THE COMPANIES ACT 2006

SPECIAL RESOLUTION
of
STAFFIN COMMUNITY TRUST LIMITED
COMPANY NUMBER – SC292073

ADOPTION OF NEW ARTICLES OF ASSOCIATION

At an extraordinary general meeting of the members of the above named company, duly convened and held at Staffin, Isle of Skye on 19th April 2011.

The following Special Resolution was duly passed:

That the regulations set forth in the printed document produced to this meeting and for the purposes of identification signed by the Chairman hereof, be approved and adopted as the Articles of Association of the Company, in substitution for, and to the exclusion of, all existing Articles thereof.

DATED: 19th April 2011

SIGNED:

Donald MacDonald, Chairman

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Certified a true and complete copy of the origina
Solicitor, Inverness, Inverness. 20/07/11.

THE COMPANIES ACT 2006

Company limited by guarantee
and not having a share capital

ARTICLES of ASSOCIATION

of

Staffin Community Trust Limited

THE COMPANIES ACT 2006

Company limited by guarantee and not having a share capital

ARTICLES of ASSOCIATION

of

Staffin Community Trust Limited

	NAME
1	The name of the company is **Staffin Community Trust Limited ("the Company")**.
	REGISTERED OFFICE
2	The Registered Office of the Company is situated in Scotland.
3.1	In these Articles of Association, the following definitions apply throughout: "**Act**" means the Companies Act 2006 and every statutory modification and re-enactment thereof for the time being in force. "**AGM**" means an Annual General Meeting. "**Article(s)**" means any Article or these Articles of Association. "**Board**" means the Board of Trustees. "**Charities Act**" means the Charities and Trustee Investment (Scotland) Act 2005 and every statutory modification or re-enactment thereof for the time being in force. "**charity**" means a body on the Scottish Charity Register which is also regarded as a charity in relation to the application of the Taxes Acts. "**Clear days**" means a period excluding the day when notice is given and the day of the meeting. "**Community**" means the community area described in Article 4. "**Trustee(s)**" means the Trustee(s) for the time being of the Company. "**EGM**" means an Extraordinary General Meeting. "**Land Reform Act**" means the Land Reform (Scotland) Act 2003 and every statutory modification or re-enactment thereof for the time being in force. "**Organisation**" means any unincorporated association, society, federation, partnership, corporate body, agency, undertaking, local authority, union, co-operative, trust or other organisation (not being an individual person). "**Property**" means any property, assets or rights, heritable or moveable, wherever situated in the world. "**Subscribers**" means those persons who have subscribed the Memorandum of Association.
3.2	Words importing the singular number only shall include the plural number, and *vice versa;* and words importing the masculine gender only shall include the feminine gender.
3.3	These Articles supersede any model Articles contained within the Companies Act or any regulations pertaining thereto. Subject as aforesaid, any words or expressions defined in the Companies Act shall, if not inconsistent with the subject or context, bear the same meanings in the Articles.
3.4	The two Schedules to these Articles are deemed to form an integral part of these Articles.

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	PURPOSES
4	The Company has been formed to benefit the community of Staffin, Isle of Skye as defined by the postcode units IV51 9HX, IV51 9HY, IV51 9HZ, IV51 9JD, IV51 9JE, IV51 9JF, IV51 9JG, IV51 9JH, IV51 9JJ, IV51 9JL, IV51 9JN, IV51 9JQ, IV51 9JS, IV51 9JT, IV51 9JU, IV51 9JW, IV51 9JX, IV51 9JY, IV51 9JZ, IV51 9LA, IV51 9LB and IV51 9QE ("**the Community**"), with the Purposes listed in the sub-clauses hereto ("**the Purposes**"), to be exercised following the principles of sustainable development (where sustainable development means development which meets the needs of the present without compromising the ability of future generations to meet their own needs), namely:
4.1	To manage community land and associated assets for the benefit of the Community and the public in general.
4.2	To provide, or assist in providing, recreational facilities, and/or organising recreational activities, which will be available to members of the Community and public at large with the object of improving the conditions of life of the Community.
4.3	To advance community development, including urban or rural regeneration within the Community.
4.4	To advance the education of the Community about its environment, culture, heritage and/or history.
4.5	To advance environmental protection or improvement including preservation, sustainable development and conservation of the natural environment, the maintenance, improvement or provision of environmental amenities for the Community and/or the preservation of buildings or sites of architectural, historic or other importance to the Community;
	POWERS
5	The Company shall have powers, but only in furtherance of its Purposes, as expressed in Schedule 1 annexed to these Articles.
	GENERAL STRUCTURE OF THE COMPANY
6	The structure of the Company comprises:
6.1	**Members** - comprising Ordinary Members (who have the right to attend the AGM and any EGM and have important powers under these Articles and the Act, who elect people to serve as Trustees and take decisions in relation to any changes to these Articles), the Associate Members and the Junior Members; and
6.2	**Trustees** - who hold regular meetings between each AGM, set the strategy and policy of the Company, generally control and supervise the activities of the Company and, in particular, are responsible for monitoring its financial position and, where there are no employees or managers appointed, are responsible also for the day-to-day management of the Company.
	MEMBERSHIP
7	The members of the Company shall consist of the Subscribers (being those Ordinary Members who sign the original Memorandum of Association) and such other persons and organisations as are admitted to membership in terms of these Articles.
8	Membership of the Company is open to:

