

THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE

Articles of Association of Dunbeath & District Centre

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise—

“annual general meeting” means a general meeting of the members of the company held once a calendar year to allow the members to consider the annual report and annual accounts, and appoint directors and the independent examiner to the accounts

“articles” means the company’s articles of association;

“bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“chairperson” has the meaning given in article 15 and is equivalent to “chairman” as used in the Companies Act 2006;

“chairperson of the meeting” has the meaning given in article 30;

“charitable” means that which is charitable in terms of the Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as charitable in relation to the application of the Taxes Acts;

“charity” means a body which is either a “Scottish charity” within the meaning of section 13 of the Charities and Trustee Investment (Scotland) Act 2005 or a “charity” within the meaning of section 1 of the Charities Act 2006, providing (in either case) that its objects are limited to charitable purposes;

“charitable purpose” means a charitable purpose under section 7 of the Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the application of the Taxes Acts;

“Companies Acts” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

“director” means a director of the company, and includes any person occupying the position of director, by whatever name called;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“electronic form” has the meaning given in section 1168 of the Companies Act 2006;

“member” has the meaning given in section 112 of the Companies Act 2006;

“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006;

“participate”, in relation to a directors’ meeting, has the meaning given in article 13;

“proxy notice” has the meaning given in article 36;

“special resolution” has the meaning given in section 283 of the Companies Act 2006;

“subsidiary” has the meaning given in section 1159 of the Companies Act 2006; and

“writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

Liability of members

2. The liability of each member is limited to £1, being the amount that each member undertakes to contribute to the assets of the company in the event of its being wound up while s/he is a member or within one year after s/he ceases to be a member, for—

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

PART 2

COMPANY'S OBJECTS AND POWERS AND USE OF ASSETS

Objects

3. The company's objects are specifically restricted to the following

The company has been formed to promote the benefit of the public within Dunbeath and district by –

- i) The relief of those of need by reason of age, ill-health, disability, financial hardship or other disadvantage by promoting the welfare of older people, by being inclusive, encouraging health and well being and actively being more socially inclusive and enhancing their quality of life by supporting older people to stay in their own homes for as long as possible.
- ii) Make available vocational and non-vocational courses to meet the need and demands of the community, by providing premises, equipment and the teaching necessary to facilitate courses aiming to raise the skill levels of the community to meet the challenges of an ever changing world.
- iii) Work and collaborate on an ongoing basis with a multi-disciplinary team of health professionals to promote health and well being within the Community, endeavouring to advance health and health education to those most in need.
- iv) Provide shelter and comfort to persons exposed to extreme weather conditions, personal calamity or situations rendering these persons vulnerable and helpless; at these times of special need having suitably qualified staff and volunteers available.
- v) Create, encourage and maintain public interest by providing a link between the Centre and the community which it serves, work closely with other Community organisations. Encourage and use volunteers whenever and wherever possible, developing Community capacity and citizenship through these endeavours.
- vi) The provision of recreational facilities, or the organisation of recreational facilities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended.
- vii) Such other similar charitable purposes as the company from time to time determines.

Powers of the Company

4. In furtherance of those objects (but not otherwise), the company shall have the following powers:-

- (a) To provide a centre for the local community.
- (b) To organise and deliver such other services in furtherance of the above objects as the company shall from time to time determine.
- (c) To prepare, print, publish, issue and/or circulate (gratuitously or otherwise) reports, periodicals, books, pamphlets, leaflets, posters or other printed matter, video tapes and other material.
- (d) To advise in relation to, organize and/or conduct seminars, training courses, exhibitions, meetings and lectures.
- (e) To promote, support and/or undertake community consultation, research and experimental work and disseminate the results of such research and experimental work.
- (f) To provide evidence for central or local government or other enquiries.
- (g) To purchase, take on feu, lease, hire, take in exchange, and otherwise acquire any property and rights which may be advantageous for the purposes of the activities of the company.
- (h) To improve, manage, exploit, develop, turn to account and otherwise deal with all or any part of the undertaking, property and rights of the company.
- (i) To sell, feu, let, hire, licence, give in exchange and otherwise dispose of all or any part of the undertaking, property and rights of the company.
- (j) To borrow money and give security for the payment of money by, or the performance of other obligations of, the company or any other person.
- (k) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (l) To remunerate any individual in the employment of the company and to establish, maintain and contribute to any pension or superannuation fund for the benefit of, and to give or procure the giving of any donation, pension, allowance or remuneration to, and to make any payment for or towards the insurance of, any individual who is or was at any time in the employment of the company and the spouse, widow/widower, relatives and dependents of any such individual; to establish, subsidise and subscribe to any institution, association, club and fund which may benefit any such person.
- (m) To promote any private Act of Parliament or other authority to enable the company or carry on its activities, alter its constitution or achieve any other purpose which may promote the company's interests, and to oppose or object to any application or proceedings which may prejudice the company's interests.
- (n) To enter into any arrangement with any business, organization, government or authority which may be advantageous for the purposes of the activities of the

