

Company number: SC200827

THE COMPANIES ACT 2006

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

ARTICLES of ASSOCIATION

of

*The
Southern Uplands
Partnership*

Incorporated on 19 October 1999 and
amended on

(Scottish Charity Number SC029475)

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

ARTICLES of ASSOCIATION
of
The Southern Uplands Partnership

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of
The Southern Uplands Partnership

1 NAME AND REGISTERED OFFICE

- 1.1 The name of the company is “The Southern Uplands Partnership” (“the Partnership”).
- 1.2 The Registered Office of the Partnership is situated in Scotland.

2 DEFINITIONS

- 2.1 The definitions and meanings specified in this Article shall apply throughout these Articles of Association and the two Schedules hereto, as follows:

WORDS	MEANINGS
AGM	- the Annual General Meeting.
Articles	- these Articles of Association, and any ancillary regulations thereunder, in force from time to time.
Authorised Representative	- as defined in Article 5.2.
Board	- the Board of Trustees.
Board of Trustees	- the Board of Directors of the Partnership.
Charitable Purposes	- as described in Article 3 on the basis that these fall within section 7 of the Charities Act and are also regarded as charitable in relation to the application of the Taxes Acts.
Charities Act	- the Charities and Trustee Investment (Scotland) Act 2005 and every statutory modification and re-enactment thereof for the time being in force.
charity	- a body on the Scottish Charity Register which is also regarded as a charity in relation to the application of the Taxes Acts.

Companies Act - the Companies Act 2006 as amended and every statutory modification and re-enactment thereof for the time being in force.

General Meeting - a General Meeting of the members.

in writing - written, printed or lithographed, or partly one and partly another, and other modes of representing or producing words in a visible and non-transitory (albeit electronically-based) form.

Member Meeting - AGMs or General Meetings of the members.

members - all members of the Partnership.

month - calendar month.

Named Depute - as defined in Article 5.2.

organisation - any body corporate, unincorporated association, society, federation, authority, agency, union, co-operative, Partnership, partnership or other organisation (not being an individual person).

property - any property, assets or rights, heritable or moveable, wherever situated in the world.

Subscribers - those persons and/or organisations who have subscribed these Articles.

Partnership - The Southern Uplands Partnership

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

2.2 Table C in the Companies (Tables A to F) Regulations 1985 and the relevant model articles (within the meaning of section 20 of the Companies Act) are excluded.

2.3 Words importing the singular number only shall include the plural number, and *vice versa*.

2.4 Words importing the masculine gender only shall include the feminine gender.

2.5 Subject as aforesaid, any words or expressions defined in the Companies Act shall, if not inconsistent with the subject or context, bear the same meanings in the Articles.

2.6 The two Schedules to these Articles are deemed to form an integral part of these Articles.

3 CHARITABLE PURPOSES and POWERS

3.1 The Charitable Purposes of the Partnership ("the Charitable Purposes") are:

- 3.1.1 to promote and advance education of the public about working and living sustainably in the Southern Uplands of Scotland (being generally the hills stretching from coast to coast across Southern Scotland, the northern boundary of which is the Central Lowlands of Scotland, and the southern boundary of which is the border between Scotland and England), either independently and/or in association with Local Authorities, voluntary organisations and local residents; and
 - 3.1.2 to guide and encourage the integration of environmental, social and economic land use policies, the sustainable use and management of land and water and other relevant activities in the Southern Uplands of Scotland so that they are compatible with considerations of the environment and local communities; and
 - 3.1.3 to promote, protect and conserve the biodiversity of the Southern Uplands of Scotland for the benefit of society.
- 3.2 The Partnership shall have powers, but only in furtherance of its Charitable Purposes, as expressed in Schedule 1 annexed to these Articles.

4 GENERAL STRUCTURE OF THE PARTNERSHIP

The structure of the Partnership comprises:

- 4.1 **Members** - who have the right to attend the AGM (and any General Meeting) and have important powers under these Articles and the Companies Act, particularly in electing people to serve as Trustees and taking decisions in relation to any changes to these Articles; and
- 4.2 **Trustees** - who hold regular meetings, set the strategy and policy of the Partnership, generally control and supervise the activities of the Partnership 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 Partnership.

5 MEMBERSHIP

5.1 Members

5.1.1 The members of the Partnership shall consist of all existing members of the Partnership at the time these Articles are adopted in 2019 and such other individuals and organisations as are admitted to membership thereafter in terms of this Article.

5.1.2 Membership shall be open to:-

(a) **individuals** who shall be aged 16 or over, support the Charitable Purposes and pay any annual subscription due; and

(b) **groups**, being those organisations that support the Charitable Purposes and pay any annual subscription due. Group members may include organisations such as local authorities, Scottish Natural Heritage, community organisations, non-Governmental organisations, farming and landowning bodies provided such organisations meet the other criteria for admission as members and continuing membership.

5.2 Authorised Representatives of Group Members

- 5.2.1 Each group member shall, within one month of admission to membership, appoint one named Authorised Representative and one Named Depute. The Authorised Representative, whom failing the Named Depute, shall represent, act and vote for such member at all Member Meetings of the Partnership. The Named Depute may represent and act for such member only in the absence of the Authorised Representative.
- 5.2.2 Any change in the appointment of an Authorised Representative, and/or of a Named Depute, may be made at any time by the appointing member, but only by written notice served by the appointing member to the Partnership. Such notice will take effect in respect of any meeting taking place 48 hours or more after receipt of the notice to the Partnership to allow sufficient time for the appointing member to serve a copy of the notice to anyone named therein and to enable the Partnership to act upon such notification.
- 5.2.3 In the case of any dispute as to the correct Authorised Representative and/or Named Depute serving at any time, the matter will be settled by the Secretary in accordance with the most recent notice validly received by the Partnership.