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8.1	**Ordinary Members:** those individuals aged 18 and over who: (a) are ordinarily resident in the Community; and (b) are entitled to vote at a local government election in a polling district that includes the Community or part of it; and (c) who support the Purposes; declaring that, if an Ordinary Member ceases to comply with any of these criteria, he or she will be obliged to inform the Company and will thereafter be reclassified as an Associate Member, and that if the Company becomes aware of this itself it will so reclassify the member and notify him or her accordingly.
8.2	**Associate Members:** those individuals who are not ordinarily resident in the Community <u>and those organisations wherever located</u> that support the Purposes. Associate Members are neither eligible to stand for election to the Board nor to vote at any General Meeting. Each member which is an organisation shall appoint one named Authorised Representative to represent and act for such member at all General Meetings. Any change in the appointment of an Authorised Representative may be made at any time by the appointing member, but only by written notice to the Company. Such notice will take effect upon its receipt by the Company.
8.3	**Junior Members:** those individuals who are aged between 12 and 17 who support the Purposes. Junior Members are neither eligible to stand for election to the Board nor to vote at any General Meeting.
9	The following conditions apply to membership:
9.1	the Company shall have not fewer than 20 members at any time; and
9.2	the majority of the members of the Company shall consist of Ordinary Members; and
9.3	in the event that the number of members falls below 20 or that the majority of members of the Company does not consist of Ordinary Members, the Board may not conduct any business other than to ensure the admission of sufficient Ordinary Members to achieve the minimum number and/or maintain the majority.
10	The Board shall promptly consider applications for membership, made in such written form as it shall prescribe from time to time, determining if the terms of Article 8 apply and into which category of membership each applicant shall belong, and immediately thereafter shall approve any valid application provided the applicant is not excluded by virtue of Article 9 or has previously been a member of the Company and continues to be excluded from membership by virtue of Article 15.
11	The Board shall maintain a Register of Members, setting out the name and postal address of each member, the relative category of membership and the date of the member's appointment and cessation.
	MEMBERSHIP SUBSCRIPTIONS
12	The Ordinary Members may at any or each AGM fix the annual subscriptions (and, if relevant, different rates thereof for different categories).
13	Members shall be required to pay the appropriate annual membership subscription, where fixed. Only those members who have paid their current subscription, where fixed, are entitled to take part in and vote at any General Meeting.
14	An individual who, or organisation which, ceases to be a member (for whatever reason) shall not be entitled to any refund of membership subscription.
	CESSATION OF MEMBERSHIP
15	A member shall cease to be a member if:
15.1	he, she or it sends written notice of resignation to the Company; or
15.2	being an individual, he or she becomes insolvent or apparently insolvent or makes any arrangement with his or her creditors; or

