



THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION

of

BUDDIES CLUBS AND SERVICES (GLASGOW WEST LTD)

1. The name of the Company is "BUDDIES CLUBS AND SERVICES (Glasgow West) LTD.
2. The registered office of the Company will be situated in Scotland.

Clause 3.1

The Charitable purposes for which the Company is established are the advancement of education and the relief of the needs of children, young persons, adults and families who are affected by disability by:

- (a) the relief of the needs of children, young persons (aged 5 to 19 years), adults (over 19 years) and families who, affected by disability, have special educational needs;
- (b) bringing those with disabilities together with their able bodied counterparts for safe, stimulating and supervised play and general social interaction to develop their own capacities, abilities and skills;
- (c) assisting children, young persons and adults through the provision of leisure time activities; providing a centre for classes, meetings, games and other forms of leisure time occupation; and
- (d) providing counselling, specialist treatment and rehabilitation of children, young persons and adults and their families.
- (e) the provision of mainstream nursery services and qualified nursery staff for children aged 6 weeks to 5 years;

- 3.2 For the purposes aforesaid but not otherwise the Company shall have power:

- 3.2.1 to seek recognition by the Inland Revenue as having the status of a charity;
- 3.2.2 to establish and run such groups or organised activities as it may determine in furtherance of any or all of the objects of the Company;
- 3.2.3 to fix the level of and collect any fees payable in respect of persons attending any groups run by the Company;
- 3.2.4 to purchase, take on lease or in exchange, hire or otherwise acquire and hold any lands, houses, buildings, equipment, goods and other property, heritable

or moveable, real or personal and any rights or privileges which may be considered necessary or convenient for any purposes of the Company;

- 3.2.5 to develop land and to construct, refurbish or alter and maintain and from time to time renew any building;
- 3.2.6 to provide, endow, furnish and fit out with all necessary furniture and other equipment, and maintain and manage such accommodation and other premises as may be required for any of the purposes of the Company;
- 3.2.7 to effect insurance against risks of all kinds;
- 3.2.8 to encourage the growth of other similar charitable activities amongst all persons whether or not members of or connected with the Company;
- 3.2.9 to take any gift of property, either unconditionally or subject to such conditions as may be agreed but so that no such conditions shall be inconsistent with the objects of the Company;
- 3.2.10 to take such steps by personal or written appeals, public meetings, publications or otherwise as may be considered necessary for the purpose of procuring contributions to the funds of the Company or funds applicable for any particular charitable purpose by means of donations, covenants, subscriptions or otherwise provided that the Company shall not undertake any permanent trading activities;
- 3.2.11 to publish any newspapers, periodicals, books, leaflets or other publications which the Company may consider desirable for the promotion of any of its objects;
- 3.2.12 subject to such consents as may be required by law, to raise money by borrowing in such manner and on such terms as to security and otherwise as the Company thinks fit;
- 3.2.13 to sell, manage, excamb, feu, lease, mortgage, charge, hire, dispose of or otherwise deal with any property heritable or moveable, real or personal and any rights or privileges necessary or convenient for the purposes of the Company subject in every case to such consents or orders (if any) as may be required by law;
- 3.2.14 to invest any moneys of the Company not immediately required for its purposes in or upon such investments, securities or property as the Company thinks fit;
- 3.2.15 to undertake any charitable trust or other activity which directly or indirectly promotes any of the objects of the Company;
- 3.2.16 to employ and pay all such officers and servants as may be required for the purposes of the Company and to make all reasonable and necessary provision for the payment of pensions and superannuation to or on behalf of employees and their widows or other dependants;