5.3 **Register of Members**

- 5.3.1 The Board shall maintain a Register of Members, setting out all relevant details of each member and the relative category of membership, together where relevant with details of the Authorised Representative and Named Depute.
- 5.3.2 The Register of Members is open to all members of the Partnership.
- 5.3.3 The Register of Members is open to non-members of the Partnership, provided that the applicant provides:
 - (a) the applicant's name and address;
 - (b) the purpose for which the information is to be used; and
 - (c) whether the information will be disclosed to any other person and, if so, the name and address of that other person and the purpose for which the information is to be used by that other person.

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

5.4 **Application for Membership**

- 5.4.1 Any individual who, or organisation which, wishes to become a member of the Partnership must sign a written application for membership in the form prescribed, if any, by the Board from time to time and lodge it with the Partnership.
- 5.4.2 The Board shall consider such applications for membership promptly and shall inform each applicant whether he, she or it has been successful and, where relevant, in which category of membership he, she or it shall belong, the decision of the Board in these respects being final. The Board may, at its discretion, refuse to admit any individual or organisation to membership, except for reasons of gender, sexuality, marital status, age, race, religion or politics.
- 5.4.3 (a) Where the Board refuses, in its absolute discretion, to admit any applicant to membership in terms of Article 5.4.2, or decides in terms of Article 5.6.5 to expel a member, such refused applicant or expelled member ("the appellant") may appeal to an appeal committee comprising the Convenor and two other Trustees appointed by the

Convenor (“the appeal committee”) in writing within 14 days of receiving notice of refusal from the Board, stating any reasons why the appellant considers that he, she or it should be admitted to membership or to continue as a member as the case may be.

- (b) On receipt of such written appeal, the appeal committee shall arrange a meeting of themselves and the appellant as soon as convenient thereafter, at which meeting the appellant may address it.
 - (c) The appeal committee must reach a decision within 14 days of the meeting either:
 - (i) to overrule the Board and admit the appellant to membership; or
 - (ii) to put the application back to the Board to reconsider in its absolute discretion (and if the Board refuses again, there would be no right of further appeal therefrom); or
 - (iii) to refuse the appeal.
 - (d) Whichever course the appeal committee take in terms of Article 5.5.3(c), it shall promptly inform the appellant of this in writing.
- 5.4.4 A successful application for membership will not become effective until payment of the appropriate annual membership subscription has been received.

5.5 Membership Subscriptions

- 5.5.1 Members shall be required to pay the appropriate annual membership subscription, if any.
- 5.5.2 The members may at each or any AGM fix any annual subscriptions (and, if relevant, different rates thereof for different categories).
- 5.5.3 Only those members who have paid their current subscription (where these are fixed) are entitled to take part in and vote at any Member Meeting.
- 5.5.4 If the membership subscription payable by any member remains outstanding for more than three calendar months after the date on which it fell due (and providing the member in question has been given at least one written reminder), the Board may expel that member from membership.
- 5.5.5 An individual who, or organisation which, ceases (for whatever reason) to be a member shall not be entitled to any refund of membership subscription.

5.6 Cessation of Membership

Any member, or Authorised Representative or Named Depute thereof appointed in terms of Article 5.2, may no longer serve as such in any one or more of the following events:

- 5.6.1 if by not less than 7 days’ prior notice in writing to the Partnership he, she or it resigns his, her or its membership; or
- 5.6.2 if, being an individual, he or she becomes insolvent or apparently insolvent or makes any arrangement or composition with his or her creditors generally; or
- 5.6.3 if, being an individual, he or she becomes prohibited from being a charity Trustee by virtue of section 69(2) of the Charities Act; or
- 5.6.4 if the terms of Article 5.5.4 are invoked by the Board; or
- 5.6.5 if a resolution that a member be expelled is passed by a majority of the Trustees present and voting at a Board Meeting, of which not less than 14 days’ previous notice specifying the intention to propose such resolution and the grounds on which it is proposed shall have been sent to all Trustees, and also to the member whose removal is in question, such member being entitled to be heard at that meeting (and, in the event of the Board proceeding with

- expulsion, the expelled member may invoke a right of appeal in terms of Article 5.4.3); or
- 5.6.6 if, being an individual, he or she dies; or
 - 5.6.7 if, being an organisation, it goes into receivership, goes into liquidation, dissolves or otherwise ceases to exist; or
 - 5.6.8 if, being an Authorised Representative or Named Depute, he or she ceases to be a director by virtue of any provision of the Companies Act or is prohibited from being a director by law.
- 5.7 Membership is neither transferable nor assignable to any other individual or organisation.

6 MEMBER MEETINGS

6.1 Convening an AGM

- 6.1.1 The Board may convene one Member Meeting as an Annual General Meeting in each year, at such time as it may determine.
- 6.1.2 If an AGM is to be held, not more than 15 months shall elapse between the holding of one AGM and the next.
- 6.1.3 The AGM does not need to be held exclusively in one place, provided that, where two or more members are not in the same place as each other, they are all able to communicate together and vote thereat.

6.2 AGM Agenda

The business of each AGM shall include:

- 6.2.1 the report by the Convenor on the activities of the Partnership;
- 6.2.2 the report of the independent financial examiner;
- 6.2.3 receiving the annual accounts of the Partnership;
- 6.2.4 the retiral of Trustees (where relevant);
- 6.2.5 the election of Trustees (where relevant);
- 6.2.6 the fixing of annual subscriptions (where relevant); and
- 6.2.7 the appointment of the independent financial examiner.

