re-enactment of that provision in force from time to time.

Objects

4 The Company’s objects are:

- (a) the promotion and advancement of the science, knowledge and practice of coloproctology in Europe;

- (b) the promotion and performance of scientific studies in the fields of colonic, rectal and anal diseases;
- (c) the performance of comparative studies in treatment and diagnosis in the fields of colonic, rectal and anal diseases (coloproctology) throughout Europe;
- (d) the organisation of conferences and events to promote the scientific and clinical training of its members;
- (e) the establishment of standards throughout Europe for training in the field of coloproctology;
- (f) the promotion of coloproctology as a medical speciality in Europe; and
- (g) all such things as will assist in attaining the above objects of the Company.

5 The objects set out in article 4 shall not be restrictively construed but the widest interpretation shall be given thereto, and they shall not, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects or from the terms of any other sub-article or the name of the Company. None of such sub-articles or the object or objects therein specified or the powers thereby conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other sub-article, but the Company shall have as full a power to exercise all or any of the objects conferred by and provided in each of the said sub-articles as if each sub-articles contained the objects of a separate association.

6 The Company may (subject to first obtaining the consent of OSCR) add to, remove or alter the statement of the Company's objects in article 4; on any occasion when it does so, it must give notice to the Registrar of Companies and the amendment will not be effective until that notice is registered on the Register of Companies.

Powers

7 In pursuance of the objects listed in article 4 (but not otherwise), the Company shall have the following powers:-

- (a) to work to promote and unify high standards of training and education to facilitate the free movement of qualified members in Europe;
- (b) to work to encourage high standards of research of coloproctology in Europe;
- (c) to seek to influence standards of training of coloproctology in Europe by seeking reciprocal representation to advise, and receiving advice from, the Division of Coloproctology of the Section of Surgery of the Union Europeene des Medecins Specialistes (UEMS);

- (d) to work to promote and develop the specialty of colorectal surgery within Europe;
- (e) to examine, watch and advise upon any legislation or administrative action affecting or likely to affect the attainment of the main objects of the Company;
- (f) to carry on any other activities which further any of the above objects;
- (g) to purchase, take on lease, hire or acquire by gift any buildings or land and restore, alter, develop, extend or build such buildings, facilities or accommodation as the Trustees may think is in the best interests of the Company with a view to carrying out the Company's objects or as is reasonably incidental thereto including without prejudice to the generality of the foregoing, theatres, performance space, auditoriums of all nature, galleries, restaurants, licences premises, catering establishments and hotels, hostels and similar or like accommodation;
- (h) to hire out, lease, let, offer rooms, with or without board for occupation and otherwise deal, including dispose, lease and licence any of the said premises as the Trustees of the Company shall think fit and on such terms as the Trustees shall think fit;
- (i) to borrow and raise money in any manner and secure the repayment of any money borrowed raised or owing by mortgage, charge, standard security lien or other security upon the whole or any part of the Company's property or assets (whether present or future) and also by a similar mortgage, charge, standard security, lien or security, secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it;
- (j) to 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;
- (k) 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 Company's activities;
- (l) to improve, manage, develop, or otherwise deal with, all or any part of the property and rights of the Company;
- (m) to sell, let, hire out, license, or otherwise dispose of, all or any part of the property and rights of the Company;
- (n) to lend money and give credit (with or without security) and to grant guarantees and issue indemnities;

- (o) to employ such staff as are considered appropriate for the proper conduct of the Company's activities, and to make reasonable provision for the payment of pension and/or other benefits for members of staff, ex-members of staff and their dependants;
- (p) to engage such consultants and advisers as are considered appropriate from time to time;
- (q) to effect insurance of all kinds (which may include officers' liability insurance);
- (r) 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);
- (s) to liaise with other voluntary sector bodies, local authorities, government departments and agencies, and other bodies, all with a view to furthering the Company's objects;
- (t) to establish and/or support any other charity, and to make donations for any charitable purpose falling within the Company's objects;
- (u) to take such steps as may be deemed appropriate for the purpose of raising funds for the Company's activities;
- (v) to accept grants, donations and legacies of all kinds (and to accept any reasonable conditions attaching to them);
- (w) to oppose, or object to, any application or proceedings which may prejudice the Company's interests;
- (x) 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;
- (y) to do anything which may be incidental or conducive to the furtherance of any of the Company's objects.

