

Company Number SC360708

THE COMPANIES ACT 2006

*Company limited by guarantee
and not having a share capital*

**MEMORANDUM &
ARTICLES of ASSOCIATION**

of

***Friends of The Birks
Cinema***

Incorporated on 4 June 2009
and amended on 9 November 2009

Scottish Charity Number SC041030

J. & H. Mitchell, W.S.
Pitlochry and Aberfeldy

THE COMPANIES ACT 2006

Company limited by guarantee and not having a share capital

MEMORANDUM of ASSOCIATION
of
Friends of The Birks Cinema

The Memorandum of Association sets out the Purposes of the Company and the Powers conferred upon it to enable it to achieve its Purposes, confirms the limit of liability upon its Members and explains what is to happen to any surplus assets upon its dissolution.

NAME

1. The name of the company is "Friends of The Birks Cinema" ("the Company").

REGISTERED OFFICE

2. The Registered Office of the Company is situated in Scotland.

DEFINITIONS

3. The definitions and meanings specified in Article 1(b) of the Company's Articles of Association shall have effect as if repeated in this Memorandum of Association.

PURPOSES

4. The Purposes of the Company ("the Purposes") are:
 - (a) to develop and manage premises to promote the arts, heritage and culture by providing a location for films, music, drama and entertainment and for other community-related facilities;
 - (b) to advance education in the arts, heritage and culture by providing educational films and other media and by organising and promoting training, tuition and courses in and relating to the arts, heritage and/or culture;
 - (c) to advance development of the communities of Highland Perthshire and Killin Parish and for members of the public generally.

POWERS

5. The Company shall have the following powers (but only in furtherance of the Purposes):

Specific

 - (a) to develop, promote, operate and manage facilities, primarily for the exhibition, presentation and provision of the arts, heritage and culture.
 - (b) to promote public and community participation in the arts, heritage and culture.

General

 - (c) to encourage and develop a spirit of voluntary or other commitment by individuals, unincorporated associations, societies, federations, partnerships, corporate bodies, agencies, undertakings, local authorities, unions, co-operatives, trusts and others and any groups or groupings thereof willing to assist the Company to achieve the Purposes;

- (d) to provide advice, consultancy, training, tuition, expertise and assistance;
- (e) to promote and carry out research, surveys and investigations and develop initiatives, projects and programmes;
- (f) to prepare, organise, promote and implement training courses, exhibitions, lectures, seminars, conferences, events and workshops, to collect, collate, disseminate and exchange information and to prepare, produce, edit, publish, exhibit and distribute articles, pamphlets, books and other publications, tapes, motion and still pictures, music and drama and other materials, all in any medium;

Property

- (g) to purchase, take on lease, hire, or otherwise acquire any property suitable for the Company and to construct, convert, improve, develop, maintain, alter and demolish any buildings or erections whether of a permanent or temporary nature, and manage and operate or arrange for the professional or other appropriate management and operation of the Company's property;
- (h) to sell, let, hire, license, give in exchange and otherwise dispose of all or any part of the property of the Company;
- (i) to establish and administer a building fund or funds or guarantee fund or funds or endowment fund or funds;

Employment

- (j) to employ, contract with, train and pay such staff (whether employed or self-employed) as are considered appropriate for the proper conduct of the activities of the Company;

Funding and Financial

- (k) to take such steps as may be deemed appropriate for the purpose of raising funds for the activities of the Company;
- (l) to accept subscriptions, grants, donations, gifts, legacies and endowments of all kinds, either absolutely or conditionally or in trust;
- (m) to borrow or raise money for the Purposes and to give security in support of any such borrowings by the Company and/or in support of any obligations undertaken by the Company;
- (n) to set aside funds not immediately required as a reserve or for specific purposes;
- (o) to open, operate and manage bank and other accounts and to invest any funds which are not immediately required for the activities of the Company in such investments as may be considered appropriate and to dispose of, and vary, such investments;
- (p) to make grants or loans of money and to give guarantees;
- (q) to employ as a professional investment manager any person who is entitled to carry on investment business under the supervision of the Financial Services Authority (or its successors) and to delegate to any such manager the exercise of all or any of its powers or investment or such terms and at such reasonable remuneration as the Board of Trustees thinks fit, and to enable investments to be held for the Company in nominee names, but subject always to the provisions of the Charities Act;

Development

- (r) to establish, manage and/or support any other charity, and to make donations for any charitable purpose falling within the Purposes;
- (s) to establish, operate and administer and/or otherwise acquire any separate trading company or association, whether charitable or not;
- (t) 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, mutual assistance, or sharing profit with any charity;

- (u) to enter into contracts to provide services to or on behalf of others:

Insurance and Protection

- (v) to effect insurance of all kinds (which may include indemnity insurance in respect of Trustees and employees);
- (w) to oppose, or object to, any application or proceedings which may prejudice the interests of the Company;

Ancillary

- (x) to pay the costs of forming the Company and its subsequent development;
- (y) to carry out the Purposes in any part of the world as principal, agent, contractor, trustee or in any other capacity; and
- (z) to do anything which may be incidental or conducive to the Purposes so long as these are charitable.

Declaring that the order in which these Powers are listed or the terms of the sub-headings above are of no significance in terms of their respective priority which shall be deemed to be equal.

CONSTRAINTS ON PAYMENTS OR BENEFITS TO MEMBERS

- 6.
 - (a) The income and property of the Company shall be applied solely towards promoting the Purposes.
 - (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, except where such members are in receipt of income or property of the Company as a beneficiary of the Company in terms of the Purposes.
 - (c) No Trustee of the Company shall be appointed as a paid employee of the Company.
 - (d) No benefit (whether in money or in kind) shall be given by the Company to any member or Trustee except the possibility of:
 - (i) repayment of out-of-pocket expenses to Trustees (subject to prior agreement by the Board); or
 - (ii) reasonable remuneration to a member or any Trustees in return for specific services actually rendered to the Company (not being of a management nature normally carried out by a director of a company); or
 - (iii) payment of interest at a rate not exceeding the commercial rate on money lent to the Company by any member or Trustee; or
 - (iv) payment of rent at a rate not exceeding the open market rent for property let to the Company by any member or Trustee; or
 - (v) the purchase of property from any member or Trustee provided that such purchase is at or below market value or the sale of property to any member or Trustee provided that such sale is at or above market value; or
 - (vi) payment by way of any indemnity where appropriate.