15.3	being an organisation, it goes into receivership, goes into liquidation, dissolves or otherwise ceases to exist (the right of membership not being assignable); or
15.4	the annual subscription due remains outstanding for more than six calendar months (and provided that the member in question has been given at least one written reminder) and if the Board chooses to expel that member from membership; or
15.5	a resolution that a member be expelled is passed by a majority of at least 75% of the members present and voting at a General Meeting, of which not less than 21 days' previous notice specifying the intention to propose such resolution and the grounds on which it is proposed shall have been sent to all Trustees, all members and the Company Secretary and also to the member whose removal is in question, such member being entitled to be heard at that meeting; or
15.6	being an individual, he or she dies (the right of membership not being assignable).
	GENERAL MEETINGS (Meetings of Members)
16	The Board shall convene an AGM in each year, at such time as it may determine, although the first AGM need not be held in the first year provided that it be held within 18 months after the date of incorporation of the Company. Thereafter, not more than 15 months shall elapse between one AGM and the holding of the next.
17	The business of each AGM shall include:
17.1	the report by the Chairman on the activities of the Company;
17.2	the election of Trustees;
17.3	fixing of annual subscriptions;
17.4	the report of the auditor (if applicable);
17.5	approval of the accounts of the Company; and
17.6	the appointment of the auditor (if applicable).
18	The provisions with regard to EGMs are as follows:
18.1	all General Meetings, other than AGMs, shall be called Extraordinary General Meetings;
18.2	the Board may convene an EGM whenever it thinks fit; and
18.3	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 Ordinary Members, must clearly state the purposes of the meeting and must be delivered to the Registered Office. The requisition may consist of several documents in like form each signed by one or more requisitionists.
19	Subject to the terms of Articles 69, 70 and 71, the provisions regarding notice of a General Meeting are as follows:
19.1	21 clear days' notice at the least shall be given of every General Meeting to each member, Trustee, the Company Secretary and the auditor;
19.2	the notice shall specify the place, the day and the hour of the General Meeting, the general nature of any business and the full text of any Special Resolutions proposed in terms of Article 25;
19.3	the accidental omission to give notice of a General Meeting to, or the non-receipt of such notice by, any member, person or organisation entitled to receive notice thereof shall not invalidate any resolution passed at or proceedings of any General Meeting.
	CHAIRMAN OF GENERAL MEETINGS

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20	The Chairman of the Company, whom failing the Vice-Chairman of the Company (if any), shall act as chairman of each General Meeting. If neither the Chairman nor the Vice-Chairman is present or willing to act as chairman of the meeting within 15 minutes after the time at which the General Meeting in question was due to commence, the Trustees present shall elect from among themselves one of the Elected Trustees who will act as chairman of that meeting.
	QUORUM AT GENERAL MEETINGS
21	The quorum for a General Meeting <u>shall be the greater of (a) 8 Ordinary Members or (b) 10% of the Ordinary Members</u>, in either event being present in person or by proxy. No business shall be dealt with at any General Meeting unless a quorum is present.
22	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, date and place as may be fixed by the chairman of the meeting.
	VOTING AT GENERAL MEETINGS
23	The chairman of the meeting shall endeavour to achieve consensus wherever possible but, if necessary, questions arising shall be decided by being put to the vote.
24	The provisions regarding voting are as follows:
24.1	each Ordinary Member shall have one vote, to be exercised in person or by proxy, by a show of hands (unless a secret ballot is demanded by the chairman of the meeting, or by at least two Ordinary Members present at the meeting and entitled to vote, which may be demanded only before any show of hands takes place and shall be taken immediately at the same meeting, shall be conducted in such a manner as the chairman of the meeting may direct and the result of which shall be declared at the same meeting at which the ballot was demanded and, in that event, the chairman of the meeting shall appoint and instruct tellers, who may cast their own personal votes if Ordinary Members);
24.2	Associate and Junior Members shall have no vote;
24.3	whilst actual attendance by Ordinary Members is to be encouraged at General Meetings, any Ordinary Member shall be entitled to complete one form of proxy to appoint a proxy to attend a General Meeting on his or her behalf, in respect of which the following apply:
24.3.1	a proxy need not be a member;
24.3.2	a proxy appointed to attend and vote at any meeting instead of an Ordinary Member shall have the same right as the Ordinary Member who appointed him or her to speak at the meeting and to vote thereat; and
24.3.3	the form appointing the Proxy shall be in terms of Schedule 2 annexed to these Articles;
24.3.4	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 at the Registered Office not less than 48 hours before the time of the meeting at which the proxy is to be used; and
24.3.5	no form of proxy shall be valid more than 12 months from the date it was granted; and
24.4	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.