- 3.2.17 to establish and support, and to aid in the establishment and support of, any other charitable foundations or associations formed for all or any of the objects of the Company;
 - 3.2.18 to establish, promote and otherwise assist any charitable company or companies for the purpose of acquiring any of the property or furthering any of the objects of the Company;
 - 3.2.19 to amalgamate with any charitable companies, institutions, societies, foundations or associations having objects altogether or in part similar to those of the Company;
 - 3.2.20 to purchase or otherwise acquire and undertake all or any part of the property, assets, liabilities and engagements of any one or more of the charitable companies, institutions, societies, foundations or associations with which the Company is authorised to amalgamate;
 - 3.2.21 to transfer all or any part of the property, assets, liabilities and engagements of the Company to any one or more of the charitable companies, institutions, societies, foundations or associations with which the Company is authorised to amalgamate or to any company which it is hereby authorised to establish, promote and otherwise assist;
 - 3.2.22 to establish and to hold shares in a subsidiary trading company;
 - 3.2.23 to do all such other lawful things as will further the attainment of the objects of the Company;
- 3.3 Provided that:
- 3.3.1 in case the Company shall take or hold any property which may be subject to any trusts, the Company shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts;
 - 3.3.2 the objects of the Company shall not extend to the regulation of relations between workers and employers or organisations of workers and organisations of employers;
 - 3.3.3 in case the Company shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales, the Company shall not sell, mortgage, charge or lease the same without such authority, approval or consent as may be required by law, and as regards any such property the Committee or governing body of the Company shall be chargeable for any such property that may come into their hands and shall be answerable and accountable for their own acts, receipts, neglects and defaults, and for the due administration of such property in the same manner and to the same extent as they would as such Committee or governing body have been if no incorporation had been effected, and the incorporation of the Company shall not diminish or impair any control or authority exercisable by the Court of Session, Chancery Division or the Charity Commissioners over such Committee or governing body but they shall as regards any such property be subject jointly and severally to such control or authority as if the Company were not incorporated.

4. The income and property of the Company shall be applied solely towards the promotion of its objects as set forth in the Memorandum of Association and no portion thereof shall be paid or transferred, directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit, to members of the Company. Provided that nothing herein shall prevent any payment in good faith by the Company:
 - 4.1 of reasonable and proper remuneration to any member, officer or servant of the Company not being a member of its Committee or governing body for any services rendered to the Company;
 - 4.2 of interest on money lent by any member of the Company or of its Committee or governing body at a reasonable and proper rate per annum not exceeding 2 per cent less than the published base lending rate of a clearing bank to be selected by the Committee or governing body;
 - 4.3 of reasonable and proper rent for premises demised or let by any member of the Company or of its Committee or governing body;
 - 4.4 of fees, remuneration or other benefit in money or money's worth to any company of which a member of the Committee or governing body may also be a member holding not more than 1/100th part of the capital of that company; and
 - 4.5 to any member of its Committee or governing body of reasonable out-of-pocket expenses.
5. The liability of the members is limited.
6. Every member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up while he is a member or within one year after he ceases to be a member, for payment of the debts and liabilities of the Company contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding £1.
7. If upon the winding up or dissolution of the Company there remains after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Company, but shall be given or transferred to some other charitable institution or institutions, having objects similar to the objects of the Company, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Company under or by virtue of Clause 4 hereof, such institution or institutions to be determined by the members of the Company at or before the time of dissolution, and if and so far as effect cannot be given to such provision then to some other charitable object.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a company in pursuance of this Memorandum of Association,

THE COMPANIES ACT 1985
COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

of

BUDDIES CLUBS AND SERVICES (GLASGOW WEST) LTD

PRELIMINARY

1. In these Articles, if not inconsistent with the subject or context, the words set out in the first column of the table below shall bear the meanings set opposite to them respectively in the second column thereof.

WORDS	MEANINGS
The Company	BUDDIES CLUBS AND SERVICES (Glasgow West)
The Statutes	The Companies Act 1985 (or any statutory modification thereof) and every other Act for the time being in force concerning companies and affecting the Company
These Articles	These Articles of Association, as originally framed, or as from time to time altered by Special Resolution
The Committee	The Committee for the time being of the Company
Office	The registered office of the Company
Family	A unit consisting of either (a) a husband and wife and their child or children or (b) a single parent and his or her child or children
Group	Any group or activity organised by the Company
The United Kingdom	Great Britain and Northern Ireland
Month	Calendar month
Year	Calendar year
Secretary	Any person appointed to perform the duties of the Company's secretary
Treasurer	Any person appointed to perform the duties of the Company's treasurer

Save as aforesaid, any words or expressions defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

In these Articles, unless the context otherwise requires, or as otherwise specified, words importing the male gender shall include the female and vice versa.

MEMBERSHIP

2. The subscribers to the Memorandum of Association shall be the initial members of the Company. The minimum number of members of the Company shall be two and the maximum shall be fifty but the Committee may from time to time register an increase of members.
3. The subscribers to the Memorandum of Association and such other persons as the Committee shall admit to membership in accordance with the provisions in these Articles shall be members of the Company.
4. The Committee shall have an absolute discretion in determining whether to accept or reject any application for membership and shall not be bound to assign any reason for its decision but nothing herein contained shall entitle the Committee to discriminate in any way between applicants by reason of race, colour or creed.
5. Membership shall not be transferable. A member shall cease to be a member:-
 - 5.1 on death; or
 - 5.2 if he shall tender his resignation in writing;
 - 5.3 if the Committee for good and sufficient reason decides to terminate his membership, provided that the member concerned shall have a right to be heard before any final decision is made.
6. There shall be two types of member known as Family Members and Associate Members:-
 - 6.1 Family Members shall be the parents and guardians of the young people who attend any Group run by the Company
 - 6.2 Associate Members shall be any other interested person who is invited by the Committee to become an associate member on an annual basis on payment of such subscription as may be fixed by the Committee from time to time.