LIMIT OF LIABILITY

- 7.
 - (a) The liability of the members is limited.
 - (b) Every member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the property of the Company if it should be

wound up whilst he, she or it is a member or within one year after he, she or it ceases to be a member (for whatever reason), for payment of its debts and liabilities contracted before he, she or it ceases to be a member, and of the costs, charges and expenses of winding up.

DISSOLUTION

8. (a) The winding-up of the Company may take place only on the decision of not less than 75% of its Ordinary Members who are present and voting at a General Meeting called specifically (but not necessarily exclusively) for the purpose.
- (b) If, on the winding-up of the Company, any property remains, after satisfaction of all its debts and liabilities, such property shall be given or transferred to any one or more charities having the same or a similar object to the Purposes.
- (c) The charity or charities to which the property is to be transferred in terms of sub-clause (b) hereof shall be determined on the decision of not less than 75% of the Ordinary Members of the Company who are present and voting at a General Meeting called specifically (but not necessarily exclusively) for the purpose or, failing that, by a decision of not less than 75% of the Board or, failing that, as determined by an arbiter to be chosen amicably by the Board or, failing such amicable choice, as determined by the Office of the Scottish Charity Regulator, whose decision shall be final and binding upon the Company.
- (d) If the Company is a charity at the time that its winding -up is decided upon in terms of this Clause, the prior consent of the Office of the Scottish Charity Regulator must be obtained in terms of Section 16 of the Charities Act.

WE, the Subscribers to this Memorandum of Association, wish to be formed into a limited company pursuant to this Memorandum.

Names and Addresses of Subscribers

1.

Ms Charlotte Amanda Flower

The Old Schoolhouse, Acharn, Aberfeldy, Perthshire PH15 2HS

2.

Miss Helen Julia Watson

Tressait Barn, Strathtummel, Nr. Pitlochry, Perthshire PH16 5RS

3.

Ronald Neil Young

Cnoc Mor, 8 Burns Brae, Aberfeldy, Perthshire PH15 2ER

Dated the 28th May 2009

Witness to the above signatures: _____

Name: **Laura Jane Robson**

Occupation: *Solicitor*

Address: *51 Atholl Road, Pitlochry, Perthshire PH16 5BU*

THE COMPANIES ACT 2006

Company limited by guarantee and not having a share capital

ARTICLES of ASSOCIATION
of
Friends of The Birks Cinema

The Articles of Association provide the administrative constitution of the Company, establishing its membership, providing for meetings of members, establishing its board of management, providing for meetings of the board and confirming ancillary matters.

I
DEFINITIONS

1. (a) The regulations contained in Table C in the Companies (Tables A to F) Regulations 1985, or as may be amended or re-enacted, shall not apply to the Company.
- (b) In these Memorandum and Articles of Association, the words standing in the first column of the following table shall bear the meaning set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context:

WORDS	MEANINGS
AGM	- the Annual General Meeting.
Articles	- these Articles of Association, and any ancillary regulations thereunder, in force from time to time.
Board	- the Board of Trustees.
Board of Trustees	- the Board of Directors of the Company.
Chapter	- any section of these Articles headed by a roman numeral, the reference thereto specifying the relative Chapter number.
Purposes	- as described in Clause 4 of the Memorandum on the basis that these fall within section 7 of the Charities Act and are also regarded as charitable in relation to the application of the Taxes Acts.
Charities Act	- the Charities and Trustee Investment (Scotland) Act 2005 and every statutory modification and re-enactment thereof for the time being in force.
charity	- a body on the Scottish Charity Register which is also regarded as a charity in relation to the application of the Taxes Acts.

Company	- Friends of The Birks Cinema.
Companies Act	- the Companies Act 2006 as amended and every statutory modification and re-enactment thereof for the time being in force.
Highland Perthshire	- That geographical area within Perthshire comprising the Parishes of Blair Atholl, Dull, Dunkeld & Dowally, Fortingall, Kenmore & Lawers, Little Dunkeld, Logierait, Moulin and Weem.
in writing	- written, printed or lithographed, or partly one and partly another, and other modes of representing or producing words in a visible and non-transitory (albeit electronically-based) form.
members	- all members of the Company (references to Ordinary Members and Associate Members having the specific meanings ascribed respectively to them in Chapter III).
Memorandum	- the Memorandum of Association relative to these Articles, in force from time to time.
month	- calendar month.
Office	- the Registered Office of the Company.
organisation	- any body corporate, unincorporated association, society, federation, authority, agency, union, co-operative, trust, partnership or other organisation (not being an individual person).
property	- any property, assets or rights, heritable or moveable, wherever situated in the world.
Subscribers	- those persons and/or organisations who have subscribed both the Memorandum and these Articles.
Trustee(s)	- Director(s) for the time being of the Company.

- (c) Words importing the singular number only shall include the plural number, and *vice versa*; and
- (d) Words importing the masculine gender only shall include the feminine gender.
- (e) Subject as aforesaid, any words or expressions defined in the Companies Act shall, if not inconsistent with the subject or context, bear the same meanings in the Articles.