company and to obtain from any such organization, government or authority any charter, right, privilege or concession.

- (o) To enter into partnership or any other arrangement for sharing profit, co-operation or mutual assistance with any body, whether incorporated or unincorporated.
- (p) To accept any shares, debentures or securities as consideration for any business, property and rights acquired or disposed of.
- (q) To effect insurance against risks of all kinds.
- (r) To invest moneys of the company not immediately required for the purposes of its activities in such investments and securities (including land in any part of the world) and that in such manner as may from time to time be considered advantageous (subject to compliance with any applicable legal requirement) and to dispose of and vary such investments and securities.
- (s) To establish and support any association or other unincorporated body having objects altogether or in part similar to those of the company and to promote any company or other incorporated body formed for the purpose of carrying on any activity which the company is authorized to carry on.
- (t) To amalgamate with any charitable body, incorporated or unincorporated, having objects altogether or in part similar to those of the company.
- (u) To subscribe for, take, purchase and otherwise acquire and hold shares, stocks, debentures and other interests in any company with which the company is authorized to amalgamate and to acquire and take over the whole of any part of the undertaking, assets and liabilities of any body, incorporated or unincorporated, with which the company is authorized to amalgamate.
- (v) To transfer all or any part of the undertaking, property and rights of the company to any body, incorporated or unincorporated, with which the company is authorized to amalgamate.
- (w) To subscribe and make contributions to or otherwise support bodies, whether incorporated or unincorporated, and to make donations and award grants for any purpose connected with the activities of the company or with the furtherance of its objects.
- (x) To accept subscriptions, grants, donations, gifts, legacies and endowments of all kinds, either absolutely or conditionally or in trust for any of the objects of the company.
- (y) To take such steps (by way of personal or written appeals, public meeting or otherwise) as may be deemed expedient for the purpose of procuring contributions to the funds of the company, whether by way of subscriptions, grants, loans, donations or otherwise.
- (z) To set charges for services provided in furtherance of the above objects or otherwise and earn income therefrom.
- (aa) To carry out any of these objects in any part of the United Kingdom 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.

- (bb) To promote and organise co-operation in the achievement of the above purposes and to that end bring together representatives of the authorities and organisations engaged in the furtherance of the above purposes or any of them within Caithness and Highland.**
- (cc) To do anything which may be incidental or conducive to the attainment of any of the objects of the company.**

And it is declared that

in this clause where the context so admits "property" means any property, heritable or moveable, real or personal, wherever situated

Use of assets

5. The income and property of the company shall be applied solely toward the promotion of the objects

5.1 Subject to article 5.2

- (a) the income and property of the company shall be applied solely towards the promotion of its objects as set out in article 3 of this memorandum of association**
- (b) no part of the income and property of the company shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise, to the members of the company**
- (c) no benefit in money or money's worth shall be given by the company to any director except repayment of out-of-pocket expenses and**
- (d) no director of the company shall be appointed to any office under the company in respect of which a salary or fee is payable**

5.2 The company shall, notwithstanding the provisions of article 5.1, be entitled

- (a) to pay reasonable and proper remuneration to any director or member of the company in return for particular services (not being of a governance nature) actually rendered for the company save that a majority of directors may not receive such remuneration**
- (b) to provide benefit including financial benefit to members and directors of the company in the capacity of a beneficiary of the company as a charity save that a majority of directors may not receive such benefit**
- (c) to pay interest at a rate not exceeding the commercial rate on money lent to the company by any director or member of the company**
- (d) to pay rent at a rate not exceeding the open market rent for premises let to the company by any director or member of the company and**
- (e) to purchase assets from, or sell assets to, any director or member of the company providing such purchase or sale is a market value.**

PART 3

DIRECTORS

Directors' powers and responsibilities

Directors' general authority

6. Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

Members' reserve power

**7. - (1) The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.
(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.**

Directors may delegate

8.—(1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:—

- (a) to such person or committee;**
- (b) by such means (including by power of attorney);**
- (c) to such an extent;**
- (d) in relation to such matters or territories; and**
- (e) on such terms and conditions;**

as they think fit.