Restrictions on use of the Company's assets

8 Subject to article 8A:

- (a) the income and property of the Company shall be applied solely towards promoting the Company's objects as set out in article 4;
- (b) no part of the income or property of the Company shall be paid or transferred (directly or indirectly) to the members of the Company, whether by way of dividend, bonus or otherwise;
- (c) a Trustee can only be appointed as a paid employee of the Company or remunerated by the Company for services rendered to the Company where this can be justified as being in the interests of the Company, such employment or remuneration always being subject to the Charities and Trustee Investment (Scotland) Act 2005; and

(d) no benefit (whether in money or in kind) shall be given by the Company to any Trustee except (i) where article 8(c) applies, (ii) repayment of out-of-pocket expenses, or (iii) reasonable payment in return for particular services (not being of a management nature) actually rendered to the Company.

8A Nothing in these articles shall prevent the gratuitous distribution among, or a sale at less than cost to, members or the public of any books, pamphlets or other publications of the Company relating to all or any of its objects.

Liability of members

9 Each member undertakes that if the Company is wound up while he/she/it is a member (or within one year after he/she/it ceases to be a member), he/she/it will contribute up to a maximum of £1.00 to the assets of the Company, to be applied towards:

- (a) payment of the Company's debts and liabilities contracted before he/she/it ceases to be a member;
- (b) payment of the costs, charges and expenses of winding up; and
- (c) adjustment of the rights of the contributories among themselves.

General structure

10 The structure of the Company consists of:-

- (a) 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; and
- (b) the TRUSTEES - who hold regular meetings during the period between annual general meetings, and generally control and supervise the activities of the Company; in particular, the trustees are responsible for monitoring the financial position of the Company.

Qualifications for membership

11 The members of the Company shall consist of those persons and bodies who are members at the date of adoption of these articles and such other persons or bodies as are admitted to membership under articles 14 to **Error! Reference source not found..**

12 Membership shall be open to the following:

- (a) FULL MEMBERS: such individuals who satisfy the Trustees that he/she is a duly registered and accredited medical practitioner with a demonstrable interest in coloproctology, or a related discipline ("Full Members");

- (b) TRAINEE MEMBERS: such individuals who are duly registered medical practitioners in training appointments with an interest in coloproctology or any similar field of colorectal disease (“Trainee Members”);
- (c) AFFILIATE MEMBERS: such individuals who shall be non-medically qualified scientists, technicians or nurses working in the field of coloproctology, or a related discipline (“Affiliate Members”);
- (d) ONLINE MEMBERS: such individuals who shall have access to the member-only resources on the Company’s website (“Online Members”);
- (e) CORPORATE MEMBERS: such corporate bodies or organisations with an interest in coloproctology (“Corporate Members”); and
- (f) HONORARY MEMBERS: such persons who have made an outstanding contribution to the field of coloproctology or a related discipline (“Honorary Members”).

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

13B For the avoidance of doubt, those individuals who opt for the “30 Day Trial” on the Company’s website will not be registered members unless and until they apply, and are accepted, for one of the classes of membership set out in article 12 above.

13B The members (irrespective of category of membership) shall at all times promote the interests of the Company and not act or behave in such a way as is likely to be detrimental to the objects of the Company or bring the Company into disrepute.

Application for membership

14 Any person or body who/which wishes to become a member must complete an online registration form on the Company’s website and submit it to the Company together with the relevant remittance. For the avoidance of doubt and subject to article 15 below, no such person or body shall become a member unless such remittance is received in cleared funds by the Company.