GENERAL MEETINGS

7. An Annual General Meeting shall be held not more than eighteen months after the incorporation of the Company and subsequently once in every Year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Committee. All other General Meetings shall be called Extraordinary General Meetings.
8. The Committee or one quarter of the members may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed to convene an Extraordinary General Meeting.

NOTICE OF GENERAL MEETINGS

NOTICES

9. An Annual General Meeting and an Extraordinary General Meeting at which it is proposed to pass a Special Resolution shall be called by twenty one clear days' notice in writing at the least, and any other General Meeting by twenty one clear days' notice in writing at the least, exclusive in either case of the day on which the notice is served or deemed to be served and of the day for which it is given.

If the Chairman or Secretary does not call an Extraordinary General Meeting within two months of a request to do so any member may call that meeting by putting up a notice in a conspicuous place where the group meets at least fourteen days prior to the date of the proposed meeting.

Provided that a General Meeting shall, notwithstanding that it is called by shorter notice than as aforesaid, be deemed to have been duly called if it is so agreed:

- 9.1 in the case of an Annual General Meeting, by all the members entitled to attend and vote thereat; and
- 9.2 in the case of an Extraordinary General Meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together representing not less than ninety five (95) per cent of the total voting rights at that meeting of all the members.

The accidental omission to give notice to, or the non-receipt of notice by, any person entitled to receive notice shall not invalidate the proceedings at that Meeting.

CONTENTS OF NOTICES

10. Every notice calling a General Meeting shall specify the place and the day and hour of the meeting and in the case of an Annual General Meeting shall also specify the meeting as such. If other than routine business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect.

ROUTINE BUSINESS

11. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:
- 11.1 Reading, considering and adopting the balance sheet and income and expenditure account and reports of the Committee and the Auditors, and other related documents.
- 11.2 Appointing Auditors and fixing their remuneration or determining the manner in which such remuneration is to be fixed.

PROCEEDINGS AT GENERAL MEETINGS

QUORUM

12. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Thirty per cent (30%) of the members or two members whichever is the greater present in person shall be a quorum for all purposes.
13. If within fifteen minutes from the time appointed for the meeting a quorum is not present the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Committee may determine, and if at the adjourned meeting a quorum is not present within fifteen minutes from the time appointed for the meeting the member or members present in person or by proxy shall be a quorum.
14. The Chairman, if any, elected in accordance with Article 57 hereof shall preside as Chairman at every General Meeting of the Company, or if there is no such Chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act the members of the Committee present shall elect one of their number to be Chairman of the meeting.
15. The Chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. It shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
16. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:
 - 16.1 the Chairman of the meeting; or
 - 16.2 not less than two members present in person or by proxy.

A demand for a poll may be withdrawn. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the Chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.
17. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the resolution unless it be pointed out at the same meeting, or at an adjournment thereof, and not in that case unless it shall in the opinion of the Chairman be of sufficient magnitude to vitiate the resolution.
18. If a poll is duly demanded (and the demand is not withdrawn) it shall be taken in such manner as the Chairman may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman may appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.
19. If a poll is demanded on any question it shall be taken either immediately or at such time and place as the Chairman of the meeting directs and any business other than

that upon which the poll has been demanded may be proceeded with pending the taking of the poll. No notice need be given of a poll not taken immediately.

20. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.
21. Subject to the provisions of the Statutes a resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at General Meetings (or being corporations by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a General Meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

VOTES OF MEMBERS

22. Subject to Article 23, each Family Member and each Associate Member shall be entitled to one vote, which vote shall be given either personally or by proxy.
23. Where there is more than one Family Member and/or Associate Member within a Family, the Family shall be restricted to one vote only and it shall appoint a voting representative for that purpose. The Secretary must be notified in writing of the name and address of the voting representative from time to time.
24. On a poll votes may be given either personally or by proxy.
25. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised. A proxy need not be a member of the Company.
26. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Office or at such other place within the United Kingdom as is specified for that purpose in the notice convening the meeting, not less than forty eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
27. An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:

"I/We _____ of _____ in the county of _____
 being a _____ member/members of the above named Company, hereby
 appoint _____ of _____ or failing him
 of _____ as my/our proxy to vote for me/us on my/our behalf at the
 [annual or extraordinary, as the case may be] general meeting of the company to be
 held on the _____ day of _____, and at any adjournment thereof.