25	At any General Meeting a resolution put to the vote of the meeting shall be voted upon by a simple majority of the Ordinary Members who are present and voting thereon, except for decisions relating to any of the following Special Resolutions, which shall require to be decided upon by not less than 75% of the Ordinary Members present and voting thereon (no account therefore being taken of members who abstain from voting or who are absent from the meeting), namely:
25.1	to alter the name of the Company; or
25.2	to amend the Purposes; or
25.3	to amend these Articles (subject to Article 73); or
25.4	to wind up of the Company in terms of Article 74.1 to 74.4; or
25.5	to purchase or sell or to grant a lease over any heritable property owned by or leased to the Company 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
25.6	to form, acquire or dispose of any subsidiary; or
25.7	to create, issue or allow to come into being any mortgage, security, charge or other encumbrance upon any part or parts of the property or assets of the Company or to obtain any advance or credit in any form other than normal trade credit, or to create or issue by any subsidiary of any debenture or loan stock; or
25.8	all other Special Resolutions.
26	Ordinary and Special Resolutions may be passed in writing, rather than at a General Meeting, provided that the terms of this Article are followed.
26.1	An ordinary resolution in writing signed by or on behalf of a simple majority of all the Ordinary Members shall be as valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held, provided that the terms of this Article are followed.
26.2	A Special Resolution in writing signed by or on behalf of not less than 75% of all the Ordinary Members shall be as valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held, provided that the terms of this Article are followed.
26.3	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.
26.4	Any written resolution must be issued in hard copy (by hand or by post) or in electronic form (by fax or e-mail), or by means of a website at the same time, to all Ordinary Members on the Circulation Date (that is, the date on which copies of the written resolution are sent to the Ordinary Members).
26.5	Where such a written resolution is proposed by the Board, it must include the following express statements: (a) an explanation to the eligible members how to signify their agreement to the resolution; (b) 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); (c) clarification that a failure to reply will be deemed to be a vote against the resolution in question; and (d) 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).

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26.6	Where such a written resolution is proposed by members, the following shall apply: (a) the resolution must be requested by not less than 5% of the Ordinary Members ("the members' request"); (b) the members' request may be made in hard copy (by hand or by post) or in electronic form (by fax or by e-mail); (c) the members' request must identify the resolution to be put to members and 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); (d) the members' request can include an accompanying statement (not exceeding 1,000 words) which they can require the Company to issue with the written resolution to all Ordinary Members; (e) within 21 days, the Company must circulate the resolution and any accompanying statement with the express statements referred to in sub-clause (f) hereof; and (f) the Company may charge a reasonable fee to the requesting members to cover its costs of circulation of the members' request.
26.7	Any such written resolution may consist of several documents in the same form, each signed by or on behalf of one or more Ordinary Members.
26.8	Once an Ordinary Member has signed and returned a written resolution in agreement thereto, his or her agreement is irrevocable.
27	The chairman of the General Meeting may, with the consent of a majority of the Ordinary Members present and voting thereat, adjourn the General Meeting to such time, date and place as he or she may determine.
	APPOINTMENT OF TRUSTEES
28	The affairs, property and funds of the Company shall be directed and managed by a Board of Trustees. The Board may exercise all such powers of the Company, and may on behalf of the Company do all acts as may be exercised and done by the Company, other than those required to be exercised or done by the Ordinary Members in a General Meeting, and subject always to these Articles and to the provisions of the Act.
29	The number of Trustees shall be not less than three. Unless otherwise determined by special resolution at a General Meeting (but not retrospectively) the number of Trustees shall not be more than twelve.
	Interim Board
30	Upon incorporation of the Company, the following applies with regard to the Interim Board of Trustees:
30.1	The Subscribers (all of whom must be Ordinary Members), and any one or more individual persons whom they choose to co-opt as Co-opted Trustees in terms of Article 34, shall comprise the Interim Board.
30.2	The Interim Board shall remain in office until the first General Meeting of the Company, to be held as soon as practicable after incorporation, at which time each Trustee on the Interim Board shall retire, but shall if each wishes remain eligible for election thereat (without the period of office between the date of incorporation and the first General Meeting counting as a term of office for the purposes of Article 33.4).
31	Employees of the Company may not be nominated as or become Trustees.
	Composition of the Board of Trustees
32	From and after the first General Meeting of the Company, the Board shall comprise the following individual persons (a majority of whom shall always be Elected Trustees), namely:

