

## The Companies Act 2006

### Special Resolution



Company Name: RSABI

Company Number: Registered No. 268622

At a General Meeting of the above company, duly convened and held at The Seminar Room, Upper Foyer, Highland Hall, Ingliston, Edinburgh at 12.30pm on Wednesday 16<sup>th</sup> November 2016, the following resolutions were passed as a special resolutions:

#### Resolution:

That

**1 The following clauses in the memorandum and articles of association shall be amended as follows:**

#### Memorandum:

- 4 The Object of the Trust (the Objects) are:  
To provide payments, or otherwise afford support and assistance, to persons who are or have been engaged in agriculture, crofting or horticulture, in Scotland and their dependants and who are in need; For the avoidance of doubt, any persons or their dependants who are or were engaged in other land-based occupations in Scotland in some form and who receive assistance from the Trust as at 16 November 2016 shall continue to be entitled to benefit from the Trust at the sole discretion of the trustees for as long as they remain in need
- 5(u) To engage or 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 Trust in nominee names, but subject always to the provisions of the Charities Act.

#### Articles:

- 5(e) the Chairman *ex officio* of **Scottish Land and Estates**, a Scottish guarantee company incorporated under Company Number SC257726 and having its Registered Office at Stuart House, Eskmills Business Park, Station Road, Musselburgh, East Lothian EH21 7PB, or its successors;
- 13(c) The Board must convene an EGM within 28 days of a valid requisition. To be valid, such requisition must be signed by not less than 10% of the members, must clearly state the objects of the meeting and must be deposited at the Office. The requisition may consist of several documents in like form each signed by one or more requisitionists.

- 29(a) i An elected Trustee will serve a three year term before requiring re-election at an AGM. No Trustee can serve more than three consecutive terms of office without at least 3 years out of office before being eligible again. A retiring Elected Trustee shall retain office until the close or adjournment of the meeting.
- 62 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.

**2 The memorandum and articles of association shall be altered so as to take the form of the memorandum and articles of association attached to this resolution are in substitution for, and to the exclusion of memorandum and articles of association of the company previously registered with the Registrar of Companies.**

Signed John Kinnaird  
Name JOHN KINNIRD  
Position CHAIRMAN  
Date 28.02.2017

NEW

Company number. SC268622

THE COMPANIES ACTS 1985 - 1989

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

**MEMORANDUM &  
ARTICLES of ASSOCIATION**  
**of**

***RSABI***

Incorporated on 2 June 2004  
and amended on 11 October 2005, 19 November 2008 and 16<sup>th</sup> November 2016

*Scottish Charity Number SC009828*

*RSABI was incorporated to continue the work of  
The Royal Scottish Agricultural Benevolent Institution, which was founded in 1897*

THE COMPANIES ACTS 1985 -1989

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

**MEMORANDUM of ASSOCIATION**  
**of**  
**RSABI**

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

1. The name of the company is "RSABI" ("the Trust").
2. The Registered Office of the Trust is situated in Scotland.
3. The definitions and meanings specified in Article 1 (b) of the Trust's Articles of Association shall have effect as if repeated in this Memorandum of Association.
4. The Object of the Trust ("the Objects") are:

To provide payments, or otherwise afford support and assistance, to persons who are or have been engaged in agriculture, crofting or horticulture, in Scotland and their dependants and who are in need; For the avoidance of doubt, any persons or their dependants who are or were engaged in other land-based occupations in Scotland in some form and who receive assistance from the Trust as at 16 November 2016 shall continue to be entitled to benefit from the Trust at the sole discretion of the trustees for as long as they remain in need.
5. The Trust shall have the following powers (but only in furtherance of the Objects):
  - (a) To accept from any donor (individual person, body, committee, organisation, company, institution, association, trust or charity) any sum of money and/or assets.
  - (b) To accept grants, bequests, endowments and legacies of all kinds (and to accept any reasonable conditions attaching to them).
  - (c) To take such steps as may be deemed appropriate for the purpose of raising funds for the activities of the Trust.
  - (d) To provide grants, scholarships, other awards and loans of money or equipment.
  - (e) To invest any funds which are not immediately required for the activities of the Trust in such investments as may be considered appropriate and to dispose of, and vary, such investments.
  - (f) To borrow or raise money for the Objects and to give security in support of any such borrowings by the Trust and/or in support of any obligations undertaken by the Trust.
  - (g) To work in association or partnership with statutory and other bodies to support, promote and implement local, regional and national initiatives.