Signed this _____ day of _____

28. Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:

"I/We _____ of _____ in the county of _____ being a member/members of the above named company, hereby appoint _____ of _____ or failing him _____ of _____ as my/our proxy to vote for me/us on my/our behalf at the [annual or extraordinary, as the case may be] general meeting of the company to be held on the _____ day of _____ and at any adjournment thereof.

Signed this _____ day of _____ to be used (*in favour) of the resolution _____

(against)

Unless otherwise instructed, the proxy will vote as he thinks fit.

*Strike out whichever is not desired."

29. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
30. A vote given in accordance with the terms of an instrument 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 such death, insanity or revocation as aforesaid shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.
31. Any matter or thing which may under these Articles be dealt with by Ordinary Resolution and is not required by law to be dealt with in General Meeting may, if the Committee so resolve, be determined by a postal ballot to be conducted in such manner as the Committee may think fit and any resolution declared by the Committee to have been carried by a majority of the members voting on such ballot shall have effect in all respect as if it were an Ordinary Resolution duly passed at a meeting of the Committee duly convened and held.

CORPORATIONS ACTING BY REPRESENTATIVES AT MEETING

32. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

THE COMMITTEE

33. The subscribers to the Memorandum of Association shall be the initial Committee members. The Committee thereafter shall consist of a minimum of two members and a maximum of fifteen but the Committee may from time to time increase the maximum number of Committee Members.

34. At least two thirds of the Committee members shall be parents or guardians of persons who participate in Groups run by the Company.

APPOINTMENT AND RETIREMENT OF MEMBERS OF THE COMMITTEE

35. (a) Any person who wishes to be considered for appointment as a Director at an Annual General Meeting shall lodge with the Company written notice of his willingness to be appointed (in such form as the Directors require), signed by him, at least seven days before the Annual General Meeting. Any application for appointment as a Director aforesaid shall be in accordance with the provisions of Article 35 (b).
- (b) Any prospective Director must be nominated more than one calendar month before the Annual General Meeting of the Company and nomination forms (in the form supplied by the Company) shall be completed by a proposer and seconder who must be existing Directors of the Company. The nomination form shall provide profile details of an applicant for directorship and the reasons for his interest in the Company and his desire to become a Director. For the avoidance of doubt, the provisions of this Articles 35(b) shall not prejudice the powers of the Directors in terms of Article 37 hereof.
36. At an Annual General Meeting, the Company may by ordinary resolution appoint as a Director any person in respect of whom a written notice of willingness to accept such an appointment has been received in compliance with Article 35.
37. The Directors may at any time appoint any person (provided he is willing to act) to be a Director either to fill a vacancy or as an additional Director.
38. At the first Annual General Meeting all the Directors shall retire from office.
39. At each Annual General Meeting (other than the first):-
- 39.1 all Directors who have been appointed by the Directors since the date of the last Annual General Meeting shall retire from office and
- 39.2 out of the remaining Directors, one third (to the nearest round number) shall retire from office.
40. The Directors to retire under Article 39.2 shall be those who have been longest in office since they were last appointed or reappointed; the question of who is to retire as between Directors appointed or reappointed on the same date shall be determined by lot (unless they otherwise agree among themselves).
41. The Company may at any Annual General Meeting by ordinary resolution reappoint any Director who retires from office at the meeting under Articles 38 or 39 (provided he is willing to act); if any such Director is not reappointed, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.
42. A member of the Committee shall vacate office in any of the following events, namely:
- 42.1 if he resigns in writing;

- 42.2 if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- 42.3 he is, or may be, suffering from mental disorder and either:
- (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs.
- 42.4 if the Committee by resolution determine that he be removed from office. A Committee member shall not have a vote on a resolution for his removal from office.
43. The members of the Committee, at the discretion of the Chairman, may be paid all reasonable travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Committee or any sub-committee of the Committee or general meetings of the Company or in connection with the business of the Company.
44. No paid employees of the Company shall be entitled to vote nor be appointed as Committee members.