2. The Company is established to achieve the Purposes expressed in the Memorandum.

II GENERAL STRUCTURE OF THE TRUST

- 3 The structure of the Company comprises:
- (a) **Members** - who have the right to attend the AGM (and any General Meeting) and have important powers under these Articles and the Companies Act, particularly in electing people to serve as Trustees and taking decisions in relation to any changes to these Articles; and
 - (b) **Trustees** - who hold regular meetings between each AGM, set the strategy and policy of the Company, generally control and supervise the activities of the Company and, in particular, are responsible for monitoring its financial position and, where there are no employees or managers appointed, are responsible also for the day-to-day management of the Company.

III MEMBERSHIP

4. The members of the Company shall consist of the Subscribers, the existing members of the unincorporated association also known as 'Friends of the Birks Cinema' (each allocated by the Board to the appropriate category of membership in terms of Article 5) and such other persons and organisations as are admitted to membership in terms of this Chapter.
5. Membership shall be open to:
- (a) **Ordinary Members:** those individuals who are resident in Highland Perthshire and/or Killin Parish, who are aged 16 and over and who are interested in the Purposes.
 - (b) **Associate Members:** those individuals who are not resident in Highland Perthshire and/or Killin Parish who are interested in the Purposes and those organisations, wherever located, which are interested in the Purposes. Associate Members are neither eligible to stand for election to the Board nor to vote at any General Meeting.
6. Associate Members are neither eligible to stand for election to the Board nor to vote at any General Meeting.
7. (a) Each member which is an organisation shall, within one month of admission to membership, appoint one named Authorised Representative and one named Depute. The Authorised Representative, whom failing the Depute, shall represent and act for such member at all General Meetings of the Company. The Depute may represent and act for such member only in the absence of the Authorised Representative.
- (b) Any change in the appointment of an Authorised Representative, and/or of a Depute, may be made at any time by the appointing member, but only by written notice served by the appointing member at the Office. Such notice will take effect in respect of any meeting taking place 48 hours or more after receipt of the notice at the Office to allow sufficient time for the appointing member to serve a copy of the notice to anyone named therein and to enable the Company to act upon such notification.
- (c) In the case of any dispute as to the correct Authorised Representative and/or Depute serving at any time, the matter will be settled by the Secretary in accordance with the most recent notice validly received at the Office.

8. Employees of the Company shall not be eligible for membership and may not act as Authorised Representative or Depute of one. A person who becomes an employee of the Company after admission to membership shall automatically cease to be a member or an Authorised Representative or Depute thereof.
9.
 - (a) The Board shall maintain a Register of Members, setting out all relevant details of each member and the relative category of membership, together where relevant with details of the Authorised Representative and Depute.
 - (b) The Register of Members is open to all members of the Company.
 - (c) The Register of Members is open to non-members of the Company, provided that the applicant provides:
 - (i) the applicant's name and address;
 - (ii) the purpose for which the information is to be used; and
 - (iii) whether the information will be disclosed to any other person and, if so, the name and address of that other person and the purpose for which the information is to be used by that other person.

The Company must within 5 working days either supply the information, subject to the data protection rights of its members, or apply to the Court for an order that the application is not for a proper purpose (and intimate this to the applicant). Where the information is provided, the Company may charge a fee for providing the information.

IV APPLICATION FOR MEMBERSHIP

10. Any individual who or organisation which wishes to become a member of the Company must sign a written application for membership in the form prescribed, if any, by the Board from time to time and lodge it at the Office (or other address specified therein).
11. The Board shall consider such applications for membership promptly and shall inform each applicant whether he, she or it has been successful and, where relevant, in which category of membership he, she or it shall belong, the decision of the Board in these respects being final.
12. A successful application for membership will not become effective until payment of the appropriate annual membership subscription has been received.

V MEMBERSHIP SUBSCRIPTIONS

13. Members shall be required to pay the appropriate annual membership subscription, if any.
14. The Ordinary Members may at any or each AGM fix any annual subscriptions (and, if relevant, different rates thereof for different categories). Only those members who have paid their current subscription (where these are fixed) are entitled to take part in and vote at any General Meeting.
15. If the membership subscription payable by any member remains outstanding for more than three calendar months after the date on which it fell due (and providing the member in question has been given at least one written reminder), the Board may expel that member from membership.

16. An individual who, or organisation which, ceases (for whatever reason) to be a member shall not be entitled to any refund of membership subscription.

VI CESSATION OF MEMBERSHIP

17. Any member, or Authorised Representative or Depute thereof appointed in terms of Chapter III, may no longer serve as such in any one or more of the following events:
- (a) if by not less than 7 days' prior notice in writing to the Office he, she or it resigns his, her or its membership; or
 - (b) if, being an individual, he or she becomes insolvent or apparently insolvent or makes any arrangement or composition with his or her creditors generally; or
 - (c) if, being an individual, he or she becomes prohibited from being a charity trustee by virtue of section 69(2) of the Charities Act; or
 - (d) if the terms of Article 15 are invoked by the Board; or
 - (e) if a resolution that a member be expelled is passed by a majority of at least 75% of the members present and voting at a General Meeting, of which not less than 14 days' previous notice specifying the intention to propose such resolution and the grounds on which it is proposed shall have been sent to all Trustees, all members and the Company Secretary and also to the member whose removal is in question, such member being entitled to be heard at that meeting; or
 - (f) if, being an individual, he or she dies; or
 - (g) if, being an organisation, it goes into receivership, goes into liquidation dissolves or otherwise ceases to exist.
18. Membership is neither transferable nor assignable to any other individual or organisation.