6.3 Convening a General Meeting

- 6.3.1 Any three or more Trustees may convene a General Meeting of the members whenever they think fit.
- 6.3.2 The Board must convene a General Meeting within 28 days of a valid requisition. To be valid, such requisition must:
 - (a) be signed by not less than 5% of the members;
 - (b) clearly state the objects of the meeting; and
 - (c) be deposited with the Partnership.Such requisition may consist of several documents in like form each signed by one or more requisitionists.
- 6.3.3 Any such meeting convened in terms of this Article shall not be an AGM.

6.4 Notice of Member Meetings

- 6.4.1 14 clear days' notice at the least shall be given of every Member Meeting.
- 6.4.2 The notice shall specify the place, the day and the hour of meeting and, in the case of special business, the specific nature of that business.
- 6.4.3 The notice shall be sent, in the manner specified in Article 16, to all members and to such persons or organisations as are under these Articles or under the Companies Act entitled to receive such notices.

- 6.4.4 With the consent of not less than 90% of the members having the right to attend and vote thereat, a Member Meeting may be convened by such shorter notice as they may think fit in the circumstances.
- 6.4.5 The accidental omission to give notice of a Member Meeting to, or the non-receipt of such notice by, any members, persons or organisations entitled to receive notice thereof shall not invalidate any resolution passed at or proceedings of any Member Meeting.

6.5 **Chair of Member Meetings**

The Convenor of the Partnership, whom failing the Vice-Convenor of the Partnership (if any) (appointed in accordance with Article 9), shall act as the person chairing each Member Meeting. If neither the Convenor nor the Vice-Convenor is present and willing to act as the person chairing the meeting within 15 minutes after the time at which the Member Meeting in question was due to commence, the Trustees present shall elect from among themselves a Trustee who will act as the person chairing that meeting.

6.6 **Quorum at Member Meetings**

- 6.6.1 The quorum for a Member Meeting shall be 10 members, present in person or by proxy in terms of Article 6.8 (or, if a group member, via its Authorised Representative or Named Depute as its proxy in terms of Article 5.2). No business shall be dealt with at any Member Meeting, other than the appointment of the person chairing the meeting in terms of Article 6.5, unless a quorum is present.
- 6.6.2 If a quorum is not present within 15 minutes after the time at which the Member Meeting was due to commence - or if, during a Member Meeting, a quorum ceases to be present - the Member Meeting shall stand adjourned to such time and place as may be fixed by the person chairing the meeting.

6.7 **Voting at Member Meetings - General Provisions**

- 6.7.1 The person chairing the meeting (see Article 6.5) shall endeavour to achieve consensus wherever possible but, if necessary, questions arising shall be decided by being put to the vote.
- 6.7.2 Each member of the Partnership is able to attend and speak at any Member Meeting and shall have one vote, to be exercised in person or by proxy in terms of Article 6.8 (or, if a group member, via its Authorised Representative or Named Depute as its proxy in terms of Article 5.2).
- 6.7.3 Where a Trustee does not have to be, or cannot be, a member of the Partnership, he or she may attend and speak at any Member Meeting, but in those circumstances may not vote thereat.
- 6.7.4 The person chairing the meeting may permit any other person or persons to attend a Member Meeting who otherwise has no right to do so, as an observer or observers. In that event, it shall be at the discretion of the person chairing the meeting whether any such observer may be invited to speak thereat.
- 6.7.5 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the person chairing the meeting whose decision shall be final and conclusive.

6.8 **Voting at Member Meetings - Proxy Voting**

Whilst personal attendance at a Member Meeting is encouraged, a member shall be entitled to complete one form of proxy in order to appoint a proxy to attend a Member Meeting on his or her behalf, in respect of which the following apply:

- 6.8.1 a proxy need not be a member;
- 6.8.2 a proxy appointed to attend and vote at any meeting instead of a member shall have the same right as the appointing member to speak at the meeting and to vote thereat;
- 6.8.3 the form appointing the Proxy, which may specify how the proxy is to vote (or to abstain from voting) on one or more resolutions, shall be in the general terms (to be varied as required to fit the circumstances) of the form shown in the Schedule 2 annexed to these Articles;
- 6.8.4 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 with the Partnership not less than 48 hours before the time of the start of the meeting or adjourned meeting at which the person named in the form proposes to vote, and in default the instrument of proxy shall not be treated as valid;
- 6.8.5 no instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution, unless it expressly states to the contrary, in which event it shall be treated as valid until rescinded by the granter in writing to the Partnership;
- 6.8.6 a vote given in accordance with the terms of a form of proxy shall be valid notwithstanding the previous death or mental incapacity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of the death, mental incapacity or revocation as aforesaid shall have been received by the Partnership before the commencement of the meeting or adjourned meeting at which the proxy is used (not having been deliberately withheld);
- 6.8.7 appointment of a proxy may be revoked by the granter by written notice received by the Partnership not less than 24 hours before the time of the start of the Member Meeting (or adjourned meeting) to which it relates; and
- 6.8.8 any reference in these Articles to voting being "in person" shall include voting by proxy.