(2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

(3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

Committees

9.—(1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

(2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

Decision-making by directors

Directors to take decisions collectively

10 . The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 11.

Unanimous decisions

11.—(1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.

(2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.

(3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

(4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

Calling a directors' meeting

12.—(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

(2) Notice of any directors' meeting must indicate—

(a) its proposed date and time;

(b) where it is to take place; and

(c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

(3) Notice of a directors' meeting must be given to each director, but need not be in writing.

(4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

Participation in directors' meetings

- 13.—(1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—**
- (a) the meeting has been called and takes place in accordance with the articles, and**
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.**
- (2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.**
- (3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.**

Quorum for directors' meetings

- 14.—(1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.**
- (2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than four, and unless otherwise fixed it is four.**
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—**
- (a) to appoint further directors, or**
 - (b) to call a general meeting so as to enable the members to appoint further directors.**

Chairing of directors' meetings and other offices

- 15.—(1) The directors may appoint a director to chair their meetings.**
- (2) The person so appointed for the time being is known as the chairperson.**
- (3) The directors may terminate the chairperson's appointment at any time.**
- (4) The directors may appoint a director as a vice-chairperson who shall chair their meetings in the absence of the chairperson and may terminate that appointment at any time.**
- (5) If the chairperson or in their absence the vice-chairperson is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.**
- (6) The directors may appoint a director to act as treasurer and/or a director to act as company secretary and may terminate such appointments at any time.**
- (7) If not terminated at any other time as above all such appointments to office under the above shall automatically terminate and fall to be renewed or made fresh at the first meeting of directors after each annual general meeting.**

Casting vote

16.—(1) If the numbers of votes for and against a proposal are equal, the chairperson or other director chairing the meeting has a casting vote.

(2) But this does not apply if, in accordance with the articles, the chairperson or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

Conflicts of interest

17.—(1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.

(2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.

(3) This paragraph applies when —

(a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;

(b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or

(c) the director's conflict of interest arises from a permitted cause.

(4) For the purposes of this article, the following are permitted causes —

(a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;

(b) subscription, or an agreement to subscribe, for securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and

(c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.

(5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

(6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairperson whose ruling in relation to any director other than the chairperson is to be final and conclusive.

(7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairperson, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairperson is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

Records of decisions to be kept

18. The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

Directors' discretion to make further rules

19. Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

Appointment of directors

Number of directors

20. The number of directors shall be not less than four and the maximum number of directors shall be 10.

Methods of appointing directors

21.—(1) Any natural person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—

(a) by ordinary resolution, or

(b) by a decision of the directors either to fill a casual vacancy or as an additional director, or

(c) in the case of the first directors shall be appointed by notification to Companies House as the first directors of the company

Termination of director's appointment

22. A person may not be appointed to be a director or ceases to be a director as soon as—

(a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;

(b) a bankruptcy order is made against that person;

(c) a composition is made with that person's creditors generally in satisfaction of that person's debts;

(d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;**
- (f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.**
- (g) that person becomes debarred under any statutory provision from being a charity trustee**
- (h) that person resigns office by notice to the company**
- (i) that person has been absent from meetings of the directors for more than six months and the directors have resolved to remove that person from office**
- (j) the end is reached of the annual general meeting next following appointment if that person was appointed to be a director under article 21(1)(a) or 21(1)(b). In that event that person may be immediately re-appointed at that annual general meeting for a further period of office continuing from the end of that annual general meeting.**
- (k) that person becomes an employee of the company.**
- (l) that person is deemed by the board to have acted in such a way as to compromise the reputation of the company, the furtherance of the objects or the conduct of meetings or business.**

Directors' remuneration

- 23.—(1) Directors may undertake any services for the company that the directors decide.**
- (2) Directors are entitled to such remuneration as the directors determine subject to the terms of article 5 and to any statutory provisions affecting companies which are charities—**
- (a) for any other service than as a director which they undertake for the company.**
- (3) Subject to the articles, a director's remuneration may—**
- (a) take any form, and**
 - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.**
- (4) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.**