VII GENERAL MEETINGS (Meetings of Members)

19. The Board shall convene one General Meeting as an Annual General Meeting in each year, at such time as it may determine, although the first AGM need not be held in the first year provided that it be held within 18 months after the date of incorporation of the Company. Thereafter, not more than 15 months shall elapse between one AGM and the holding of the next. The AGM does not need to be held exclusively in one place, provided that, where two or more members are not in the same place as each other, they are all able to communicate together and vote thereat.
20. The business of each AGM shall include:
- (a) the report by the Chairman on the activities of the Company;
 - (b) the election of Trustees;
 - (c) the fixing of annual subscriptions;
 - (d) the report of the independent financial examiner;
 - (e) approval of the annual accounts of the Company; and
 - (f) appointment of the independent financial examiner.
21. (a) Any Trustee may convene a General Meeting whenever he or she thinks fit.
(b) The Board must convene a General Meeting within 28 days of a valid requisition. To be valid, such requisition must:

- (i) be signed by not less than 10% (5% if more than 12 months have elapsed since the last General Meeting) of the Ordinary Members;
- (ii) clearly state the objects of the meeting; and
- (iii) be deposited at the Office.

The requisition may consist of several documents in like form each signed by one or more requisitionists.

- (c) Any such meeting convened in terms of this Article shall not be an AGM.
22. (a) 14 clear days' notice at the least shall be given of every AGM and other General Meeting.
- (b) The notice shall specify the place, the day and the hour of meeting and, in the case of special business, the specific nature of that business.
 - (c) The notice shall be sent, in the manner specified in Chapter XXIII, to all members and to such persons or organisations as are under these Articles or under the Companies Act entitled to receive such notices.
 - (d) With the consent of not less than 90% of the Ordinary Members having the right to attend and vote thereat, a General Meeting may be convened by such shorter notice as they may think fit in the circumstances.
 - (e) The accidental omission to give notice of a General Meeting to, or the non-receipt of such notice by, any members, persons or organisations entitled to receive notice thereof shall not invalidate any resolution passed at or proceedings of any AGM or General Meeting.

VIII

CHAIRMAN OF GENERAL MEETINGS

23. The Chairman of the Company, whom failing the Vice-Chairman of the Company (if any), shall act as chairman of each General Meeting. If neither the Chairman nor the Vice-Chairman is present and willing to act as chairman of the meeting within 15 minutes after the time at which the General Meeting in question was due to commence, the Trustees present shall elect from among themselves the Trustee who will act as chairman of that meeting.

IX

QUORUM AT GENERAL MEETINGS

24. The quorum for a General Meeting shall be the lesser of 10 Ordinary Members or 5% of the Ordinary Members, present in person or by proxy. No business shall be dealt with at any General Meeting, other than the appointment of the chairman of the meeting in terms of Article 23, unless a quorum is present.
25. If a quorum is not present within 15 minutes after the time at which the General Meeting was due to commence - or if, during a General Meeting, a quorum ceases to be present - the General Meeting shall stand adjourned to such time and place as may be fixed by the chairman of the meeting.

X

VOTING AT GENERAL MEETINGS

26. The chairman of the meeting (see Chapter VIII) shall endeavour to achieve consensus wherever possible but, if necessary, questions arising shall be decided by being put to the vote.

27. (a) Each Ordinary Member of the Company is able to attend and speak at any General Meeting and shall have one vote, to be exercised in person or by proxy (in terms of Article 29).
- (b) Each Associate Member is able to attend and speak at any General Meeting but shall have no vote.
- (c) In the event of an equal number of votes for and against any resolution, the chairman of the meeting shall have a casting vote as well as any deliberative vote.
28. (a) Where a Trustee does not have to be, or cannot be, a member of the Company, he or she may attend and speak at any General Meeting, but in those circumstances may not vote thereat.
- (b) The chairman of the meeting may permit any other person or persons to attend a General Meeting who otherwise has no right to do so, as an observer or observers. In that event, it shall be at the discretion of the chairman of the meeting whether any such observer may be invited to speak thereat.
29. Whilst personal attendance at a General Meeting is encouraged, an Ordinary Member shall be entitled to complete one form of proxy in order to appoint a proxy to attend a General Meeting on his or her behalf, in respect of which the following apply:
- (a) A proxy need not be a member.
- (b) A proxy appointed to attend and vote at any meeting instead of an Ordinary Member shall have the same right as the appointing Ordinary Member to speak at the meeting and to vote thereat.
- (c) The form appointing the Proxy, which may specify how the proxy is to vote (or to abstain from voting) on one or more resolutions, shall be in the following general terms (to be varied as required to fit the circumstances):

<p><u>Friends of The Birks Cinema</u> ("the Company")</p> <p>I, of....., being an Ordinary Member of the Company hereby appoint the chairman of the General Meeting/ or*....., of, as my proxy to vote for me on my behalf at the General Meeting of the Company to be held on..... and at any adjournment thereof.</p> <p style="text-align: center;">This form to be used in favour of/against the resolution(s)*</p> <p style="text-align: center;"><i>* to be deleted if not required, or amended if it is required</i></p> <p style="text-align: center;">Signature of member appointing proxy.....</p> <p style="text-align: center;">dated.....</p> <p style="text-align: center;">To be valid, this Form of Proxy, once signed and dated, must be lodged at least 48 hours before the start of the General Meeting referred to above</p>

- (d) The form appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, shall be lodged with

the Company not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the form proposes to vote, and in default the instrument of proxy shall not be treated as valid.