6.9 **Voting at Member Meetings - Special Resolutions**

- 6.9.1 At any Member Meeting a resolution put to the vote of the meeting shall be voted upon by a simple majority of the members who are present and voting thereon, except for decisions relating to any of the following Special Resolutions, which shall be required to be decided upon by not less than 75% of the members present and voting thereon (no account therefore being taken of members who abstain from voting or who are absent from the meeting), namely:
 - (a) to alter the name of the Partnership; or
 - (b) to amend the Charitable Purposes; or
 - (c) to amend these Articles; or
 - (d) to wind up the Partnership in terms of Article 20; or
 - (e) to amend the maximum number of Trustees in terms of Article 7.4; or
 - (f) all other decisions required to be made by Special Resolution.
- 6.9.2 An ordinary resolution to be proposed at a Member Meeting may be amended if:
 - (a) written notice of the proposed amendment is received by the Partnership from a member entitled to vote thereat not less than 48

- hours before the time appointed for the holding of the meeting or adjourned meeting; and
 - (b) the proposed amendment does not, in the reasonable opinion of the person chairing the meeting, materially alter the scope of the resolution.
- 6.9.3 A Special Resolution to be proposed at a Member Meeting may be amended if:
- (a) the person chairing the meeting proposes the amendment at the Member Meeting at which the Special Resolution is to be proposed; and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical, interpretative or other non-substantive error in the Special Resolution.
- 6.9.4 If the person chairing 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.

6.10 **Voting - Written Resolutions**

- 6.10.1 Ordinary and Special Resolutions may be passed in writing, rather than at a Member Meeting, provided that the terms of this Article are followed.
- 6.10.2 An ordinary resolution in writing signed by or on behalf of a simple majority of all the members shall be as valid and effective as if the same had been passed at a Member Meeting of the Partnership duly convened and held, provided that the terms of this Article are followed.
- 6.10.3 A Special Resolution in writing signed by or on behalf of not less than 75% of all the members shall be as valid and effective as if the same had been passed at a Member Meeting of the Partnership duly convened and held, provided that the terms of this Article are followed.
- 6.10.4 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.
- 6.10.5 Any written resolution must be issued in hard copy (by hand or by post) or in electronic form (by fax or e-mail), or by means of a website at the same time, to all members on the Circulation Date (that is, the date on which copies of the written resolution are sent to the members).
- 6.10.6 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).
- 6.10.7 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 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. 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 Partnership to issue with the written resolution to all members;
 - (e) within 21 days, the Partnership must circulate the resolution and any accompanying statement with the express statements referred to in sub-clause (f) hereof; and
 - (f) the Partnership may charge a reasonable fee to the requesting members to cover its costs of circulation of the members' request.
- 6.10.8 Any such written resolution may consist of several documents in the same form, each signed by or on behalf of one or more members.
- 6.10.9 Once a member has signed and returned a written resolution in agreement thereto, his or her agreement is irrevocable.

7 THE BOARD OF TRUSTEES

7.1 The strategy and affairs of the Partnership shall be directed and managed by a Board of Trustees elected in terms of Article 8. The Board may exercise all such powers of the Partnership, and do on behalf of the Partnership all acts as may be exercised and done by the Partnership, other than those required to be exercised or done by the members in Member Meeting, and subject always to these Articles and to the provisions of the Companies Act.

7.2 Limitation

The members may, by Special Resolution, direct the Board to take, or to refrain from taking, specified action, but no such Special Resolution shall invalidate anything which the Board may have done prior to the passing of such Special Resolution, nor shall it require them to act or refrain from acting in a manner which would be incompatible with their duties under the Companies Act or the Charities Act.

7.3 Delegation

7.3.1 The Board may delegate any of its powers to any sub-committee or persons or person, by such means, to such an extent and on such terms and conditions as it thinks fit, and may at any time revoke such delegation, in whole or in part, or alter such terms and conditions. If the Board so specifies, any such delegation may authorise further delegation of the Board's powers by any sub-committee or persons or person to whom they are delegated.

7.3.2 Any sub-committee so formed or persons or person to whom delegation of powers is made in terms of Article 7.3.1 shall, in the exercise of the powers so delegated, conform to any remit and regulations imposed on it by the Board.

7.3.3 In the case of delegation to any one or more sub-committees, each shall consist of not less than one Trustee and such other person or persons as the Board thinks fit or which it delegates to the committee to appoint. 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, without prejudice to that generality including Articles 12.4.5 and 12.6) and so far as the same shall not be amended or superseded by any specific regulations made by the Board for all or any sub-committees. A sub-committee may invite or allow any person to

attend and speak, but not to vote, at any of its meetings. Such sub-committee shall regularly and promptly circulate, or ensure the regular and prompt circulation of, the minutes of its meetings to all Trustees.

7.3.4 Unless expressly part of such delegation, no decision of any such sub-committee, persons or person shall bind the Board.

7.4 **Number of Trustees**

7.4.1 The number of Trustees shall be not fewer than five and, unless otherwise determined by Special Resolution at a Member Meeting (but not retrospectively), not more than fifteen.

7.4.2 The Board may act notwithstanding any vacancy in it, but where the number of Trustees falls below the minimum number specified in this Article, it may only do so for the purpose of appointing sufficient Trustees to match or exceed that minimum.

8 **TRUSTEES**

8.1 **Composition of Board**

From and after the AGM in 2019, the Board shall comprise:

8.1.1 up to twelve individual persons elected as Trustees by the Members in terms of Article 8.2 ("Elected Trustees"); and

8.1.3 up to three individual persons co-opted as Trustees in terms of Article 8.3 ("Co-opted Trustees").

8.2 **Elected Trustees**

8.2.1 Subject to Article 8.5, an Elected Trustee shall serve until they are required to retire and may be eligible for re-election under the following provisions of Article 8.2.