- (h) To enter into any arrangement with any organisation, government or authority which may be advantageous for the purposes of the activities of the Trust and to enter into any arrangement for co-operation, mutual assistance, or sharing profit with any charitable organisation.
- (i) To encourage and develop a spirit of voluntary or other commitment by individuals, organisations, authorities and others and any groups or groupings thereof willing to assist the Trust to achieve the Objects.
- (j) To establish, manage and/or support any other charitable organisation, and to make donations for any charitable purpose falling within the Objects.
- (k) To establish, operate and administer and/or otherwise acquire separate trading companies or associations, whether charitable or not.
- (l) To promote and carry out research, surveys and investigations and develop initiatives, projects and programmes.
- (m) To provide advice, consultancy, training, tuition, expertise and assistance.
- (n) To prepare and 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.
- (o) To employ, train and pay such staff as are considered appropriate for the proper conduct of the activities of the Trust and if appropriate to make reasonable provision for the payment of pension and/or other benefits therefor.
- (p) To engage such consultants and advisers as are considered appropriate from time to time.
- (q) To purchase, take on lease, hire, or otherwise acquire, any property wheresoever situated which are suitable for the activities of the Trust 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 management and operation of the Trust's property.
- (r) To sell, let, hire, license, give in exchange and otherwise dispose of all or any part of the property of the Trust, wheresoever situated.
- (s) To establish and administer a building fund or funds or guarantee fund or funds or endowment fund or funds.
- (t) To effect insurance of all kinds (which may include liability insurance in respect of Trustees and employees).
- (u) To engage or 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 Trust in nominee names, but subject always to the provisions of the Charities Act.
- (v) To carry out the Objects as principal, agent, contractor, trustee or in any other capacity and through an agent, contractor, sub-contractor, trustee or any person acting in any other capacity and either alone or in conjunction with others.
- (w) To do anything which may be incidental or conducive to the furtherance of the Objects.

6.
  - (a) The income and property of the Trust shall be applied solely towards promoting the Objects.
  - (b) No part of the income or property of the Trust shall be paid or transferred (directly or indirectly) to the members of the Trust, whether by way of dividend, bonus or otherwise.
  - (c) No Trustee of the Trust shall be appointed as a paid employee of the Trust, or shall hold any office under the Trust for which a salary or fee is payable.
  - (d) No benefit (whether in money or in kind) shall be given by the Trust 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 Trust (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 Trust by any member or Trustee; or
    - (iv) payment of rent at a rate not exceeding the open market rent for property let to the Trust by any member or Trustee; or
    - (v) the purchase of property from any member or Trustee at or below market value and to sell assets to any member or Trustee providing such sale is at or above market value.
7. The liability of the members is limited.
8. Every member of the Trust undertakes to contribute such amount as may be required (not exceeding £1) to the property of the Trust 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.
9.
  - (a) The winding-up of the Trust may take place only on the decision of not less than 75% of its members who are present at an EGM called specifically (but not necessarily exclusively) for the purpose.
  - (b) If, on the winding-up of the Trust, 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 Objects.
  - (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 Members of the Trust who are present at an EGM 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, by an arbiter appointed on its behalf by the Lord Advocate in Scotland, the decision of such arbiter being final and binding upon the Trust, with the costs thereof being borne by the Trust.