- (e) No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution, unless it expressly states to the contrary, in which event it shall be treated as valid until rescinded by the granter in writing to the Company.
 - (f) A vote given in accordance with the terms of a form of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of the death, insanity or revocation as aforesaid shall have been received at the Registered Office before the commencement of the meeting or adjourned meeting at which the proxy is used (not having been deliberately withheld).
 - (g) Appointment of a proxy may be revoked by the granter by written notice received by the Company before the start of the General Meeting (or adjourned meeting) to which it relates.
 - (h) Any reference in these Articles to voting being "in person" shall include voting by proxy.
30. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.
31. A resolution put to the vote at any General Meeting shall be decided verbally or on a show of hands, as appropriate, unless a secret ballot is demanded in the following terms:
- (a) such demand must be made either by the chairman of the meeting, or by two or more members having the right to vote on the resolution;
 - (b) such demand may be made at any time prior to a show of hands on that resolution, or immediately after the result of a show of hands on that resolution is declared;
 - (c) a demand for a secret ballot may be withdrawn by its proposers prior to the secret ballot taking place, provided that the chairman of the meeting consents to the withdrawal; and
 - (d) the secret ballot shall be conducted in such a manner as the chairman of the meeting may direct, and the chairman shall appoint and instruct tellers, who may cast their own personal votes if members and the result shall be declared by the chairman at the same meeting at which the ballot is taken.
32. (a) At any General Meeting a resolution put to the vote of the meeting shall be voted upon by a simple majority of the Ordinary Members who are present and voting thereon, except for decisions relating to any of the following Special Resolutions, which shall require to be decided upon by not less than 75% of the Ordinary Members present and voting thereon (no account therefore being taken of members who abstain from voting or who are absent from the meeting), namely:
- (i) to alter the name of the Company; or
 - (ii) to amend the Purposes; or
 - (iii) to amend these Articles; or

- (iv) to wind up the Company in terms of Clause 8 of the Memorandum of Association; or
 - (v) to amend the maximum number of Trustees in terms of Article 34; or
 - (vi) to purchase or sell any heritable property owned by the Company or any of its subsidiaries and to purchase any heritable property wherever situated; or
 - (vii) to form, acquire or dispose of any subsidiary; or
 - (viii) to acquire or dispose, whether by the Company or by any of its subsidiaries, of any shares of any other company or the participation or cessation of participation by the Company or by any of its subsidiaries in any formal trust or joint venture; or
 - (ix) to create or issue or allow to come into being any mortgage, security, charge or other encumbrance upon any part or parts of the property or assets of the Company or to obtain any advance or credit in any form other than normal trade credit, or to create or issue by any subsidiary of any debenture or loan stock; or
 - (x) to grant any guarantee or indemnity to any party, other than any wholly-owned subsidiary of the Company; or
 - (xi) all other Special Resolutions.
- (b) An ordinary resolution to be proposed at a General Meeting may be amended if:
- (i) written notice of the proposed amendment is received by the Company from a member entitled to vote thereat not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting; and
 - (ii) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- (c) A Special Resolution to be proposed at a General Meeting may be amended if:
- (i) the chairman of the meeting proposes the amendment at the General Meeting at which the Special Resolution is to be proposed; and
 - (ii) the amendment does not go beyond what is necessary to correct a grammatical, interpretative or other non-substantive error in the Special Resolution.
- (d) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.
33. (a) Ordinary and Special Resolutions may be passed in writing, rather than at a General Meeting, if the provisions of this Article are followed.
- (b) An ordinary resolution in writing signed by or on behalf of a simple majority of all the Ordinary Members shall be as valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held, provided that the provisions of this Article are followed.
- (c) A Special Resolution in writing signed by or on behalf of not less than 75% of all the Ordinary Members shall be as valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held, provided that the provisions of this Article are followed.
- (d) Written resolutions may not be used either for the removal of a Trustee prior to the expiration of his or her term of office, or for the removal of an independent financial examiner prior to the expiration of his or her term of office.

- (e) Any written resolution must be issued in hard copy (by hand or by post) or in electronic form (by fax or e-mail), or by means of a website at the same time, to all Ordinary Members on the Circulation Date (that is, the date on which copies of the written resolution are sent to the Ordinary Members).
- (f) Where such a written resolution is proposed by the Board, it must include the following express statements:
 - (i) an explanation to the eligible members how to signify their agreement to the resolution;
 - (ii) how it can be sent back by them, and whether in hard copy (by hand or by post) and/or in electronic form (by fax or by e-mail)
 - (iii) clarification that a failure to reply will be deemed to be a vote against the resolution in question; and
 - (iv) the date by which the resolution must be passed if it is not to lapse (that is, the date which is 28 days after the Circulation Date).
- (g) Where such a written resolution is proposed by members, the following shall apply:
 - (i) The resolution must be requested by not less than 5% of the Ordinary Members (“the members’ request”).
 - (ii) The members’ request may be made in hard copy (by hand or by post) or in electronic form (by fax or by e-mail).
 - (iii) The member’s request must identify the resolution to be put to members. The Board can reject this if it is, in its opinion, either frivolous, vexatious, defamatory of any person or would be ineffective (whether by reason of inconsistency with any enactment or these Articles or otherwise).
 - (iv) The members’ request can include an accompanying statement (not exceeding 1,000 words) which they can require the Company to issue with the written resolution to all Ordinary Members.
 - (v) Within 21 days, the Company must circulate the resolution and any accompanying statement with the express statements referred to in Article 33(f).
 - (vi) The Company may charge a reasonable fee to the requesting members to cover its costs of circulation of the members’ request.
- (h) Any such written resolution may consist of several documents in the same form, each signed by or on behalf of one or more Ordinary Members.
- (i) Once an Ordinary Member has signed and returned a written resolution in agreement thereto, his or her agreement is irrevocable.

XI THE BOARD OF TRUSTEES

- 34. The strategy and affairs of the Company shall be directed and managed by a Board of Trustees appointed in terms of this Chapter. The Board may exercise all such powers of the Company, and do on behalf of the Company all acts as may be exercised and done by the Company, other than those required to be exercised or done by the members in General Meeting, and subject always to these Articles and to the provisions of the Companies Act.
- 35. The Ordinary Members may, by Special Resolution, direct the Board to take, or to refrain from taking, specified action, but no such Special Resolution shall invalidate anything which the Board may have done prior to the passing of such Special Resolution.