PROCEEDINGS OF THE COMMITTEE

45. The Committee may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. Any member of the Committee may, and the Secretary on the requisition of a member of the Committee shall, at any time summon a meeting of the Committee. It shall not be necessary to give notice of a meeting of the Committee to any member thereof for the time being absent from the United Kingdom.
46. The quorum necessary for the transaction of the business for the Committee shall be not less than half of the Committee. A meeting of the Committee at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Committee.
47. The continuing members of the Committee may act notwithstanding any vacancies, but, if and so long as the number of members of the Committee is reduced below the minimum number fixed by or in accordance with these Articles, the continuing members or member of the Committee may act for the purpose of filling up such vacancies or of summoning a General Meeting of the Company, but for no other purpose.
48. The members of the Committee may elect persons to act as Chairman and Vice Chairman in accordance with the provisions of Article 57 hereof. If at any meeting the Chairman so elected shall not be present within five minutes after the time appointed for holding the same, the members of the Committee present may choose

one of their number to be Chairman of the meeting. In the case of an equality of votes, the Chairman shall be entitled to a second or casting vote.

49. A resolution in writing signed by all the members of the Committee for the time being in the United Kingdom shall be as effective as a resolution passed at a meeting of the Committee duly convened and held, and may consist of several documents in the like form, each signed by one or more of the members of the Committee.
50. The Committee may delegate any of their powers to sub-committees consisting of such member or members of their body as they think fit. Any sub-committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Committee. Any such regulations may provide for or authorise the co-option to the sub-committee of persons who are not members of the Committee or members of the Company. All actions and decisions taken by such committees shall be reported back to the Committee as soon as possible.
51. The meetings and proceedings of any sub-committee shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Committee so far as the same are applicable and are not superseded by any regulations made by the Committee. Co-opted members shall have no voting rights on any sub-committee.
52. All acts done by any meeting of the Committee or a sub-committee thereof, or by any person acting as a member of the Committee or sub-committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment or continuance in office of any member of the Committee or sub-committee or person acting as such or that any such member or person was disqualified or had vacated office or was not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a member of the Committee or sub-committee and had been duly appointed.

BORROWING POWERS

53. The Committee may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking and property, or any part thereof.

POWERS OF THE COMMITTEE

54. The affairs of the Company shall be managed by the Committee who may pay all expenses incurred in forming and registering the Company and may exercise all such powers of the Company as are not by the Statutes or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless to any other provisions of these Articles and to the provisions of the Statutes, and to such regulations as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting shall invalidate any prior act of the Committee which would have been valid if that regulation had not been made.
55. The Committee shall have power from time to time to adopt and make, alter or revoke, byelaws for the regulation of the Company and otherwise for the furtherance of the purposes for which the Company is established, provided that such byelaws are not repugnant to the Memorandum or Articles of Association. All such byelaws for the time being in force shall be binding upon all members and no member shall be absolved from such byelaws by reason of his not having received a copy of the

same, or of any alterations or additions thereto, or having otherwise no notice of them. It is expressly declared that without prejudice to the powers of the Committee to make byelaws on other matters the following shall be deemed to be matters which may be governed by byelaws within the meaning of this Article, that is to say:

- 55.1 as to the persons eligible for membership of the Company;
- 55.2 as to the conditions on which persons shall be admitted to membership of the Company;
- 55.3 as to the manner in which membership of the Company may be terminated or shall determine;
- 55.4 as to the rights and privileges to be accorded to, and the qualifications, restrictions and conditions to be imposed on, members of the Company;
- 55.5 as to sub-committees in connection with various branches of the Company's activities and as to the appointment, removal, qualification, disqualification, duties, functions, powers and privileges of members of such sub-committees;
- 55.6 As to the manner in which the Company's funds are to be distributed.

Provided always that no byelaw as to the manner in which membership may be terminated shall have any validity or effect unless it provides that any member whose membership is proposed to be terminated shall be given a proper opportunity of attending and being heard at any meeting to which such proposal is to be submitted.

- 56. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by two different Officers of the Company, one of whom should normally be the Treasurer or in such manner as the Committee shall from time to time by resolution determine.