THE COMPANIES ACTS 1985 - 1989

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

**ARTICLES of ASSOCIATION  
of  
RSABI**

*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 Trust.
- (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**  
the Act

**MEANINGS**

– the Companies Act 1985 (UK legislation) as amended and every statutory modification and re-enactment thereof for the time being in force.

**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  
Chapter**

– the Board of Directors of the Trust.

– any section of these Articles headed by a roman numeral, the reference thereto specifying the relative Chapter number.

**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, charities**

– a body or bodies on the Scottish Charity Register which is or are also regarded as a charity or charities in relation to the application of the Taxes Acts.

**clear days** - in relation to a period of notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

**EGM** - Extraordinary General Meeting.

**in person** - in person if an individual or by attendance of the Authorised Representative of an organization, or by proxy.

**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 Trust.

**Memorandum** - the Memorandum of Association relative to these Articles, in force from time to time.

**month** - calendar month.

**Objects** - 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.

**Office** - the Registered Office of the Trust.

**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.

**Trust** - RSABI

**Trustee(s)** - Director(s) for the time being of the Trust.

(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 Act shall, if not inconsistent with the subject or context, bear the same meanings in the Articles.
- 2. The Trust is established to achieve the Objects expressed in the Memorandum.

## II GENERAL STRUCTURE OF THE TRUST

- 3. The structure of the Trust comprises:
  - (a) **Members** - who have the right to attend the AGM (and any EGM) and have important powers under these Articles and the 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 Trust, generally control and supervise the activities of the Trust 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 Trust.

## III MEMBERSHIP

- 4. The members of the Trust shall consist of the Subscribers and such other persons and organisations as are admitted to membership in terms of this Chapter.
- 5.
  - (a) The Subscribers and those serving on the Management Committee of the unincorporated association known as The Royal Scottish Agricultural Benevolent Institution as at the date of incorporation of the Trust shall be the first members of the Trust.
  - (b) Thereafter, Membership shall be open to any individuals aged 18 or over who, and to any organisations which, support the Objects and apply and are accepted as members in terms of Chapter IV and who contribute a minimum sum of at least £25 (or such other minimum sum as may be determined by ordinary resolution of the members at each AGM) to the Trust annually between 1st April and 31st March (which is the membership year).
  - (c) Each member which is an organisation shall, at the time of making an application for membership, appoint one named Authorised Representative. The Authorised Representative shall represent and act for such member at all General Meetings of the Trust. Any change in the appointment of an Authorised Representative may be made at any time by the appointing member, but only by written notice served by the appointing member to the Trust. Such notice will take effect two clear days after its receipt at the Office to allow sufficient time for the appointing member to serve a copy of the notice to anyone named therein. In the case of any dispute as to the correct Authorised Representative serving at any time, the matter will be settled in accordance with the most recent notice validly received by the Trust.

### **Honorary Members**

- (d) The following shall be conferred Honorary Membership of the Trust, entitling each to attend and vote at any General Meeting of the Trust (without having to pay any minimum sum in terms of Article 5(b) hereof):

- (i) the President *ex officio* of The National Farmer's Union of Scotland, of the Rural Centre, West Mains, Ingliston, Edinburgh EH28 8LT, or its successors;
- (ii) the Chairman *ex officio* of The Royal Highland and Agricultural Society of Scotland, incorporated by Royal Charter, of the Royal Highland Centre, Ingliston, Edinburgh EH28 8NF, or its successors;
- (iii) the Chairman *ex officio* of Scottish Land and Estates, a Scottish guarantee company incorporated under Company Number SC257726 and having its Registered Office at Stuart House, Eskmills Business Park, Station Road, Musselburgh, East Lothian EH21 7PB, or its successors;
- (iv) the Chairman or President (or principal representative) *ex officio* of such other organisation or organisations to which the members of the Trust may agree by ordinary resolution at any General Meeting to confer Honorary Membership;
- (v) any individual, recommended by the Board as having provided a significant contribution to the activities of the Trust, and approved by the members of the Trust by ordinary resolution at any General Meeting;

Declaring that the members of the Trust may by ordinary resolution at any General Meeting determine to remove Honorary Membership from any such organisation and the principal representative thereof.