15 The Trustees (with the approval of the Executive) may, at their discretion, refuse to admit any person or body to membership. If a decision is made to refuse admission then the Company shall return to the applicant any remittance paid by him/her/it under article 14.

16 The Trustees shall agree the terms of membership of any Corporate Members.

Membership subscription

17 Members shall be required to pay membership fees to the Company as follows:

(a) FULL MEMBERS:

(i) on 10 January in each calendar year such annual membership fee as set by the Trustees (with the approval of the Executive and the Council) from time to time.

(b) TRAINEE MEMBERS, AFFILIATE MEMBERS, ONLINE MEMBERS AND CORPORATE MEMBERS:

(i) on 10 January in each calendar year such annual membership fee as set by the Trustees (with the approval of the Executive and the Council) from time to time.

No membership fees shall be payable by the Honorary Members.

17A If the membership subscription payable by any member is not paid on or by the due date then the member shall cease to be a member and he/she/it shall be removed from the register of members.

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

Register of members

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

Withdrawal from membership

19 Any person who wishes to withdraw from membership shall give 3 months' notice by signing, and lodging with the Company, a written notice to that effect.

19A An unincorporated body which has nominated an individual for membership may withdraw on 3 months' notice its nomination at any time by written notice to the Company to that effect, signed by an appropriate office bearer of that body.

Expulsion from membership

20 Any person may be expelled from membership by a simple majority vote of the Executive, providing the following procedures have been observed:-

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

(b) an appeal against expulsion may be made in writing to the Trustees within six months of the expulsion. For the avoidance of doubt, the member's rights under these Articles shall be suspended during any period of appeal. The decision of the Trustees in respect of such appeal shall be final and binding.

Termination/transfer

- 21 Membership shall cease (in the case of a natural person) on death; or (in the case of a corporate body) on the liquidation, receivership, winding up or dissolution of that corporate body; or (in the case of an individual admitted to membership on the basis of nomination by an unincorporated body) if the unincorporated body is dissolved.
- 22 A member may not transfer his/her/its membership to any other person and no transmission of membership shall apply on the death of a member who is a natural person.

General meetings (meetings of members)

- 23 The Trustees shall convene an annual general meeting in each year.
- 24 Not more than 15 months shall elapse between one annual general meeting and the next.
- 25 The business of each annual general meeting shall include:-
- (a) a report by the chair on the activities of the Company
 - (b) consideration of the annual accounts of the Company
 - (c) the election/re-election of Trustees, as referred to in articles **Error! Reference source not found.** to **Error! Reference source not found.**.
- 26 Subject to articles 23, 24 and 27, the Trustees may convene a general meeting at any time.
- 27 The Trustees 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).

Notice of general meetings

- 28 At least 42 clear days' notice must be given of an annual general meeting or any general meeting at which it is proposed that a special resolution is passed. In the case of all other general meetings at least 14 clear days' notice must be given of the general meeting.
- 28A Notice of every general meeting shall be given to:
- (a) every member (except (i) those members who/which have not supplied to the Company an address, or valid address, for the giving of notices to them, and (ii) the Honorary Members (or any of them) unless the Executive provides otherwise);
 - (b) every person being a legal personal representative or a trustee in bankruptcy of a member where the member, but for his/her death or bankruptcy, would be entitled to receive notice of the meeting;
 - (c) the auditor for the time being of the Company; and
 - (d) the President and the Trustees.

The accidental omission to give notice to one or more members will not invalidate the proceedings at the meeting.

- 29 The reference to “clear days” in article 28 shall be taken to mean that, in calculating the period of notice, the day after the notice is posted, (or, in the case of a notice sent by electronic means, the day after it was sent) and also the day of the meeting, should be excluded.
- 30 A notice calling a meeting shall specify the time and place of the meeting; it shall (a) indicate the general nature of the business to be dealt with at the meeting, and (b) if a special resolution (see article 33) (or a resolution requiring special notice under the Act) is to be proposed, shall also state that fact, giving the terms of the resolution.
- 31 A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting.
- 32 Notice of every general meeting shall be given:
- (a) in hard copy form;
 - (b) in writing or (where the member to whom notice is given has notified the Company of an address to be used for the purpose of electronic communication) in electronic form;
 - (c) (subject to the Company 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; or
 - (d) in such other manner, if any, as may be prescribed by the members by ordinary resolution.