36. (a) The Board may delegate any of its powers to any sub-committee (see Article 36(b) also), or persons or person, by such means, to such an extent and on such terms and conditions as it thinks fit, and may at any time revoke such delegation, in whole or in part, or alter such terms and conditions. If the Board so specifies, any such delegation may authorise further delegation of the Board's powers by any sub-committee or persons or person to whom they are delegated.
- (b) In the case of delegation to any one or more sub-committees, each shall consist of not less than one Trustee and such other person or persons as the Board thinks fit or which it delegates to the committee to appoint. Any sub-committee so formed shall, in the exercise of the powers so delegated, conform to any remit and regulations imposed on it by the Board. The meetings and proceedings of any such sub-committee shall be governed by the provisions of these Articles for regulating the meetings and proceedings of the Board so far as applicable and so far as the same shall not be amended or superseded by any specific regulations made by the Board for all or any sub-committees. A sub-committee may invite or allow any person to attend and speak, but not to vote, at any of its meetings. Such sub-committee shall regularly and promptly circulate, or ensure the regular and prompt circulation of, the minutes of its meetings to all Trustees.
37. (a) The number of Trustees shall be not less than three and, unless otherwise determined by special resolution at a General Meeting (but not retrospectively), not more than nine.
- (b) The Board may act notwithstanding any vacancy in it, but where the number of Trustees falls below the minimum number specified in this Article, it may only do so for the purpose of appointing sufficient Trustees to match or exceed that minimum.

XII APPOINTMENT OF TRUSTEES

38. (a) The Subscribers, and any one or more individual persons whom they choose to co-opt as Co-opted Trustees in terms of Article 42, shall comprise the Interim Board of Trustees.
- (b) The Interim Board shall remain in office until the first General Meeting of the Company, at which time each Trustee on the Interim Board shall retire, but may remain eligible for election thereat (without the period of office between the date of incorporation and the first General Meeting counting as a term of office).

Composition of Board

39. From and after the first General Meeting of the Company, the Board shall comprise:
- (a) up to six individual persons elected as Trustees by the Ordinary Members in terms of Article 40 ("the Elected Trustees"); and
- (b) up to three individual persons co-opted in terms of Article 41 ("the Co-opted Trustees").

Elected Trustees

40. (a) At the first General Meeting held in terms of Article 38(b), the Ordinary Members shall elect up to six Elected Trustees.
- (b) If the first General Meeting in terms of Article 38(b) hereof is held before the first AGM, there shall be no change in or election of Trustees at the first AGM

- (except to the extent of filling by co-option any vacancies in the Board left over after the first General Meeting or caused by any retirements since).
- (c) At the first AGM (but not if the terms of Article 40(a) apply) and at each subsequent AGM, one-third of the Elected Trustees (or the nearest number upwards) shall retire from office. A retiring Elected Trustee shall retain office until the close or adjournment of the meeting. A retiring Trustee shall be eligible for re-election after one term of office, but no Trustee can serve more than three consecutive terms of office, without at least one year out of office before being eligible again.
 - (d) If no other Trustee has or Trustees have decided or agreed to retire, the Elected Trustees to retire at each AGM shall be those who have been longest in office since their last election but, as between persons who were elected or last re-elected Trustees on the same day, the one or ones to retire shall (unless they otherwise agree amongst themselves) be determined by lot.
 - (e) Nomination of any Elected Trustee shall be in writing by not less than any two Ordinary Members. The nominee, who must be an Ordinary Member, shall confirm his or her willingness to act as an Elected Trustee if elected and if required shall provide a statement to explain the nominee's suitability. Except for the General Meeting held in terms of Article 35(b), at which nominations can be served validly until immediately before the start of the meeting itself, all nominations to be valid must be delivered to the Office not less than seven days prior to the date of the AGM in question.
 - (f) Election of any Elected Trustee shall be by vote of the Ordinary Members, each Ordinary Member having one vote for each vacancy in the Elected Trustees on the Board.

Co-opted Trustees

- 41. Up to three individuals may be co-opted from time to time by the Board of Trustees itself, as follows:
 - (a) Subject to Article 40(c), a Co-opted Trustee shall serve until the next AGM after his or her co-option.
 - (b) A Co-opted Trustee can be re-co-opted by the Board immediately after such next AGM.
 - (c) A Co-opted Trustee can be removed from office at any time by a simple majority of the Board.
 - (d) For the avoidance of doubt, a Co-opted Trustee may participate fully in and vote at all Board meetings which he or she attends.
- 42. The Board may from time to time fill any casual vacancy arising as a result of the retirement (or deemed retirement for any reason) of any Trustee elected in terms of Article 40, from or after the date of such retirement or deemed retirement until the next AGM.

XIII RETIRAL OF TRUSTEES

- 43. Any trustee must cease to be a Trustee in any one or more of the following events:
 - (a) if he or she is prohibited from being a member in terms of Chapter VI; or
 - (b) if he or she is prohibited from being a charity trustee by virtue of section 69(2) of the Charities Act; or
 - (c) if, in terms of section 66(5) of the Charities Act, he or she is considered by the Board to have been in serious or persistent breach of either or both of the

- duties listed in sections 66(1) and 66(2) of the Charities Act, such Trustee being entitled to be heard prior to the Board taking a decision; or
- (d) if he or she holds any office of profit or is employed by the Company (except where the provisions of Clause 6(d)(ii) of the Memorandum shall apply); or
 - (e) if he or she has a significant conflict of interest which the Board considers has and is likely to continue to undermine his or her ability to act impartially as a Trustee; or
 - (f) if he or she becomes incapable for medical reasons of fulfilling the duties of his or her office and such incapacity, as certified if necessary by two medical practitioners, is expected to continue for a period of more than six months from the date or later date of such certification; or
 - (g) if he or she is absent (without permission) from more than three consecutive meetings of the Board, and the Board resolves to remove him or her from office; or
 - (h) if, being an Elected Trustee, he or she ceases to be an Ordinary Member;
 - (i) if by notice in writing to the Office he or she resigns his or her office.