- 6. The Board shall maintain a Register of Members, setting out all relevant details of each member.

#### IV APPLICATION FOR MEMBERSHIP

- 7. Any individual who or organisation which wishes to become a member of the Trust must sign a written application for membership in the form prescribed by the Board from time to time, and deposit it at the Office (or other address specified in the form) and, in the case of an organisation, shall at that time provide the details of its Authorised Representative.
- 8. The Board shall consider such applications for membership at the first Board meeting held after receipt of the application and shall, within a reasonable time thereafter, inform each applicant whether he, she or it has been successful, the decision of the Board in these respects being final. The Board may, at its discretion, refuse to admit any individual or organisation to membership, except for reasons of gender, sexuality, race, religion or politics.

#### V CESSATION OF MEMBERSHIP

- 9. Any member may no longer serve as such in any one or more of the following events:
  - (a) if by 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 a bankrupt person, or 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 Trustee (and, as such, a director of a limited company) by reason of any order made under the Company Directors Disqualification Act 1986 and every statutory modification and re-enactment thereof for the time being in force; or
  - (d) if, being an organisation, it goes into receivership, applies to go into liquidation, dissolves, applies to be struck off or otherwise ceases to exist.
  - (e) if he, she or it fails or ceases to contribute at least the sum referred to in Article 5(b), as may be amended from time to time, in any membership year between 1st April and 31st March.
  - (f) if a resolution that a member be removed from the Trust is passed by a majority of at least 75% of the Trustees present and voting at a meeting of the Board, of which not less than 14 days' previous notice specifying the intention to propose such resolution and the general grounds on which it is proposed shall have been sent to all Trustees and also to the member whose removal is in question, such member being entitled to be heard by the Board at that meeting; or
  - (g) if, being an individual, he or she dies.
10. Membership is neither transferable nor assignable to any other individual or organisation.

## VI GENERAL MEETINGS (Meetings of Members)

11. The Board shall convene 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 Trust. Thereafter, not more than 15 months shall elapse between one AGM and the holding of the next.
12. The business of each AGM shall include:
- (a) the report by the Chairman on the activities of the Trust;
  - (b) the election of Trustees;
  - (c) the fixing of the minimum annual contribution;
  - (d) the report of the independent financial examiner;
  - (e) approval of the annual accounts of the Trust; and
  - (f) appointment of the independent financial examiner.
13. (a) All General Meetings, other than AGMs, shall be called Extraordinary General Meetings.
- (b) The Board may convene an EGM whenever it thinks fit.
- (c) The Board must convene an EGM within 28 days of a valid requisition. To be valid, such requisition must be signed by not less than 10% of the members, must clearly state the objects of the meeting and must be deposited at the Office. The requisition may consist of several documents in like form each signed by one or more requisitionists.
14. (a) 21 clear days' notice at the least shall be given of every AGM and EGM.
- (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 XIX, to all members and to such persons or organisations as are under these Articles or under the Act entitled to receive such notices.
- (d) With the consent of a majority of the members, a General Meeting (other than an Annual 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 EGM.

## VII VOTING AT GENERAL MEETINGS

- 15. The chairman of the meeting (see Chapter IX) shall endeavour to achieve consensus wherever possible but, if necessary, questions arising shall be decided by being put to the vote.
- 16.
  - (a) Each member of the Trust shall have one vote, to be exercised in person.
  - (b) 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.
  - (c) Whilst personal attendance at a General Meeting is encouraged, a member shall be entitled to complete one form of proxy in order to appoint a proxy to attend a General Meeting on his, her or its behalf, in respect of which the following apply:
    - (i) A proxy need not be a member.
    - (ii) A proxy appointed to attend and vote at any meeting instead of a member shall have the same right as the appointing member to speak at the meeting and to vote thereat.
    - (iii) 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 illustrative terms:

### RSABI

I .....,  
 of.....,  
 being a member of RSABI 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 RSABI to be held on..... and at any adjournment thereof.