Special resolutions and ordinary resolutions

- 33 For the purposes of these articles, a “special resolution” means a resolution passed by 75% or more of the votes cast on the resolution at a general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with articles 28 to 32; for the avoidance of doubt, the reference to a 75% majority relates only to the number of votes cast in favour of the resolution as compared with the total number of votes cast in relation to the resolution, and accordingly no account shall be taken of abstentions or members absent from the meeting.
- 34 In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Act allow the Company, by special resolution,
- (a) to alter its name; and
 - (b) to alter any provision of these articles or adopt new articles of association.

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

Procedure at general meetings

- 36 No business shall be dealt with at any general meeting unless a quorum is present; the quorum for a general meeting shall be 30 Full Members, present in person or by proxy.
- 36A The Trustees may make arrangements, in advance of any members’ meeting, to allow members or their corporate representatives to participate in the members’ meeting by means of a conference telephone, video conferencing facility or similar communications equipment so long as all those participating in the meeting can hear each other; a member or corporate representative on behalf of a member participating in a members’ meeting in this manner shall be deemed to be present in person at the meeting.
- 37 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 either (a) upon the requisition of 50% of the Full Members present be dissolved, or (b) shall stand adjourned to such time and place as may be determined by the Trustees and if at such adjourned meeting a quorum is not present within 30 minutes from the time appointed for the meeting then the meeting shall be dissolved. It shall not be necessary to give notice of any such adjourned meeting.
- 38 The Secretary shall (if present and willing to act as chairperson) preside as chairperson of each general meeting; if the Secretary is not present and willing to act as chairperson within 15 minutes after the time at which the meeting was due to commence, the Trustees present at the meeting shall elect from among themselves the person who will act as chairperson of that meeting.
- 39 The President of a general meeting may, with the consent of the meeting at which a quorum is present, adjourn the meeting to such time and place as the President may determine (with the consent of the meeting) but no business shall be transacted at any such adjourned meeting other than the unfinished business of the meeting at which the adjournment occurred. It shall not be necessary to give notice of any such adjourned meeting.
- 40 The different classes of members shall have the following rights to attend, speak and/or vote at each general meeting:
- (a) FULL MEMBERS: have the right to attend, speak and vote;
 - (b) TRAINEE MEMBERS: have the right to attend but not vote;
 - (c) AFFILIATE MEMBERS: have the right to attend but not vote;
 - (d) ONLINE MEMBERS: have no right to attend, speak and/or vote;

- (e) CORPORATE MEMBERS: have the right to attend but not vote;
- (f) HONORARY MEMBERS: have no right to attend, speak and/or vote (unless otherwise determined by the Executive).

40A Every Full Member shall have one vote, which (whether on a show of hands or on a secret ballot) may be given either personally or by proxy. . For the avoidance of doubt, a vote given by or on behalf of a member participating in the meeting through any of the methods referred to in clause 36A will be taken to be given personally for the purposes of this article.

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

- (a) shall lodge with the Company, at the Company's registered office, a written instrument of proxy (in such form as the Trustees require), signed by him/her; or
- (b) shall send by electronic means to the Company, at such electronic address as may have been notified to the members by the Company for that purpose, an instrument of proxy (in such form as the Trustees require),

providing (in either case), the instrument of proxy is received by the Company at the relevant address not less than 48 hours before the time for holding the meeting (or, as the case may be, adjourned meeting).

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

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

44 A proxy appointed to attend and vote at any meeting instead of a member shall have the same right as the member who appointed him/her to speak at the meeting and need not be a member of the Company.