8.2.2 At each AGM, up to one third of the Elected Trustees (or the nearest number upwards) shall retire from office. A retiring Trustee shall retain office until his or her retiral has been accepted by the members during the AGM, at which point his or her retiral will become effective. 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.

8.2.3 If no other Trustee has or Trustees have decided or agreed to retire, the 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.

8.2.4 Nomination for the appointment of an Elected Trustee shall be in writing by not less than any two Members. The nominee shall confirm his or her willingness to act as a Trustee if elected, and if required shall provide a statement to explain the nominee's suitability.

8.2.5 All nominations to be valid must be delivered to the Registered Office (or to such other address for the Partnership as specified in the nomination form) not less than seven days prior to the date of the AGM in question.

8.2.6 Election of any Elected Trustee shall be by vote of the Members, each Member having one vote for each vacancy in the Trustees on the Board.

8.2.7 The Elected Trustee's election during an AGM shall be effective immediately unless otherwise agreed.

8.3 **Co-opted Trustees**

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

- 8.3.1 Subject to Article 8.3.3, a Co-opted Trustee shall serve until the next AGM after his or her co-option.
- 8.3.2 A Co-opted Trustee can be re-co-opted by the Board immediately after such next AGM.
- 8.3.3 A Co-opted Trustee can be removed from office at any time by a simple majority of the Board.
- 8.3.4 For the avoidance of doubt, a Co-opted Trustee may participate fully in and vote at all Board meetings which he or she attends.

8.4 **Casual Vacancies**

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.

8.5 **Retiral and Deemed Retiral of Trustees**

Any Trustee must cease to be a Trustee if he or she:

- 8.5.1 is prohibited from being a member in terms of Article 5; or
- 8.5.2 ceases to be a director by virtue of any provision of the Companies Act or is prohibited from being a director by law; or
- 8.5.3 is prohibited from being a charity Trustee by virtue of section 69(2) of the Charities Act; or
- 8.5.4 holds any office of profit or is employed by the Partnership (except where the provisions of Article 10.4 shall apply); or
- 8.5.5 has a significant conflict of interest which the Board considers has and is likely to continue to undermine his or her ability to act impartially as a Trustee; or
- 8.5.6 becomes incapable for medical reasons of fulfilling the duties of his or her office and such incapacity, as certified if necessary by two medical practitioners, is expected to continue for a period of more than six months from the date or later date of such certification; or
- 8.5.7 is absent (without permission) from more than three consecutive meetings of the Board, and the Board resolves to remove him or her from office; or
- 8.5.8 is considered by the Board to have been in serious or persistent breach of any of his or her duties under the Charities Act or the Companies Act, or guilty of gross misconduct or gross negligence, or if it is otherwise agreed by the Board that it is in the best interests of the Partnership to remove the Trustee, such Trustee being entitled to be heard prior to the Board taking a decision to remove the Trustee; or
- 8.5.9 resigns as a Trustee by notice in writing to the Partnership; or
- 8.5.10 dies.

8.6 **Conduct of Trustees**

8.6.1 Each Trustee is obliged to act in accordance with both the duties listed in section 66 of the Charities Act (see Article 8.6.2) and the general duties listed in sections 171 - 177 of the Companies Act (see Article 8.6.3) so as to take decisions in such a way as is considered, in good faith, most likely to be in the interests of the Partnership, and to promote its success in achieving the Charitable Purposes.

8.6.2 The duties listed in section 66 of the Charities Act to which each Trustee must adhere are:

- (a) to act in the interests of the Partnership;
- (b) to seek, in good faith, to ensure that the Partnership acts in a manner which is consistent with its Charitable Purposes;
- (c) to act with the care and diligence that it is reasonable to expect of a person who is managing the affairs of another person;
- (d) in circumstances giving rise to the possibility of a conflict of interest between the Partnership and any party responsible for the appointment of that Trustee:
 - (i) to put the interests of the Partnership before those of the other party; and
 - (ii) where any other duty prevent the Trustee from doing so, to disclose the conflicting interest to the Partnership and to refrain from participating in any deliberation or decision of the Board with regard to the matter in question; and
- (e) to ensure that the Partnership complies with any direction, requirement, notice or duty imposed upon under or by virtue of the Charities Act.

8.6.3 The general duties listed in sections 171 - 177 of the Companies act to which each Trustee must adhere as a company director are (in brief terms):

- (a) to act in accordance with the Articles and only exercise powers for the Charitable Purposes;
- (b) to act in a way, in good faith, which would be most likely to promote the success of the Partnership;
- (c) to exercise independent judgement;
- (d) to exercise reasonable care, skill and diligence, which may reasonably be expected of a person carrying out the functions of a company director;
- (e) to avoid conflicts of interest;
- (f) not to accept benefits from third parties conferred by reason of being a Trustee or doing (or not doing) anything as a Trustee; and
- (g) if directly or indirectly interested in a proposed transaction or arrangement with the Partnership, to declare to the other Trustees the nature and extent of that interest.

8.6.4 The provisions of Articles 10 and 11 are also pertinent to the provisions within this Article, and each Trustee must comply with these.

8.6.5 Each Trustee must additionally comply with any Code of Conduct, Board Charter, or Board Policy for Trustees as introduced and prescribed by the Board from time to time.

8.6.6 Additionally, each Trustee must be mindful of the requirement to preserve confidentiality where appropriate or requested in relation to the Partnership or its business and in order to act always in the interest of the Partnership.