This form to be used in favour of/against the resolution(s)\*

*\* to be deleted if not required, or amended if it is required*

*Signature of member appointing proxy.....*

*dated.....*

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

- (iii) 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 Trust 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.
  - (iv) Appointment of a proxy may be revoked by the granter by written notice received by the Trust before the start of the General Meeting (or adjourned meeting) to which it relates.
17. 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.
18. A resolution put to the vote at an AGM or EGM shall be decided verbally or on a show of hands, as appropriate, unless a secret ballot is demanded by the chairman of the meeting (or by at least two members present in person at the meeting and entitled to vote). A secret ballot may be demanded only either before any verbal vote or show of hands takes place.
19. If a secret ballot is demanded, it shall be taken immediately at the same meeting and shall be conducted in such a manner as the chairman of the meeting may direct and the result shall be declared at the same meeting at which the ballot was demanded.
20. At any General Meeting a resolution put to the vote of the meeting shall be voted upon as follows:
- (a) Ordinary business and ordinary resolutions shall be determined by a simple majority of all members of the Trust who are present at the General Meeting.
  - (b) Resolutions relating to the following matters shall require a special decision of not less than 75% of the members present at the meeting, namely:
    - (i) to alter the name of the Trust; or
    - (ii) to amend the Memorandum; or
    - (iii) to amend these Articles; or
    - (iv) to wind up of the Trust in terms of Clause 9 (a) of the Memorandum of Association and, where relevant, any decision requiring to be taken in terms of Clause 9 (c) thereof; or
    - (v) any other Special Resolutions.
21. (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 members shall be as valid and effective as if the same had been

passed at a General Meeting of the Trust duly convened and held, provided that the provisions of this Article are followed.

- (c) A Special Resolution in writing signed by or on behalf not less than 75% of all the members shall be as valid and effective as if the same had been passed at a General Meeting of the Trust 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 members on the Circulation Date (that is, the date on which copies of the written resolution are sent to the 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 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 Trust to issue with the written resolution to all members.
  - (v) Within 21 days, the Trust must circulate the resolution and any accompanying statement with the express statements referred to in Article 33(f).
  - (vi) The Trust 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 members.
- (i) Once a member has signed and returned a written resolution in agreement thereto, his or her agreement is irrevocable.

## VIII QUORUM AT GENERAL MEETINGS

22. The quorum for a General Meeting shall be ten members, present in person. No business shall be dealt with at any General Meeting unless a quorum is present.
23. 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.

## IX CHAIRMAN OF GENERAL MEETINGS

24. The Chairman of the Trust, whom failing the Vice-Chairman of the Trust, 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 AGM or EGM in question was due to commence, the Trustees present shall elect from among themselves the Trustee who will act as chairman of that meeting.

## X COMPOSITION OF BOARD OF TRUSTEES

25. The affairs of the Trust shall be directed and managed by a Board of Trustees appointed in terms of this Chapter.
26. Unless otherwise determined by special resolution at a General Meeting (but not retrospectively), the number of Trustees shall be not less than three nor more than twelve.
27.
  - (a) All those serving on the Management Committee of the unincorporated association known as The Royal Scottish Agricultural Benevolent Institution as at the date of incorporation of the Trust, including those who have acted as the Subscribers hereof, shall comprise the Board of Trustees and shall serve until the first AGM of the Trust held after the date of incorporation.
  - (b) At the first AGM, each Trustee serving on the Board shall retire, but may remain eligible for election thereat (without any period of office on the said Management Committee or on the Board between the date of incorporation and the first AGM counting as a term of office for the purposes of Article 29 (a) (iii)).
28. From and after the first AGM, the Board shall comprise:
  - (a) up to nine individual persons elected as Trustees by the members in terms of Article 29 (a) ("the Elected Trustees"); and
  - (b) up to three individual persons co-opted in terms of Article 29(b) ("the Co-opted Trustees").