XIV CHAIRMAN AND VICE-CHAIRMAN

44. The Board shall meet as soon as practicable immediately after each AGM to appoint both a Chairman and, if desired, a Vice-Chairman of the Company from the Board (either or both of whom can be Co-opted Trustees).

XV PERSONAL INTERESTS

45. Any Trustee and/or employee who has a personal interest (as defined in Article 46) in any prospective or actual contract or other arrangement with the Company must declare that interest either generally to the Board or specifically at any relevant meeting of the Company. Where such an interest arises, the provisions within Article 47 shall apply.
46. A personal interest includes the following interests:
- (a) those of the Trustee or employee in question; and
 - (b) those of his or her partner or close relative; and
 - (c) those of any business associate; and
 - (d) those of any firm of which he or she is a partner or employee; and
 - (e) those of any limited company of which he or she is a director, employee or shareholder of more than 5% of the equity; and
 - (f) those of any person or organisation responsible for his or her appointment as a Trustee.
47. (a) Whenever a Trustee finds that there is a personal interest, as defined in Article 46, he or she has a duty to declare this to the Board meeting in question. In that event, the Trustee in question cannot partake in discussions or decisions relating to such matter.
- (b) It shall be for the chairman of the meeting in question to determine whether the Trustee in question should be required to be absent during that particular element of the meeting. In terms of Chapter XVI, where a Trustee leaves, or is required to leave, the meeting in question, he or she no longer forms part of the quorum thereat.

- (c) The Board may at any time resolve, but without taking a specific vote on the matter, to authorise any Trustee to continue acting where a real or potential conflict of interest exists in relation to a personal interest of that Trustee, but where it considers that the interests of the Company have not been nor are likely to be prejudiced as a result. The Trustee in question cannot be considered as part of the quorum for that part of any Board meeting giving consideration to this authorisation.
48. (a) The Board may resolve at any time to require all Trustees and employees to deliver a Notice of Relevant Interests to the Registered Office (or elsewhere as it may determine), as they arise and at least annually. In that event, the Board shall determine from time to time what additional interests to those listed in Article 46, if any, shall be relevant interests and shall ensure that a Register of Notices of Relevant Interests is maintained.
- (b) If existing, the Register of Interests shall be open for inspection by both the Board and members of the Company and, with the express prior written approval of the Trustee or employee concerned, by members of the public.

XVI QUORUM AT BOARD MEETINGS

49. (a) The quorum for Board meetings shall be not less than 50% of all the Trustees. No business shall be dealt with at a Board meeting unless a quorum is present.
- (b) A Trustee shall not be counted in the quorum at a meeting (or at least the relevant part thereof) in relation to a resolution on which, whether because of personal interest or otherwise, he or she is not entitled to vote.

XVII MEETINGS OF THE BOARD OF TRUSTEES

50. (a) Meetings of the Board may take place in person or by telephone conference call, video conference call or by any other collective electronic means approved from time to time by the Board.
- (b) Not less than 14 clear days' notice in writing shall be given of any meeting of the Board at which a decision is to be made in relation to any matter requiring to be decided by Special Resolution (as listed in Article 32), which notice shall be accompanied by an agenda and any papers relevant to the matter to be decided. All other Board meetings shall require not less than 7 days' prior notice, unless all Trustees agree unanimously in writing to dispense with such notice on any specific occasion.
- (c) A Trustee may, and on the request of a Trustee the Company Secretary shall, at any time, summon a meeting of the Board by notice served upon all Trustees, to take place at a reasonably convenient time and date.
51. The Chairman, whom failing the Vice-Chairman (if any), shall be entitled to preside as chairman of all Board meetings at which he or she shall be present. If at any meeting neither the Chairman nor the Vice-Chairman is present and willing to act as chairman of the meeting within 15 minutes after the time appointed for holding the meeting, the remaining Trustees may appoint one of the Trustees to be chairman of the Board meeting, which failing the meeting shall be adjourned until a time when the Chairman or Vice-Chairman will be available.

52. (a) The chairman of the Board meeting shall endeavour to achieve consensus wherever possible but, if necessary, questions arising shall be decided by being put to the vote, on a show of hands only, each Trustee present having one vote.
- (b) All decisions of the Board shall be by a simple majority at any meeting which is quorate at the time the decision is taken.
- (c) The decisions requiring a Special Resolution (listed in Article 32) cannot be taken by the Trustees alone, but must be taken by the Ordinary Members in terms of Article 32 and only thereafter acted upon by the Board as directed by the Ordinary Members.
- (d) In the event of an equal number of votes for and against any resolution at a Board meeting, the chairman of the meeting shall have a casting vote as well as a deliberative vote.
53. The Board may invite or allow any person to attend and speak, but not to vote, at any meeting of the Board.
54. The Board shall cause minutes to be made of all appointments of officers made by it and of the proceedings of all General Meetings and of all Board meetings and of sub-committees, including the names of those present, and all business transacted at such meetings and any such minutes of any meeting, if purporting to be signed after approval, either by the chairman of such meeting, or by the chairman of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated. The minutes shall be retained for at least 10 years.
55. All acts *bona fide* done by any Board meeting, or of any sub-committee, or by any person acting as a Trustee shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such Trustee or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Trustee.
56. A resolution in writing (whether one single document signed by all or a sufficient majority of the Trustees or all or a sufficient majority of the members of any sub-committee), whether in one or several documents in the same form each signed by one or more Trustees or members of any relative sub-committee as appropriate, shall be as valid and effectual as if it had been passed at a meeting of the Board or of such sub-committee duly convened and constituted.
57. No alteration of the Memorandum or Articles and no direction given by Special Resolution shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given.

XVIII ANCILLARY REGULATIONS

58. The Board may from time to time promulgate, review and amend any Ancillary Regulations, Guidelines and/or Policies, subordinate at all times to the Memorandum of Association and these Articles, as it deems necessary and appropriate to provide additional explanation, guidance and governance to members.