8.6.7 If the Convenor considers that any Trustee ("the affected Trustee"), has committed a material breach of any of Articles 8, 10 or 11, he or she, acting in conjunction with the Vice Convenor (if there is one, or otherwise with the longest-serving non-affected Trustee), may impose a warning upon the affected Trustee requiring that there be no repetition of any breach within a suitable period (usually being of twelve months after the original breach), failing which the Board may invoke the terms of Article 8.5.9 (on the basis of the breach being serious or persistent); however, if they consider the breach to be serious or persistent, they may request the Board to invoke the terms of Article 8.5.9 straight away.

- 8.6.8 If the affected Trustee considers that any warning imposed against him or her under Article 8.6.7 is unreasonable, he or she may request that the matter be considered by the Board at a meeting when he or she is entitled to be heard.

9 CONVENOR AND VICE-CONVENOR

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

The Convenor shall usually hold office for a period of three years, unless the Board of Trustees at any time resolves otherwise and provided he or she remains a Trustee for that period. At the end of his or her period of office, the Convenor shall be eligible for re-election

10 CONSTRAINTS ON PAYMENTS/BENEFITS TO MEMBERS AND TRUSTEES

- 10.1 The income and property of the Partnership shall be applied solely towards promoting the Charitable Purposes.
- 10.2 No part of the income or property of the Partnership shall be paid or transferred (directly or indirectly) to the members or Trustees of the Partnership, whether by way of dividend, bonus or otherwise, except where such members or Trustees are in receipt of income or property of the Partnership as a beneficiary of the Partnership in terms of the Charitable Purposes.
- 10.3 No Trustee shall be appointed as a paid employee of the Partnership.
- 10.4 No benefit (whether in money or in kind) shall be given by the Partnership to any member or Trustee except the possibility of:
- 10.4.1 repayment of out-of-pocket expenses to Trustees (subject to prior agreement by the Board); or
 - 10.4.2 reasonable remuneration to a member or any Trustees in return for specific services actually rendered to the Partnership (not being of a management nature normally carried out by a director of a company); or
 - 10.4.3 payment of interest at a rate not exceeding the commercial rate on money lent to the Partnership by any member or Trustee; or
 - 10.4.4 payment of rent at a rate not exceeding the open market rent for property let to the Partnership by any member or Trustee; or
 - 10.4.5 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
 - 10.4.6 payment to one or more Trustees by way of any indemnity where appropriate.

11 CONFLICTS OF INTERESTS

- 11.1 Any Trustee and/or employee who has a personal interest (as defined in Article 11.2) in any prospective or actual contract or other arrangement with the Partnership must declare that interest as soon as they become aware of it, as follows:
- 11.1.1 a Trustee who has a personal interest must declare the interest either generally to the Board or specifically at any relevant meeting of the

- Partnership and, where such an interest arises, the provisions within Article 11.3 shall apply;
- 11.1.2 if the Principal Officer has a personal interest, he or she must declare the interest to the Convenor or Vice-Convenor; and
- 11.1.3 if an employee has a personal interest, he or she must declare the interest to the Principal Officer.
- 11.2 A personal interest includes the following interests:
- 11.2.1 those of the Trustee or employee in question;
- 11.2.2 those of his or her partner or close relative;
- 11.2.3 those of any business associate;
- 11.2.4 those of any firm of which he or she is a partner or employee;
- 11.2.5 those of any limited company of which he or she is a director, employee or shareholder of more than 5% of the equity;
- 11.2.6 those of any charity of which he or she is a Trustee or employee; and
- 11.2.7 those of any person or organisation responsible for his or her appointment as a Trustee.
- 11.3 Whenever a Trustee finds that there is a personal interest, as defined in Article 11.2, he or she has a duty to declare this to the Board meeting in question. In that event, in order to avoid a material conflict of interest arising, the Trustee in question cannot partake in discussions or decisions relating to such matter.
- 11.4 It shall be for the person chairing the meeting in question (or if it be the person chairing the meeting who is potentially or actually conflicted, it shall be for the other Trustees present) to determine whether the Trustee in question should at the least be required to be absent during that particular element of the meeting. In terms of Article 12.1, where a Trustee leaves, or is required to leave, the meeting in question, he or she no longer forms part of the quorum thereat.
- 11.5 The Board may at any time resolve to authorise any Trustee to continue acting where a real or potential conflict of interest exists in relation to a personal interest of that Trustee, but where it considers that the interests of the Partnership have not been nor are likely to be prejudiced as a result. The Trustee in question cannot be considered as part of the quorum for that part of any Board meeting giving consideration to this authorisation.
- 11.6 All Trustees and employees are required to deliver a Notice of Relevant Interests to the Registered Office (or elsewhere as it may determine), as they arise and at least annually. In that event, the Board shall determine from time to time what additional interests to those listed in Article 11.2, if any, shall be relevant interests and shall ensure that a Register of Notices of Relevant Interests is maintained.
- 11.7 If existing, the Register of Interests shall be open for inspection by both the Board and members of the Partnership and, with the express prior written approval of the Trustee or employee concerned, by members of the public.

12 BOARD MEETINGS

12.1 Quorum

- 12.1.1 The Board of Trustees may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Unless otherwise determined, five shall be the quorum for Board meetings. No business shall be dealt with at a Board meeting unless a quorum is present.

12.1.2 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.

12.2 Convening Board Meetings

12.2.1 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.

12.2.2 Not less than 14 clear days' notice in writing shall be given of any meeting of the Board at which a decision is to be made in relation to any matter requiring to be decided by a majority of at least 75% of the Trustees (as listed in Article 12.4.2), 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.