29. (a) **Elected Trustees**

- (i) An elected Trustee will serve a three year term before requiring re-election at an AGM. No Trustee can serve more than three consecutive terms of office without at least 3 years out of office before being eligible again. A retiring Elected Trustee shall retain office until the close or adjournment of the meeting.
- (ii) Nomination of any Elected Trustee shall be in writing by not less than any two members. The nominee, who must be or become a member (but may not be an employee of the Trust), 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. 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.
- (iii) Election of any Elected Trustee shall be by vote of the members, each member having one vote for each vacancy in the Elected Trustees on the Board.

(b) **Co-opted Trustees**

Up to three individuals may be co-opted from time to time by the Board of Trustees itself, as follows:

- (i) Subject to Article 29(b)(iii), a Co-opted Trustee shall serve until the next Annual General Meeting after his or her co-option.
- (ii) A Co-opted Trustee can be re-co-opted at such next Annual General Meeting.
- (iii) A Co-opted Trustee can be removed from office at any time by a simple majority of the Board.
- (iv) For the avoidance of doubt, a Co-opted Trustee may participate fully in and vote at all Board meetings which he or she attends.

30. The Board may from time to time fill any casual vacancy arising as a result of the retiral (or deemed retiral for any reason) of any Trustee elected in terms of Article 29 (a), from or after the date of such retiral or deemed retiral until the next AGM.

31. The office of Trustee shall *ipso facto* be vacated:

- (a) if he or she is employed by or holds any office of profit under or is employed by the Trust (except where the provisions of Clause 6 (d) (ii) of the Memorandum shall apply); or
- (b) if he or she becomes a bankrupt person, or insolvent or apparently insolvent or makes any arrangement or composition with his or her creditors generally; 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 is or becomes prohibited from being a charity trustee by virtue of section 69(2) of the Charities Act; or
- (e) if he or she becomes prohibited from being a Trustee (and, as such, a director of a limited company) by reason of any order made under the Company



- Directors Disqualification Act 1986 and every statutory modification and re-enactment thereof for the time being in force; 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 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 of the Board) from more than three consecutive meetings of the Board, and the Board resolves to remove him or her from office; or
  - (h) if by notice in writing to the Office he or she resigns his or her office; or
  - (i) if he or she dies.

## XI CHAIRMAN AND VICE-CHAIRMAN

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

## XII CONFLICTS OF INTEREST

33. (a) All Trustees and employees of the Trust have an obligation to notify any interests, including conflicts of interest, to the Secretary, as they arise and at least annually.
- (b) The Board will instruct the Secretary to maintain a Register of Interests in such form as it may from time to time determine, which shall be open for inspection at the Office by both the Board and members of the Trust and, with the express prior written approval of the Trustee or employee concerned, by members of the public.
34. Whenever a Trustee finds that a conflict of interest may potentially arise or is actually arising, he or she has a duty to declare this either in general terms to the Secretary or specifically to the Board meeting in question. It will be up to the Chairman in the former circumstances and up to the chairman of the meeting in question in the latter circumstances to determine whether the potential or real conflict simply be noted in the Minutes of any relevant meeting, and/or whether the Trustee in question, whilst being permitted to remain in the meeting, must not partake in discussions or decisions relating to such matter, or whether the Trustee in question should require to be absent from that particular element of the meeting. In terms of Article 35 (b), where a Trustee leaves, or is required to leave, the meeting in question, he or she no longer forms part of the quorum thereat.