45 A vote given, or ballot demanded, by proxy shall be valid notwithstanding that the authority of the person voting or demanding a ballot had terminated prior to the giving of such vote or demanding of such ballot, unless notice of such termination was received by the Company at the Company's registered office (or, where sent by electronic means, was received by the Company at the address notified by the Company to the members for the purpose of electronic communications) before the commencement of the meeting or adjourned meeting at which the vote was given or the ballot demanded.

46 If there are an equal number of votes for and against any resolution, the chairperson of the meeting shall not be entitled to a casting vote.

47 A resolution put to the vote at a general meeting shall be decided on a show of hands.

- 48 At least 5% of the Full Members may, by giving notice in writing to the Secretary not less than one month prior to the proposed date of the annual general meeting, require the Company to give notice to the members of a resolution which may properly be moved and is intended to be moved at such meeting. Provided that the resolution is not inconsistent with the terms of any statutory provision (including without limitation) the Charities and Trustee (Investment) Scotland Act 2005, defamatory, frivolous or vexatious and would, if passed, be capable of being effective, the Secretary shall as soon as reasonably practicable following receipt of such notice give notice of the resolution to the members in the same manner as notice of the relevant annual general meeting at which it is proposed to be passed.

Maximum number of Trustees and Term of Office

- 49 Unless and until otherwise determined by the members by ordinary resolution, the maximum number of Trustees shall be 9 and the minimum number shall be 2.

Eligibility & composition of the board of Trustees

- 50 A person shall not be eligible for election/appointment as a Trustee unless he/she is a member of the Company or has been nominated for appointment to the board of Trustees by a member which is a corporate body or unincorporated association.

Appointment, election, retiral, re-election

- 51 Subject to article 54, each Trustee must retire from office at the annual general meeting which occurs, or would occur, in the third anniversary of his/her appointment but shall then be eligible for re-election by ordinary resolution of the members at such annual general meeting.
- 52 Notwithstanding article 51, the Trustees may at any time appoint any member (providing he/she is willing to act) to be a Trustee (subject to article 49).
- 53 There should be, so far as is practicable and as determined by the Executive, an equal representation of Trustees from each of the Western, Central and Eastern regions.

Termination of office

- 54 A Trustee shall automatically vacate office, and any potential Trustee shall be debarred from being appointed as a Trustee, if:-
- (a) he/she becomes bankrupt or makes any arrangements or composition with his/her creditors generally;
 - (b) he/she ceases to be a Trustee through the operation of any provision of the Act or otherwise becomes prohibited by law from being a Trustee (including, without limitation, pursuant to the Company Directors Disqualification Act 1986);

- (c) he/she becomes debarred under any statutory provision from being a charity trustee;
- (d) he/she becomes incapable for medical reasons of fulfilling the duties of his/her office and the Trustees, after taking account of the individual circumstances of the incapacity and subject to such removal being a legitimate aim, resolve that the Trustee be removed;
- (e) he/she resigns office by notice to the Company
- (f) he/she is directly or indirectly interested in any contract with the Company and fails to declare the nature of his/her interest as required pursuant to these articles (and in particular articles 62 and 63), the Act and/or the Charities and Trustee Investment (Scotland) Act 2005;
- (g) he/she ceases to be a member of the Company;
- (h) 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
- (i) he/she is removed from office by ordinary resolution (special notice having been given) in pursuance of section 168 of the Act.

55 A resolution under paragraph (i) of article 54 shall be valid only if:-

- (a) 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;
- (b) 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
- (c) at least two thirds (to the nearest round number) of the Trustees then in office vote in favour of the resolution.

Register of Trustees

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

Officebearers

57 The Trustees shall elect from among themselves a chair and such other office bearers (if any) as they consider appropriate. Subject to article 58, the Trustees may set the period for which the chair is to hold such office.