32.1	up to six individual persons elected as Trustees by the Ordinary Members in terms of Article 33 ("the Elected Trustees"), who must themselves be Ordinary Members; and
32.2	up to three individual persons co-opted in terms of Article 34 ("the Co-opted Trustees"), so as to ensure a spread of skills and experience within the Board;
32.3	who shall meet as often as necessary to despatch all business of the Company as specified in the Articles and particularly with reference to the restrictions in the quorum for Board meetings specified in Articles 43 and 44.
	Elected Trustees
33	At the first General Meeting held in terms of Articles 30.2 and 32, the Ordinary Members shall elect up to [insert maximum number: six or nine] Elected Trustees, in respect of which the following shall apply:
33.1	provided that the first General Meeting in terms of Article 30.2 is held before the first AGM, there shall be no change in or election of Trustees at the first AGM (except to the extent of filling any vacancies in the Board left over after the first General Meeting or caused by any retirals since);
33.2	at the second and each subsequent AGM, one-third of the Elected Trustees (or the nearest number upwards) shall retire from office;
33.3	a retiring Elected Trustee shall retain office until the close or adjournment of the meeting;
33.4	a retiring Trustee shall be eligible for re-election after one term of office, but no Trustee can serve more than two consecutive terms of office, without at least one year out of office before being eligible again;
33.5	if no other Trustee has or Trustees have decided or agreed to retire, the Elected Trustees to retire at each AGM shall be those who have been longest in office since their last election but, as between persons who were elected or last re-elected Trustees on the same day, the one or ones to retire shall (unless they otherwise agree amongst themselves) be determined by lot;
33.6	nomination of any Elected Trustee, who shall himself or herself be (or be eligible to become) an Ordinary Member, shall be in writing by not less than any two Ordinary Members delivered to the Registered Office not less than 7 days prior to the date of the AGM in question and wherein the nominee shall confirm his or her willingness to act as an Elected Trustee if elected; and
33.7	election of any Elected Trustee shall be by vote of the Ordinary Members, each Ordinary Member having one vote for each vacancy in the Elected Trustees on the Board.
	Co-opted Trustees
34	Subject to Article 32, up to three individuals may be co-opted from time to time by the Board of Trustees itself, as follows:
34.1	subject to Article 34.3, a Co-opted Trustee shall serve until the next AGM after his or her co-option;
34.2	a Co-opted Trustee can be re-co-opted at such next AGM;
34.3	a Co-opted Trustee can be removed from office at any time by a simple majority of the Board; and
34.4	for the avoidance of doubt, a Co-opted Trustee may participate fully in and vote at all Board meetings which he or she attends.
35.1	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 Elected Trustee from or after the date of such retiral or deemed retiral until the next AGM.

35.2	Annually after each AGM, the Board will co-opt a Co-opted Trustee, who is aged between 18 and 25 years, with the specific role of representing the interests of young people in the Community.
36	The Board shall ensure that a Register of Trustees is maintained, which sets out the full details of each Trustee as required for all registration purposes, including the date and type of appointment and the date of retiral.
	RETIRAL OF TRUSTEES
37	A Trustee shall retire or be deemed to retire if:
37.1	being an Elected Trustee, he or she ceases to be an Ordinary Member in terms of either Articles 8.1 or 15;
37.2	he or she becomes prohibited from being either (i) a charity trustee by virtue of section 69(2) of the Charities Act or (ii) a Trustee of a limited company by reason of any order made under the Company Trustees Disqualification Act 1986, and every statutory modification and re-enactment thereof for the time being in force; or
37.3	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; or
37.4	he or she is employed by or holds any office of profit under the Company (except where the provisions of Article 39.4.2 apply); or
37.5	he or she becomes incapable for medical reasons of fulfilling the duties of a Trustee and such incapacity, as certified (if necessary) by two medical practitioners, is expected to continue for a period of more than six months from the date or later date of such certification; or
37.6	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
37.7	by written notice to the Registered Office, he or she resigns as a Trustee.
	CHAIRMAN AND VICE-CHAIRMAN
38	The Board shall meet as soon as practicable immediately after each AGM to appoint a Chairman, and if desired a Vice-Chairman, from the Trustees (both of whom must be Ordinary Members).
	CONSTRAINTS ON PAYMENTS/BENEFITS TO MEMBERS AND TRUSTEES
39.1	The income and property of the Company shall be applied solely towards promoting the Purposes and do not belong to the members. Any surplus income or assets of the Company are to be applied for the benefit of the Community.
39.2	No part of the income or property of the Company shall be paid or transferred (directly or indirectly) to the members of the Company, or to any other individual, whether by way of dividend, bonus or otherwise, except in the circumstances provided for in Article 39.4.
39.3	No Trustee shall be appointed as a paid employee of the Company.
39.4	No benefit (whether in money or in kind) shall be given by the Company to any member or Trustee except the possibility of:
39.4.1	repayment of out-of-pocket expenses to Trustees (subject to prior agreement by the Board of Trustees); or