## XIII QUORUM AT BOARD MEETINGS

35. (a) The quorum for Board meetings shall be not less than 50% of all the Elected Trustees, but no fewer than two. No business shall be dealt with at a Board meeting unless a quorum is present.
- (b) An Elected 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.

#### XIV PROCEEDINGS AT BOARD MEETINGS

36. The direction and business of the Trust shall be managed by the Board who may pay all such expenses of, and preliminary and incidental to, the promotion, formation, establishment and registration of the Trust as it thinks fit. The Board may exercise all such powers of the Trust, and do on behalf of the Trust all such acts as may be exercised and done by the Trust, and as are not by the Act or by these Articles required to be exercised or done by the members in General Meeting, subject nevertheless to any regulation of these Articles and to the provisions of the Act.
37. The Board may act notwithstanding any vacancy in it, but where the number of Trustees falls below the minimum number specified in Article 26 may only do so for the purpose of appointing sufficient Trustees to match or exceed that minimum.
38. (a) All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Trust, 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.
- (b) The banking account or accounts of the Trust shall be kept in such bank or building society and/or banks or building societies as the Board shall from time to time determine.
39. (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 in relation to any of the matters referred to in Article 41 (b) is to be made, 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.
40. The Chairman, whom failing the Vice-Chairman, 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.
41. (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) Decisions relating to the following matters shall require a special decision of not less than 75% of all the Trustees, namely:
    - (i) to alter the name of the Trust; or
    - (ii) to amend the Objects; or
    - (iii) to amend these Articles; or
    - (iv) to wind up of the Trust in terms of Clause 9 (a) of the Memorandum of Association and, where relevant, any decision requiring to be taken in terms of Clause 9 (c) thereof; or
    - (v) to purchase or sell or to grant a lease over any heritable property owned by or leased to the Trust or any of its subsidiaries and to purchase or take the tenant's part in any lease or sub-lease of heritable property wherever situated; or
    - (vi) to form, acquire or dispose of any subsidiary; or
    - (vii) to grant any guarantee or indemnity to any party, other than any wholly-owned subsidiary of the Trust; or
    - (viii) 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 Trust 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
    - (ix) to acquire or dispose, whether by the Trust or by any of its subsidiaries, of any shares of any other company or the participation or cessation of participation by the Trust or by any of its subsidiaries in any formal trust or joint venture.
  - (c) 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.
42. The Board may delegate any of its powers to sub-committees, each consisting of not less than one Trustee and such other person or persons as it thinks fit. 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 superseded by any regulations made by the Board. Such sub-committee shall regularly and promptly circulate, or ensure the regular and prompt circulation of, the minutes of its meetings to all Trustees.
43. 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.
44. 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.

45. 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.
46. 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.
47. The Board may invite or allow any person to attend and speak, but not to vote, at any meeting of the Board or of its sub-committees.

## XV ANCILLARY REGULATIONS

48. The Board may from time to time promulgate and review any Ancillary Regulations, which are to be subordinate at all times to the Memorandum of Association and these Articles, as it deems necessary and appropriate to provide additional explanation and guidance to members.
49. The Board shall promulgate and review from time to time Regulations and Guidance with regard to the giving of assistance in terms of the Objects

## XVI COMPANY SECRETARY, MINUTE SECRETARY, TREASURER & PRINCIPAL OFFICER

50. The Board shall appoint a Company Secretary for such term, at such remuneration (if any), 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.
51. The Board may appoint a Minute Secretary, for the purposes of Article 43, for such term, at such remuneration (if any), 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.
52. 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. 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.
53. The Board may appoint a Principal Officer of the Trust 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 without any vote thereat.