XIX
COMPANY SECRETARY, MINUTE SECRETARY,
TREASURER & PRINCIPAL OFFICER

59. The Board may appoint a Company Secretary for such term and upon such conditions as it may think fit. The Company Secretary may be removed by the Board at any time, subject to the terms of any prevailing contract.
60. The Board may appoint a Minute Secretary, for the purposes of Article 54, for such term and upon such conditions as it may think fit. The Minute Secretary may be removed by the Board at any time, subject to the terms of any prevailing contract. The Board may award an annual salary, honorarium or other appropriate fee to the Minute Secretary at its discretion, but can only do so if the Minute Secretary is not a Trustee.
61. The Board may appoint a Treasurer for such term and upon such conditions as it may think fit. The Treasurer may be removed by the Board at any time, subject to the terms of any prevailing contract. The Board may award an annual salary, honorarium or other appropriate fee to the Treasurer at its discretion, but can only do so if the Treasurer is not a Trustee. Whilst in post, the Treasurer may be required to attend (but shall have no vote at) Board meetings during his or her tenure as Treasurer, except any part or parts thereof dealing with his or her employment or remuneration, or any other matter which the Board wish to keep confidential to itself.
62. The Board may appoint a Principal Officer of the Company on such terms (including a decision on the most appropriate job title) and conditions as it may think fit, who shall attend Board and Sub-Committee meetings as appropriate or required, but who shall not be a Trustee and, for the avoidance of doubt, will have no vote thereat..

XX
HONORARY PATRON(S)

63. The Ordinary Members in General Meeting may, on a proposal from the Board, agree to the appointment of one or more Honorary Patrons of the Company, who would be appointed either for such fixed period as those Members determine or for an unspecified period until such appointment be terminated by them. The Honorary Patron or Patrons would be entitled to notice of all General Meetings and to attend and contribute to discussion but not vote thereat.

XXI
FINANCES

64. The banking account or accounts of the Company shall be kept in such bank or building society and/or banks or building societies as the Board shall from time to time determine.
65. All cheques and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.

66. The Board shall ensure that all funds and assets of the Company are applied towards achieving the Purposes.

XXII ACCOUNTS

67. The Board shall cause accounting records to be kept in accordance with the requirements of the Companies Act and other relevant regulations.
68. The accounting records shall be maintained by the Treasurer (if there is one) and overseen by the Principal Officer (if there is one), or otherwise by, or as determined by, the Board. Such records shall be kept at such place or places as the Board shall think fit and shall always be open to the inspection of the Trustees. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting records of the Company or any of them shall be open to the inspection of the members of the Company.
69. Once at least in every year, or as otherwise provided for by the Companies Act, the accounts of the Company shall be examined by an independent financial examiner, who shall be appointed by the Board on the direction of members in General Meeting.
70. (a) At each AGM, the Board shall provide the members with a copy of the accounts for the period since the last preceding accounting reference date or (in the case of the first account since the incorporation of the Company).
- (b) The accounts shall be accompanied by proper reports of the Board and the independent financial examiner.
- (c) Copies of such accounts shall, not less than 14 clear days before the date of the General Meeting at which they fall to be approved, be delivered or sent to all members, Trustees, the Company Secretary and the independent financial examiner, or otherwise be available for inspection on the website of the Company (with all members, Trustees, the Company Secretary and the independent financial examiner being made aware that they are so available for inspection there).

XXIII NOTICES

71. A notice may be served by the Company upon any member, either personally or by sending it by post, fax, e-mail or other appropriate electronic means, addressed to such member at his or her or its registered address as appearing in the Register of Members.
72. Any notice, whether served by post or otherwise, shall be deemed to have been served on the day following that on which the letter containing the same is put into the post or is otherwise dispatched.
73. A member present at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purpose for which it was called.
74. The business of the Company and all its correspondence with and notification to or from members may be conducted equally validly and effectively if transmitted by

fax or e-mail or other appropriate electronic means (except where a member specifically requests all such correspondence and notification by post) or otherwise if publicised on the website of the Company where the Company has advised each member of this and has taken due steps to notify by other reasonable means all other members who state that they do not have access to the Internet.

XXIV INDEMNITY

75. Subject to the terms of the Companies Act and without prejudice to any other indemnity, the Trustees, or member of any sub-committee, the Company Secretary, Treasurer and all employees of the Company shall be indemnified out of the funds of the Company against any loss or liability (including the costs of defending successfully any court proceedings) which he, she or they may respectively incur or sustain, in connection with or on behalf of the Company and each of them shall be chargeable only for so much money as he or she may actually receive and they shall not be answerable for the acts, receipts, neglects or defaults of each other, but each of them for his or her own acts, receipts, neglects or defaults only.

XXV ALTERATION OF MEMORANDUM & ARTICLES OF ASSOCIATION

76. Subject to the terms of Article 32, no alteration in the Memorandum and/or these Articles may at any time be made unless by the decision of 75% of the Ordinary Members present and voting at a General Meeting called specifically (but not necessarily exclusively) for the purpose.

XXVI DISSOLUTION

77. Clause 8 of the Memorandum of Association of the Company, relating to the winding up and dissolution of the Company, shall have effect as if its provisions were repeated in these Articles.

Names and Addresses of Subscribers

1.

Ms Charlotte Amanda Flower

The Old Schoolhouse, Acharn, Aberfeldy, Perthshire PH15 2HS

2.

Miss Helen Julia Watson

Tressait Barn, Strathtummel, Nr. Pitlochry, Perthshire PH16 5RS

3.

Ronald Neil Young

Cnoc Mor, 8 Burns Brae, Aberfeldy, Perthshire PH15 2ER

Dated the 28th May 2009

Witness to the above signatures: _____

Name: **Laura Jane Robson**

Occupation: *Solicitor*

Address: *51 Atholl Road, Pitlochry, Perthshire PH16 5BU*