- 58 At the end of each 3 year anniversary of his/her appointment, each office bearer must retire from office at the next following annual general meeting but shall be eligible for re-election.
- 59 A person elected to any office shall cease to hold that office if he/she ceases to be a Trustee, or if he/she resigns from that office by written notice to that effect. In the case of the chair, the office shall rotate between a representative of each of the Eastern, Western and Central regions on a three yearly basis.

Powers of Trustees

- 60 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 Trustees, who may exercise all the powers of the Company.
- 61 A meeting of the Trustees at which a quorum is present may exercise all powers exercisable by the Trustees.

Personal interests

- 62 A Trustee 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 Trustees; he/she will be debarred (in terms of article 76) from voting on the question of whether or not the Company should enter into that arrangement.
- 63 For the purposes of the preceding article, a Trustee shall be deemed to have a personal interest in an arrangement if any partner or other close relative of his/hers **or** any firm of which he/she is a partner **or** any limited company of which he/she is a substantial shareholder or director **or** any 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.
- 64 Provided:
- (a) he/she has declared his/her interest;
 - (b) he/she has not voted on the question of whether or not the Company should enter into the relevant arrangement; and
 - (c) the requirements of article 68 are complied with,
- a Trustee 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 63) and may retain any personal benefit which he/she gains from his/her participation in that arrangement.

- 65 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.
- 66 For the avoidance of doubt, the provisions of section 175 of the Act and article 65 do not apply to a conflict of interest relating to a transaction or arrangement with the Company; conflicts of that kind are regulated by the provisions of articles 62 to 64 and articles 76 to 79.
- 67 No Trustee may serve as an employee (full time or part time) of the Company, and no Trustee may be given any remuneration by the Company for carrying out his/her duties as a Trustee.
- 68 Where a Trustee provides services to the Company or might benefit from any remuneration paid to a connected party for such services, then:
- (a) the maximum amount of the remuneration must be specified in a written agreement and must be reasonable;
 - (b) the Trustees must be satisfied that it would be in the interests of the Company to enter into the arrangement (taking account of that maximum amount); and
 - (c) less than half of the Trustee must be receiving remuneration from the Company (or benefit from remuneration of that nature).
- 69 The Trustees may be paid all travelling and other expenses reasonably incurred by them in connection with their attendance at meetings of the Trustees, general meetings, or meetings of committees, or otherwise in connection with the carrying-out of their duties.

Procedure at Trustees' meetings

- 70 Any Trustee may call a meeting of the Trustees or request the Secretary to call a meeting of the Trustees. A meeting of the Trustees must be called within one month of the receipt by the Secretary of a request to that effect signed by at least three Trustees stating the purpose of the meeting.
- 71 Questions arising at a meeting of the Trustees shall be decided by a majority of votes; if an equality of votes arises, the chairperson of the meeting shall have a casting vote.
- 72 No business shall be dealt with at a meeting of the Trustees unless a quorum is present; the quorum for meetings of the Trustees shall be 3 (unless otherwise determined by the Trustees).
- 73 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.

- 73A The Trustees may participate in a meeting of the Trustees by means of a conference telephone, video conferencing facility or similar communications equipment so long as all those participating in the meeting can hear each other; a Trustee participating in a meeting of the Trustees in this manner shall be deemed to be present in person at the meeting and form part of the quorum.
- 74 Unless he/she is unwilling to do so, the chair of the Company shall preside as chairperson at every Trustees' meeting at which he/she is present; if the chair is unwilling to act as chairperson, there is no chair appointed or the chair is not present within 15 minutes after the time when the meeting was due to commence, the Trustees present shall elect from among themselves the person who will act as chairperson of the meeting.
- 75 The Trustees may, at their discretion, allow any person who they reasonably consider appropriate, to attend and speak at any meeting of the Trustees (including, without limitation, the Honorary Members (or any of them) pursuant to article 79A); for the avoidance of doubt, any such person who is invited to attend a Trustees' meeting shall not be entitled to vote.
- 76 A Trustee shall not vote at a Trustees' meeting (or at a meeting of a committee) on any resolution concerning a matter in which he/she has a personal interest which conflicts (or may conflict) with the interests of the Company; he/she must withdraw from the meeting while an item of that nature is being dealt with.
- 77 For the purposes of article 76, a person shall be deemed to have a personal interest in a particular matter if any partner or other close relative of his/hers **or** any firm of which he/she is a partner **or** any limited company of which he/she is a substantial shareholder or director **or** any limited liability partnership of which he/she is a member **or** any 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.
- 78 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.
- 79 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 76 to 78.
- 79A No Honorary Member may be a trustee but may at the request and invitation of the Trustees be invited to attend and speak (but not vote) at any meeting of the Trustees to assist and/or advise on matters of importance or difficulty.