## XVII HON. PATRON, HON. PRESIDENT & HON. VICE-PRESIDENTS

54. The Sovereign shall be invited to be the Honorary Patron of the Trust.
55. The members in General Meeting may appoint an Honorary President of the Trust, either for such fixed period as the members determine or for an unspecified period until such appointment be terminated by them. The Honorary President shall be entitled to notice of all General Meetings and to attend and contribute to discussion but not vote thereat (unless he or she is a member of the Trust).
56. The members in General Meeting may, on a proposal from the Board, agree to the appointment of one or more Honorary Vice-Presidents of the Trust, in recognition of their service to the Trust and/or its Objects, who would be appointed either for such fixed period as the members determine or for an unspecified period until such appointment be terminated by them. The Honorary Vice-Presidents shall be entitled to notice of all General Meetings and to attend and contribute to discussion but not vote thereat (unless they are themselves members of the Trust).

## XVIII ACCOUNTS

57. The Board shall cause accounting records to be kept in accordance with the requirements of the Act and other relevant regulations.
58. The accounting records shall be maintained or overseen by the Treasurer (if one is appointed), or otherwise as determined by the Board, shall be kept at the Office (or at such other 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 Trust or any of them shall be open to the inspection of the members of the Trust.
59. Once at least in every year, or as otherwise provided for by the Act, the accounts of the Trust (prepared in accordance with the statutory requirements and regulations in force at the time) shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by an independent financial examiner, who shall be appointed by the Board on the direction of members in General Meeting.
60.
  - (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 Trust).
  - (b) The accounts shall be accompanied by proper reports of the Board and the independent financial examiner thereof.
  - (c) Copies of such accounts shall, not less than 21 clear days before the date of the General Meeting at which they are to be laid, and in terms of Chapter XIX, be

delivered or sent to the independent financial examiner and to all members, or otherwise be available for inspection on the website of the Trust (with the independent financial examiner and all members being made aware that they are so available for inspection there).

## **XIX NOTICES**

61. A notice may be served by the Trust 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.
62. 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.
63. A member present at any meeting of the Trust shall be deemed to have received notice of the meeting and, where requisite, of the purpose for which it was called.
64. The business of the Trust and all its correspondence with and notification to or from members may be conducted equally validly and effectively as by post if transmitted by fax or e-mail or other appropriate electronic means to or from any member of the Trust (except where that member specifically requests all such correspondence and notification by post) or otherwise if publicised on the website of the Trust where the Trust 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.

## **XX INDEMNITY**

65. Subject to the provisions of Section 310 of the Act, the Trustees, or member of any sub-committee, the Secretary and all other officers or employees for the time being of the Trust shall be indemnified out of the funds of the Trust against all loss, costs and charges which they may respectively incur or be put to on account of any contract, deed, act, matter, or thing done, entered into, executed, or permitted by them respectively, on behalf of the Trust 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. Subject as aforesaid, no Trustee or member of any sub-committee, the Secretary, Treasurer or any officer or employee, or their respective heirs, executors or administrators, shall be liable for any loss or expense happening to the Trust through the insufficiency or deficiency of title to any property acquired for or on behalf of the Trust or for the insufficiency or deficiency of any obligation or security in or upon which any of the funds of the Trust shall be invested or for any loss or damage arising from the bankruptcy, insolvency or wrongful act of any person with whom any monies, securities or effects shall be deposited, or for any loss, damage or misfortune whatsoever which shall happen in the execution of the duties of his or her office or in relation thereto, unless the same shall happen through his or her own fraud, wilful neglect, default, breach of duty or breach of trust.

## **XXI**

### **ALTERATION OF MEMORANDUM & ARTICLES OF ASSOCIATION**

66. Subject to the terms of Article 41 (b), no alteration in the Memorandum and/or these Articles may at any time be made unless by the decision of 75% of the members present at a General Meeting called specifically (but not necessarily exclusively) for the purpose.

## **XXII**

### **DISSOLUTION**

67. Clause 9 of the Memorandum of Association of the Trust, relating to the winding up and dissolution of the Trust, shall have effect as if its provisions were repeated in these Articles.