12.2.3 A Trustee may and, on the request of a Trustee, the Company Secretary shall, at any time, summon a meeting of the Board by notice served upon all Trustees, to take place at a reasonably convenient time and date.

12.3 Chair of Board Meeting

The Convenor, whom failing the Vice-Convenor (if any), shall be entitled to preside as the person chairing all Board meetings at which he or she shall be present. If at any meeting neither the Convenor nor the Vice-Convenor is present and willing to act as the person chairing the meeting within 15 minutes after the time appointed for holding the meeting, the remaining Trustees may appoint one of the Trustees to be the person chairing the Board meeting, which failing the meeting shall be adjourned until a time when the Convenor or Vice-Convenor will be available.

12.4 Voting at Board Meetings

12.4.1 The person chairing 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.

12.4.2 Decisions of the Board shall be by a simple majority at any meeting which is quorate at the time the decision is taken, except for decisions relating to any of the following, which shall be required to be decided upon by not less than 75% of all of the Trustees, namely:

- (a) to alter the name of the Partnership;
- (b) to amend the Charitable Purposes;
- (c) to amend these Articles;
- (d) to wind up the Partnership in terms of Article 20;
- (e) to amend the maximum number of Trustees in terms of Article 7.4;
- (f) to purchase or sell any heritable property owned by the Partnership or any of its subsidiaries and to purchase any heritable property wherever situated;
- (g) to form, acquire or dispose of any subsidiary;
- (h) to acquire or dispose, whether by the Partnership or by any of its subsidiaries, of any shares of any other company or the participation or cessation of participation by the Partnership or by any of its subsidiaries in any formal Partnership or joint venture;
- (i) to create or issue or allow to come into being any mortgage, security, charge or other encumbrance upon any part or parts of the property or assets of the Partnership 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

- (j) to grant any guarantee or indemnity to any party, other than any wholly-owned subsidiary of the Partnership.

12.4.3 The decisions requiring a Special Resolution of the members (listed above in Article 12.4.2 (a) to (e) and also in Article 6.9.1) cannot be taken by the Trustees alone, but must be taken also by the members in terms of Article 6.9 and only thereafter acted upon by the Board as directed by the members.

12.4.4 In the event of an equal number of votes for and against any resolution at a Board meeting, the person chairing the meeting shall have a casting vote as well as a deliberative vote.

12.4.5 A resolution in writing signed by all of the Trustees, whether in one or several documents in the same form each signed by one or more Trustees, 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.

12.5 **Observers**

The Board may invite or allow any person to attend and speak, but not to vote, at any meeting of the Board.

12.6 **Minutes**

The Board shall cause minutes to be made of all appointments of officers made by it and of the proceedings of all Member 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 person chairing such meeting, or by the person chairing the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated. The minutes shall be retained for at least 10 years.

12.7 **Validation**

12.7.1 All acts *bona fide* done by any Board meeting, or of any sub-committee, or by any person acting as a Trustee shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such Trustee or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Trustee.

12.7.2 No alteration of these 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.

12.8 **Ancillary Regulations**

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 themselves, members, employees, stakeholders and/or others.

13 **COMPANY SECRETARY, MINUTE SECRETARY, TREASURER & PRINCIPAL OFFICER**

13.1 **Company Secretary**

The Board may appoint a Company Secretary for such term and upon such conditions as it may think fit. The Company Secretary may be removed by the Board at any time, subject to the terms of any prevailing contract.

13.2 **Minute Secretary**

The Board may appoint a Minute Secretary, for the purposes of Article 12.6, for such term and upon such conditions as it may think fit. The Minute Secretary may be removed by the Board at any time, subject to the terms of any prevailing contract. The Board may award an annual salary, honorarium or other appropriate fee to the Minute Secretary at its discretion, but can only do so if the Minute Secretary is not a Trustee.

13.3 **Treasurer**

- (a) The Board may appoint a Treasurer for such term and upon such conditions as it may think fit.
- (b) If the Treasurer is unpaid, he or she may also be a Trustee, and if so he or she would have a vote as a Trustee at any Board meeting which he or she attends.
- (c) If the Treasurer is to be paid an annual salary, honorarium or other appropriate fee at the Board's discretion, he or she cannot also be a Trustee.
- (d) If the Treasurer is not a Trustee, he or she may be required by the Board 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.
- (e) The Treasurer may be removed by the Board at any time, subject to the terms of any prevailing contract.

13.4 **Principal Officer**

The Board may appoint a Principal Officer of the Partnership on such terms (including a decision on the most appropriate job title) and conditions as it may think fit, who shall attend Board and Sub-Committee meetings as appropriate or required, but who shall not be a Trustee and, for the avoidance of doubt, will have no vote thereat.

14 **HONORARY PATRON(S)**

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

15 **FINANCES AND ACCOUNTS**

15.1 **Bank Accounts**

The banking account or accounts of the Partnership shall be kept in such bank or building society and/or banks or building societies as the Board shall from time to time determine.

15.2 **Cheques etc.**

All cheques and other negotiable instruments, and all receipts for monies paid to the Partnership, 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.

15.3 The Board shall ensure that all funds and assets of the Partnership are applied towards achieving the Charitable Purposes.

15.4. Accounting Records

The Board shall cause accounting records to be kept in accordance with the requirements of the Companies Act and other relevant regulations.

15.5 The accounting records shall be maintained by the Treasurer (if there is one) and overseen by the Principal Officer (if there is one), or otherwise by, or as determined by, the Board. Such records shall be kept at such place or places as the Board shall think fit and shall always be open to the inspection of the Trustees. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting records of the Partnership or any of them shall be open to the inspection of the members of the Partnership.