Conduct of Trustees

- 80 Each of the Trustees shall, in exercising his/her functions as a trustee/director of the Company, act in the interests of the Company; and, in particular, must:
- (a) seek, in good faith, to ensure that the Company acts in a manner which is in accordance with its objects;

- (b) act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;
- (c) in circumstances giving rise to the possibility of a conflict of interest of interest between the Company and any other party:
 - (i) put the interests of the Company before that of the other party, in taking decisions as a Trustee; or
 - (ii) 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 Trustees with regard to the matter in question;
- (d) ensure that the Company complies with any direction, requirement, notice or duty imposed on it by the Charities and Trustee Investment (Scotland) Act 2005.

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

82 For the avoidance of doubt, any such 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 any such code of conduct in force from time to time.

82A All bona fide acts done by a meeting of Trustees, or of a committee of Trustees, or by a person acting as a Trustee shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Trustee or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Trustee and had been entitled to vote.

Delegation to sub-committees

83 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 Company (or the holder of any other post) such of their powers as they may consider appropriate.

84 Any delegation of powers under article 83 may be made subject to such conditions as the Trustees may impose and may be revoked or altered.

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

Operation of bank accounts

- 86 Cheques may be signed by any two of the following: treasurer, assistant treasurer, Secretary and assistant secretary of the Company. Notwithstanding the foregoing provisions of this article 86, the treasurer of the Company shall be permitted to sign cheques and authorise bank transfers without a co-signatory up to the value of 1,000 Euros (or its equivalent where payments are made in other currencies), as amended by the Rules from time to time.

Secretary

- 87 The Trustees shall (notwithstanding the provisions of the Act) appoint a 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.

Minutes

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

Accounting records and annual accounts

- 89 The Trustees shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements.
- 90 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.
- 91 No member shall (unless he/she is a Trustee) have any right of inspecting any accounting or other records, or any document of the Company, except as conferred by statute or as authorised by the Trustees or as authorised by ordinary resolution of the Company.

Notices

- 92 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 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 electronic means.
- 93 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.

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

Winding-up

- 95 The Company may be dissolved by resolution passed by two-thirds of those present and voting at a general meeting convened for the purpose of which at least 21 days' notice shall be given to the members, except in the case of a voluntary winding up pursuant to the Insolvency Act 1986 which shall require the passing of a special resolution by the members.
- 95A If on the winding-up of the Company any property remains after satisfaction of all the Company'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 Company 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.
- 96 For the avoidance of doubt, a body to which property is transferred under article 95 may be a member of the Company.
- 97 To the extent that effect cannot be given to article 95 (as read with article 96), the relevant property shall be applied to some charitable purpose or purposes.

Indemnity

- 98 Every Trustee or other officer or auditor of the Company shall be indemnified (to the extent permitted by sections 232, 234, 235, 532 and 533 of the Act) out of the assets of the Company against any loss or liability which he/she may sustain or incur in connection with the execution of the duties of his/her office; 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.
- 99 The Company 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 Company 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).

Rules

- 100 The Trustees may establish rules governing matters relating to the Company's administration that are required from time to time for the effective operation of the Company ("Rules"). The Rules shall not form part of these articles and, in the event of conflict between the terms of these articles and the Rules, the terms of these articles shall prevail.