Directors' expenses

- 24. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—**
- (a) meetings of directors or committees of directors,**
 - (b) general meetings, or**
 - (c) separate meetings of the holders of debentures of the company,**
- or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.**

PART 4

MEMBERS

Becoming and ceasing to be a member

Applications for membership and conditions of membership

- 25. –(1) No person or organization shall become a member of the company unless—**
- (a) that person is one of the subscribers to the memorandum who are the first members of the company, or**
 - (b) that person is a natural person aged 16 or over who supports the objects of the company and has completed an application for membership in a form approved by the directors, or is an organization which has completed an application as above and**
 - (c) the directors have approved the application, and**
 - (d) that person or organization has paid the full amount of any annual membership subscription set by the directors (whatever the period between the date of such approval under (c) above and the date on which the membership subscription next falls due).**
- (2) The directors may only refuse an application for membership if, acting reasonably and properly, they consider it to be in the best interests of the company and its objects to refuse the application.**
- (3) The directors must inform the applicant in writing of the reasons for the refusal within 21 days of the decision.**
- (4) The directors must consider any written representations the applicant may make about the decision. The directors' decision following any written representations must be notified to the applicant in writing but shall be final.**
- (5) Every member shall have one vote.**
- (6) A member may not be an employee.**

Termination of membership

- 26.—(1) A member may withdraw from membership of the company by giving 7 days' notice to the company in writing.**
- (2) Membership is not transferable.**
- (3) A person or organization's membership terminates when that person dies or organization ceases to exist, or the member becomes an employee.**
- (4) Membership is terminated with immediate effect if—**
- (a) any sum due from the member to the company is not paid in full within three months of it falling due.**
 - (b) in the best interests of the company and its objects either an ordinary resolution or a resolution of the directors so to terminate is passed. Such a resolution may only be passed if the member has been given at least 21 days notice of the meeting at which the resolution will be proposed and the reasons why it is to be proposed and the**

member has been allowed to make representations to the meeting either in person or at the option of the member through a representative chosen by the member who need not be a member of the company.

Organisation of general meetings

General meetings

27. –(1) The company must hold its first annual general meeting within eighteen months after the date of its incorporation.

(2) An annual general meeting must be held in each subsequent calendar year and not more than fifteen months may elapse between successive annual general meetings.

(3) The directors may call a general meeting at any time.

(4) The minimum periods of notice required to hold a general meeting of the company are –

(a) 21 clear days for an annual general meeting or a general meeting called for the passing of a special resolution

(b) 14 clear days for all other general meetings

(c) such shorter period as a number of members having a right to attend and vote at the meeting being a majority who together hold not less than 90% of the voting rights of the company may agree

(5) The notice must specify the date time and place of the meeting and the business to be transacted; it must state whether the meeting is to be an annual general meeting and if appropriate the detail of any special resolution; it must also contain a statement setting out the rights of members to appoint a proxy under section 324 of the Companies Act 2006 and article 36.

(6) The notice must be given to all the members and to the directors and the independent examiners

Attendance and speaking at general meetings (in article 28 references to a person also refer to a person representing an organization that is a member)

28.—(1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

(2) A person is able to exercise the right to vote at a general meeting when —

(a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

(b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

(3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

(4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

(5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

Quorum for general meetings

29. No business other than the appointment of the chairperson of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum; the quorum may be fixed by ordinary resolution and unless so fixed at any other number shall be 6 of the members in person or by proxy.

Chairing general meetings

30.—(1) If the directors have appointed a chairperson or vice-chairperson, the chairperson or if the chairperson is absent the vice-chairperson shall chair general meetings if present and willing to do so.

(2) If the directors have not appointed a chairperson or vice-chairperson, or if the chairperson and/or vice-chairperson is/are unwilling to chair the meeting or is/are not present within ten minutes of the time at which a meeting was due to start—

(a) the directors present, or

(b) (if no directors are present), the meeting,

must appoint a director or member to chair the meeting, and the appointment of the chairperson of the meeting must be the first business of the meeting.

(3) The person chairing a meeting in accordance with this article is referred to as “the chairperson of the meeting”.

Attendance and speaking by directors and non-members

31.—(1) Directors may attend and speak at general meetings, whether or not they are members.

(2) The chairperson of the meeting may permit other persons who are not members of the company to attend and speak at a general meeting.

Adjournment

32.—(1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairperson of the meeting must adjourn it.