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39.4.2	reasonable remuneration to any member or Trustee in return for specific services actually rendered to the Company (not being of a management nature normally carried out by a Trustee of a company); or
39.4.3	payment of interest at a rate not exceeding the commercial rate on money lent to the Company by any member or Trustee; or
39.4.4	payment of rent at a rate not exceeding the open market rent for property let to the Company by any member or Trustee; or
39.4.5	the purchase of property from any member or Trustee provided that such purchase is at or below market value or the sale of property to any member or Trustee provided that such sale is at or above market value; or
39.4.6	payment by way of any indemnity, where appropriate;
	and in any such event the terms of Articles 40 to 42 shall specifically apply.
	PERSONAL INTERESTS
40	Any Trustee and/or employee who has a personal interest in any prospective or actual contract or other arrangement with the Company must declare that interest either generally to the Board or specifically to any relevant meeting of the Company. A personal interest includes not only the interest of the Trustee or employee in question, but also his or her partner, close relative or business associate, or any firm of which he is a partner or employee, or any limited company of which he is a Trustee, employee or shareholder of more than 5% of the equity.
41	Additionally, the Board may resolve at any time to require all Trustees and employees to deliver a Notice of Relevant Interests to the Registered Office, as they arise and at least annually. In that event, the Board shall determine from time to time what interests shall be relevant interests and shall ensure that a Register of Notices of Relevant Interests is maintained, which shall be open for inspection by both the Board and members of the Company and, with the express prior written approval of the Trustee or employee concerned, by members of the public.
42	Whenever a Trustee finds that there is a personal interest, as defined in Article 40, he or she has a duty to declare this to the Board meeting in question. It will be up to the chairman of the meeting in question to determine:
42.1	whether the potential or real conflict simply be noted in the Minutes of any relevant meeting, or
42.2	whether the Trustee in question, whilst being permitted to remain in the meeting in question, must not partake in discussions or decisions relating to such matter, or
42.3	whether the Trustee in question should be required to be absent during that particular element of the meeting and, in terms of Article 44, where a Trustee leaves, or is required to leave, the meeting he or she no longer forms part of the quorum thereat.
	QUORUM AT BOARD MEETINGS
43	The quorum for Board meetings <u>shall be not less than 50% of all the Trustees,</u> provided that the Elected Trustees are always in the majority at any Board meeting. No business shall be dealt with at a Board meeting unless such a quorum is present.
44	A Trustee shall not be counted in the quorum at a meeting (or at least the relevant part thereof) in relation to a resolution on which, whether because of personal interest or otherwise, he or she is not entitled to vote.
	MEETINGS OF THE BOARD OF TRUSTEES

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45	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.
46	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 25 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.
47	A Trustee may, and on the request of a Trustee the Company Secretary shall summon a meeting of the Board by notice served upon all Trustees, to take place at a reasonably convenient time and date.
48	The Chairman, whom failing the Vice-Chairman (if any), shall be entitled to preside as chairman of all Board meetings at which he or she is 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 Elected Trustees to be chairman of the Board meeting, which failing the meeting shall be adjourned until a time and date when the Chairman or Vice-Chairman will be available.
49	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. 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.
50	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 or which it delegates to the committee to appoint. Any sub-committee so formed shall, in the exercise of the powers so delegated, conform to any remit and regulations imposed on it by the Board. The meetings and proceedings of any such sub-committee shall be governed by the provisions of these Articles for regulating the meetings and proceedings of the Board so far as applicable and so far as the same shall not be 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.
51	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.
52	No alteration of the 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.
53	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.
54	The Board may act notwithstanding any vacancy in it, but where the number of Trustees falls below the minimum number specified in Article 29, it may not conduct any business other than to appoint sufficient Trustees to match or exceed that minimum.

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55	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.
56	The Board may from time to time promulgate, review and amend any Ancillary Regulations, Guidelines and/or Policies, subordinate at all times to these Articles, as it deems necessary and appropriate to provide additional explanation, guidance and governance to members.
	COMPANY SECRETARY, MINUTE SECRETARY, TREASURER and PRINCIPAL OFFICER
57	The Board shall appoint a Company Secretary for such term and upon such conditions as it may think fit. The Company Secretary may be removed by the Board at any time.
58	The Board may appoint a Minute Secretary, for the purposes of Article 51, 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.
59	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. 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 wishes to keep confidential to itself.
60	The Board may appoint a Principal Officer of the Company on such terms (including a decision on the most appropriate job title) and conditions as it may think fit, who shall attend Board and Sub-Committee meetings as appropriate or required, but without any vote thereat.
	HONORARY PATRON(S)
61	The Ordinary Members in General Meeting may, on a proposal from the Board, agree to the appointment of one or more Honorary Patrons of the Company, who would be appointed either for such fixed period as the Ordinary Members determine or for an unspecified period until such appointment be terminated by them. The Honorary Patron or Patrons are entitled to notice of all General Meetings and to attend and contribute to discussion but not vote thereat.
	FINANCES
62	The banking account or accounts of the Company shall be kept in such bank or building society and/or banks or building societies as the Board shall from time to time by resolution determine.
63	All cheques and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.
64	The Board shall ensure that all funds and assets of the Company are applied towards achieving the Purposes.
	ACCOUNTS
65	The Board shall cause accounting records to be kept in accordance with the requirements of the Act and other relevant regulations.