OFFICERS

- 57.1 The Committee may elect from their own number persons to act as the Chairman and Vice Chairman of the Company.
- 57.2 Subject always to the provisions of Article 57.3, any person so elected shall initially hold office for a period of four years from the date of his appointment but if willing to act, may be reappointed for a further period of four years. On the expiry of the latter period of four years, he must retire from office but he may offer himself for election as Chairman or Vice Chairman at any time after the expiry of four years from the date of his retiral.
- 57.3 Any person elected as Chairman or Vice Chairman shall vacate office if he ceases to be a member of the Committee.
- 58. Subject to the proviso that no person who is a Charity Trustee in terms of The Charities and Trustee Investment (Scotland) Act 2005 (or any statutory modification thereof) shall receive remuneration from the Company, any person who is an employee of the Company shall not be present at any meetings at which his or her appointment, conditions of service or remuneration are discussed or voted upon and any person who is also an employee shall not vote upon any appointment, conditions

of service or remuneration of any other employee of the Company. The maximum amount of the remuneration to be paid to any employee of the Company shall be set out in a written agreement, shall be reasonable in all of the circumstances and the Directors generally shall be satisfied that it is in the best interests of the Company to employ and to remunerate such employee in such a manner.

SECRETARY AND TREASURER

59. Subject to the provisions of the Statutes the Committee shall elect a Secretary and a Treasurer from their own number for such term and upon such conditions as they may think fit, and any Secretary or Treasurer so elected may be removed by them. The Secretary and Treasurer may be one and the same person. The Company (by a majority decision of the Committee) may pay an honorarium to the Secretary and/or the Treasurer provided that (1) the Secretary and/or the Treasurer shall not participate in any decision regarding their appointment to a post receiving an honorarium or remuneration of any kind and shall not participate in any decision regarding their conditions of service and remuneration (2) the Company (by a majority decision of the Committee) must approve any honorarium or other remuneration as being beneficial to the charitable purposes of the Company (3) a written agreement relating to the terms and conditions of employment is entered into and (4) in no circumstances shall more than half of the Directors (or the Committee) at any time be employed by or receive an honorarium from or be remunerated by the Company or be interested in the supply of goods or services at the cost of the Company in any circumstances whatsoever (declaring that this Article shall not prevent a Director of the Company (or a member of the Committee) from holding office or being a shareholder in a public Company, shares in which are held on the Company's behalf or from obtaining the repayment of reasonable out-of-pocket expenses incurred on the Company's behalf.

ACCOUNTS AND AUDIT

60. The Committee shall cause to be kept at the Office, or at such other place within Great Britain as the Committee think fit, proper books of account which conform in all respect with the provisions of the Statutes and which shall contain in particular (and without prejudice to the generality of the foregoing):
- 60.1 all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place;
 - 60.2 all sales and purchases of assets by the Company;
 - 60.3 the assets and liabilities of the Company.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.

The books of account shall always be open to the inspection of members of the Committee.

61. The Committee shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being members of the Committees, and no member (not being a member of the

Committee) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Committee or by the Company in general meeting.

62. The Committee shall from time to time in accordance with the Act, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.
63. A summary of every balance sheet which is to be laid before the Company in general meeting shall not less than twenty one days before the date of the meeting, be sent to every member of, and every holder of debentures of, the Company. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting, together with a copy of the Auditor's Report if applicable, shall be available for inspection at the Registered Office of the Company for a period of not less than 21 days before the date of the meeting. Provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any debentures.
64. The Committee shall prepare annual accounts, complying with all relevant statutory requirements; if an audit is required under any statutory provision or considered appropriate by the Committee, the Committee shall ensure that an audit is carried out by a registered auditor.

NOTICES

65. Any notice or document may be served by the Company on any member either personally or by sending it through the post in a first class prepaid letter addressed to such member at the registered address as appearing in the register of members or to such other address as he may supply to the Company for the giving of notices to him, and any notice so served by post shall be deemed to have been duly served notwithstanding that such member be then dead or bankrupt and whether or not the Company have notice of his death or bankruptcy.
66. A member described in the register of members by an address not within the United Kingdom who has not supplied to the Company an address within the United Kingdom for the giving of notices to him shall not be entitled to receive any notice from the Company.
67. Any notice or document served by first class post shall be deemed to have been served at the expiration of 24 hours after the letter containing the same is posted, and in proving such service it shall be sufficient to show that the letter containing the notice or document was properly addressed, stamped and posted.

INDEMNITY

68. Subject to the provisions of the Statutes and of the Memorandum of Association every member of the Committee, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto.

WINDING UP

69. The Company may be wound up on a majority vote at a General Meeting where two thirds of the members are present. If there is no Annual General Meeting for two successive years, and if no Committee member makes the necessary arrangements any other member may do so.
70. Upon the winding-up of the Company the provisions of Clauses 6 and 7 of the Memorandum of Association shall have effect and be observed as if the same were repeated herein.