(2) The chairperson of the meeting may adjourn a general meeting at which a quorum is present if—

(a) the meeting consents to an adjournment, or

- (b) it appears to the chairperson of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- (3) The chairperson of the meeting must adjourn a general meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the chairperson of the meeting must—
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—
- (a) to the same persons to whom notice of the company's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

Voting at general meetings

Voting: general

33. A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

Errors and disputes

34.—(1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

(2) Any such objection must be referred to the chairperson of the meeting whose decision is final.

Poll votes

35.—(1) A poll on a resolution may be demanded—

(a) in advance of the general meeting where it is to be put to the vote, or

(b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by—

(a) the chairperson of the meeting;

- (b) the directors;
 - (c) two or more persons having the right to vote on the resolution; or
 - (d) a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution.
- (3) A demand for a poll may be withdrawn if—
- (a) the poll has not yet been taken, and
 - (b) the chairperson of the meeting consents to the withdrawal.
- (4) Polls must be taken immediately and in such manner as the chairperson of the meeting directs.

Content of proxy notices

- 36.—(1) Proxies may only validly be appointed by a notice in writing (a “proxy notice”) which—
- (a) states the name and address of the member appointing the proxy;
 - (b) identifies the person appointed to be that member’s proxy and the general meeting in relation to which that person is appointed;
 - (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and
 - (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- (4) Unless a proxy notice indicates otherwise, it must be treated as—
- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Delivery of proxy notices

- 37.—(1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- (2) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

(4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

Amendments to resolutions

38.—(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—

(a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairperson of the meeting may determine), and

(b) the proposed amendment does not, in the reasonable opinion of the chairperson of the meeting, materially alter the scope of the resolution.

(2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—

(a) the chairperson of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

(b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

(3) If the chairperson of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairperson's error does not invalidate the vote on that resolution.

PART 5

ADMINISTRATIVE ARRANGEMENTS

Administrative requirements

Means of communication to be used

39.—(1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

(2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

(3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be not less than 48 hours.

Rules

40.—(1) The directors may from time to time make, implement and enforce such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the company and its activities, services and premises and for the proper conduct of those outwith the company who may be involved in or receiving benefit from or using its activities, services and /or premises.

(2) The rules or bye laws shall be binding on all members of the company and on all those outwith the company who may be involved in or receiving benefit from or using its activities, services and /or premises. No rule or bye law shall be inconsistent with or shall affect or repeal anything contained in the articles.

No right to inspect accounts and other records

41. Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a member.

Compliance with all regulation applicable to a charitable company

42. The directors shall ensure the keeping of all records including minutes and accounts, the preparation of annual accounts and reports and returns and the doing of all such other things as are required to be done by a charitable company under such regulation as applies to such a company from time to time, and shall likewise cause all such things to be done as shall bring the company into compliance with all or any such regulation as may apply to any activity of the company at any time.

Directors' indemnity and insurance

Indemnity

43.—(1) Subject to paragraph (2), a relevant director of the company may be indemnified out of the company's assets against any liability incurred by that director in that capacity to the extent permitted by sections 232 to 234 of the Companies Act 2006 or against any other liability incurred by that director as an officer of the company to the same extent.

(2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

(3) A "relevant director" means any director or former director of the company.

Insurance

44.—(1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss and such insurance may extend to liabilities of the nature referred to in section 232(2) of the Companies Act 2006.

(2) In this article—

- (a) a “relevant director” means any director or former director of the company,**
- (b) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant director in connection with that director’s duties or powers in relation to the company.**

Dissolution

45. —(1) Subject to such regulatory requirements and consents as may apply to the distribution of the assets of a charitable company on its dissolution, any net assets remaining after providing for all debts and liabilities shall on or before the dissolution of the company be applied or transferred as the members determine by ordinary resolution (or failing such determination by such court or authority or regulator as may have or acquire jurisdiction) in any of the following ways –

- (a) by transfer to any charity or charities for purposes altogether or in part similar to the objects in article 3 above, or**
- (b) directly for the objects, or**
- (c) to the extent that effect cannot be given to either of the above to some other charitable object or objects of benefit to the public in Caithness or Highland.**

(2) In no circumstances shall the net assets remaining be paid to or distributed among the members of the charitable company.

Winding up

46. If the company is wound up the liquidator shall give effect to the provisions of article 45(1)(a),(b),or (c) insofar as statutory requirement and regulatory consent or requirement permit or demand.