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66	The accounting records shall be maintained by the Treasurer (if there is one) and overseen by the Principal Officer (if there is one), or otherwise by, or as determined by, the Board. Such records shall be kept at such place or places as the Board thinks fit and shall always be open to the inspection of the Trustees.
67	The accounts of the Company shall be prepared in full compliance with the provisions contained in both the Act and the Land Reform Act. The Board shall ensure that an audit of the accounts is carried out by an auditor, an audit (within the meaning of the Act) shall not be required in a case where the Company is exempt (under the Act) from the arrangement to have an audit, if and to the extent that proper arrangements for the auditing of the Company's accounts are made in a manner which satisfies the requirements of the Act and section 34(1)(f) of the Land Reform Act, by a company auditor (as defined by the Act). Any such auditor shall be appointed for this task by the Board on the direction of members in General Meeting.
68	At each AGM, the Board shall provide the members with a copy of the accounts for the period since the last preceding accounting reference date (or, in the case of the first account, since the incorporation of the Company). The accounts shall be accompanied by proper reports of the Board and the auditor. Copies of such accounts shall, not less than 21 clear days before the date of the General Meeting at which they fall to be approved, be delivered or sent to all members, Trustees, the Company Secretary and the auditor, or otherwise be available for inspection on the website of the Company (with all members, Trustees, the Company Secretary and the auditor being made aware that they are so available for inspection there).
	NOTICES
69	A notice may be served by the Company upon any member, either personally or by sending it by post, fax, e-mail or other appropriate electronic means, addressed to such member at his or her or its address as appearing in the Register of Members.
70	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 despatched.
71	The business of the Company and all its correspondence with and notification to or from members may be conducted equally validly and effectively if transmitted by fax, e-mail or other appropriate electronic means (except where a member specifically requests all such correspondence and notification by post) or otherwise if publicised on the website of the Company (where the Company has advised each member of this and has taken due steps to notify by other reasonable means all other members who state that they do not have access to the Internet).
	INDEMNITY
72	Subject to the terms of the Companies Act and without prejudice to any other indemnity, the Trustees, or member of any sub-committee, the Company Secretary, Treasurer and all employees of the Company shall be indemnified out of the funds of the Company against any loss or liability (including the costs of defending successfully any court proceedings) which he, she or they may respectively incur or sustain, in connection with or on behalf of the Company and each of them shall be chargeable only for so much money as he or she may actually receive and they shall not be answerable for the acts, receipts, neglects or defaults of each other, but each of them for his or her own acts, receipts, neglects or defaults only.

	ALTERATION TO THE ARTICLES
73	Any alteration to these Articles may be made only upon the following conditions:
73.1	upon the decision of not less than 75% of the Ordinary Members present and voting at a General Meeting called specifically (but not necessarily exclusively) for the purpose in terms of Article 25;
73.2	with the written consent of the Scottish Ministers, through the Scottish Government Rural Directorate (or its successors), in terms of Section 35(1) of the Land Reform Act; and
73.3	with the written consent of the Office of the Scottish Charity Regulator (and its successors) in terms of section 16 of the Charities Act.
	DISSOLUTION
74.1	The winding-up of the Company may take place only on the decision of not less than 75% of its Ordinary Members who are present and voting at a General Meeting called specifically (but not necessarily exclusively) for the purpose.
74.2	If, on the winding-up of the Company, any property remains, after satisfaction of all its debts and liabilities, such property (including any land acquired by it in terms of the Land Reform Act) shall be given or transferred to such other community body or bodies or crofting community body or bodies as may be: (a) determined by not less than 75% of the Ordinary Members of the Company who are present and voting at a General Meeting called specifically (but not necessarily exclusively) for the purpose; and (b) approved thereafter by the Scottish Ministers; under declaration that, if the Company is a charity at or before the time of its winding up, then the community body or bodies or crofting community body or bodies referred to above must also be a charity or charities.
74.3	If no such community body or crofting community body is determined by the Ordinary Members and approved by the Scottish Ministers in terms of Article 74.2, such property referred to in Article 74.2 shall, if not charitable, be transferred to the Scottish Ministers or, if charitable, to such charity or charities as the Scottish Ministers may direct.
74.4	In Article 74, "community body" and "crofting community body" have the meanings ascribed to them respectively in Sections 34 and 71 of the Land Reform Act and "charity" has the meaning ascribed to it in Section 34(8) of the Land Reform Act.
	LIMIT OF LIABILITY
75.1	The liability of all members of the Company is limited.
75.2	Every member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the property of the Company if it should be wound up whilst he, she or it is a member or within one year after he, she or it ceases to be a member (for whatever reason), for payment of its debts and liabilities contracted before he, she or it ceases to be a member, and of the costs, charges and expenses of winding up.

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SCHEDULE 1
POWERS AVAILABLE TO THE COMPANY

1	Further to Article 5, the Company shall have the following powers, but only in furtherance of the Purposes (and wherein reference to "**property**" means any property, assets or rights, heritable or moveable, wherever situated) and declaring that the order in which these Powers are listed or the terms of the sub-headings are of no significance in terms of their respective priority which shall be deemed to be equal, namely:
	General
2.1	To encourage and develop a spirit of voluntary or other commitment by, or co-operation with, individuals, unincorporated associations, societies, federations, partnerships, corporate bodies, agencies, undertakings, local authorities, unions, co-operatives, trusts and others and any groups or groupings thereof willing to assist the Company to achieve the Purposes.
2.2	To promote and carry out research, surveys and investigations and to promote, develop and manage initiatives, projects and programmes.
2.3	To provide advice, consultancy, training, tuition, expertise and assistance.
2.4	To prepare, organise, promote and implement training courses, exhibitions, lectures, seminars, conferences, events and workshops, to collect, collate, disseminate and exchange information and to prepare, produce, edit, publish, exhibit and distribute articles, pamphlets, books and other publications, tapes, motion and still pictures, music and drama and other materials, all in any medium.
	Property
3.1	To register an interest in land and to exercise the right to buy under Part 2 the Land Reform (Scotland) Act 2003 including any statutory amendment or re-enactment thereof for the time being in force ("**the Land Reform Act**").
3.2	To purchase, take on lease, hire, or otherwise acquire any property suitable for the Company and to construct, convert, improve, develop, conserve, maintain, alter and demolish any buildings or erections whether of a permanent or temporary nature, and manage and operate or arrange for the professional or other appropriate management and operation of the Company's property.
3.3	To sell, let, hire, license, give in exchange and otherwise dispose of all or any part of the property of the Company.
3.4	To establish and administer a building fund or funds or guarantee fund or funds or endowment fund or funds.
	Employment
4.1	To employ, contract with, train and pay such staff (whether employed or self-employed) as are considered appropriate for the proper conduct of the activities of the Company.
	Funding and Financial
5.1	To take such steps as may be deemed appropriate for the purpose of raising funds for the activities of the Company.
5.2	To accept subscriptions, grants, donations, gifts, legacies and endowments of all kinds, either absolutely or conditionally or in trust.
5.3	To borrow or raise money for the Purposes and to give security in support of any such borrowings by the Company and/or in support of any obligations undertaken by the Company.
5.4	To set aside funds not immediately required as a reserve or for specific purposes.
5.5	To invest any funds which are not immediately required for the activities of the Company in such investments as may be considered appropriate, which may be held in the name of a nominee Company under the instructions of the Board of Trustees, and to dispose of, and vary, such investments.
5.6	To make grants or loans of money and to give guarantees.

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	Development
6.1	To establish, manage and/or support any other charitable organisation, and to make donations for any charitable purpose falling within the Purposes.
6.2	To establish, operate and administer and/or otherwise acquire any separate trading company or association, whether charitable or not.
6.3	To enter into any arrangement with any organisation, government or authority which may be advantageous for the purposes of the activities of the Company and to enter into any arrangement for co-operation, mutual assistance, or sharing profit with any charitable organisation.
6.4	To enter into contracts to provide services to or on behalf of others.
	Insurance and Protection
7.1	To effect insurance of all kinds (which may include indemnity insurance in respect of Trustees and employees).
7.2	To oppose, or object to, any application or proceedings which may prejudice the interests of the Company.
	Ancillary
8.1	To pay the costs of forming the Company and its subsequent development.
8.2	To carry out the Purposes as principal, agent, contractor, trustee or in any other capacity.
8.3	To do anything which may be incidental or conducive to the Purposes so long as these are charitable.

SCHEDULE 2
FORM OF PROXY

The form appointing the Proxy in terms of Article 24.3 shall be in the following terms, adapted as appropriate:

Staffin Community Trust Limited

I...,

of...,
being an Ordinary Member of the above Company hereby

appoint...,

of ....,

and, failing him or her, ...,

of...,
as my proxy to vote for me on my behalf at the (Annual/Extraordinary) meeting of the Company to be held on............................ and at any adjournment thereof.

This form is to be used in favour of/against the resolution.

Signed...........day of ....

Signature of member appointing proxy ....

D MacDonald