15.6 Independent Financial Examiner

Once at least in every year, or as otherwise provided for by the Companies Act, the accounts of the Partnership shall be examined by an independent financial examiner, who shall be appointed by the Board on the direction of members in Member Meeting.

15.7 Accounts

At or before each AGM, or otherwise after the Accounts have been approved by the Board, 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 Partnership). The accounts shall be accompanied by proper reports of the Board and the independent financial examiner. As an alternative, the Accounts may be available for inspection on the website of the Partnership (with all members, Trustees, the Company Secretary and the independent financial examiner being made aware that they are so available for inspection there).

16 NOTICES

16.1. A notice may be served by the Partnership 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.

16.2 Any notice, whether served by post or otherwise, shall be deemed to have been served on the day following that on which the letter containing the same is put into the post or is otherwise dispatched.

16.3 A member present at any meeting of the Partnership shall be deemed to have received notice of the meeting and, where requisite, of the purpose for which it was called.

16.4 The business of the Partnership and all its correspondence with and notification to or from members may be conducted equally validly and effectively if transmitted by fax or e-mail or other appropriate electronic means (except where a member

specifically requests all such correspondence and notification by post) or otherwise if publicised on the website of the Partnership where the Partnership 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.

17 INDEMNITY

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 Partnership shall be indemnified out of the funds of the Partnership 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 Partnership 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.

18 ALTERATION TO ARTICLES OF ASSOCIATION

Subject to the terms of Article 6.9, no alteration in these Articles may at any time be made unless by the decision of the members by Special Resolution.

19 LIMIT OF LIABILITY

19.1 The liability of the members is limited.

19.2 Every member of the Partnership undertakes to contribute such amount as may be required (not exceeding £1) to the property of the Partnership 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.

20 DISSOLUTION

20.1 The winding-up of the Partnership may take place only on the decision of the members by Special Resolution.

20.2 If, on the winding-up of the Partnership, any property remains, after satisfaction of all its debts and liabilities, such property shall be given or transferred to any one or more charities having the same or a similar object to the Charitable Purposes.

20.3 The charity or charities to which the property is to be transferred in terms of Article 20.2 shall be determined on the decision of the members by Special Resolution or, failing that, by a decision of not less than 75% of the Board or, failing that, as determined by an arbiter to be chosen amicably by the Board or, failing such amicable choice, as determined by the Sheriff of Lothian and Borders (or any successor thereto), whose decision shall be final and binding upon the Partnership.

20.4 If the Partnership is a charity at the time that its winding-up is decided upon in terms of this Article, the prior consent of the Office of the Scottish Charity Regulator

(or any successor thereto) must be obtained in terms of Section 16 of the Charities Act.

Annexation

Schedule 1 Powers

Schedule 2 Form of Proxy

Schedule 1

Powers available to the Partnership

Further to Article 3.2, the Partnership shall have the following powers (but only in furtherance of the Charitable Purposes) and declaring that the order in which these Powers are listed or the terms of the sub-headings above are of no significance in terms of their respective priority which shall be deemed to be equal, namely:

1 Specific

- 1.1 In respect of Article 3.1.3, to initiate and support local and regional initiatives in furtherance of the Charitable Purposes of the Partnership.

2 General

- 2.1 to encourage and develop a spirit of voluntary or other commitment by individuals, unincorporated associations, societies, federations, partnerships, corporate bodies, agencies, undertakings, local authorities, unions, co-operatives, Partnerships and others and any groups or groupings thereof willing to assist the Partnership to achieve the Charitable Purposes;
- 2.2 to provide advice, consultancy, training, tuition, expertise and assistance;
- 2.3 to promote and carry out research, surveys and investigations and develop initiatives, projects and programmes;
- 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;
- 2.5 to manufacture, retail, sell, hire and supply equipment, items and goods generally conducive to the Charitable Purposes;

3 Property

- 3.1 to purchase, take on lease, hire, or otherwise acquire any property suitable for the Partnership and to construct, convert, improve, develop, maintain, alter and demolish any buildings or erections whether of a permanent or temporary nature, and manage and operate or arrange for the professional or other appropriate management and operation of the Partnership's property;
- 3.2 to sell, let, hire, license, give in exchange and otherwise dispose of all or any part of the property of the Partnership;
- 3.3 to establish and administer a building fund or funds or guarantee fund or funds or endowment fund or funds;
- 3.4 to manage and operate or arrange for the professional management and operation of properties, lands and estates whether owned by the Partnership or not and the entering into and carrying out of agreements in relation thereto with statutory and other bodies, individuals, unincorporated associations, firms, corporate bodies and others and any groups thereof in furtherance of the Charitable Purposes;

4 Employment

- 4.1 to employ, contract with, train and pay such staff (whether employed or self-employed or external contractors) as are considered appropriate for the proper conduct of the activities of the Partnership;
- 4.2 to establish, maintain and contribute to, or co-operate with others in establishing, maintaining and contributing to, any pension or superannuation fund or scheme 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 Partnership;

5 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 Partnership;
- 5.2 to accept subscriptions, grants, donations, gifts, legacies and endowments of all kinds, either absolutely or conditionally or in Partnership;
- 5.3 to borrow or raise money for the Charitable Purposes and to give security in support of any such borrowings by the Partnership and/or in support of any obligations undertaken by the Partnership;
- 5.4 to set aside funds not immediately required as a reserve or for specific purposes;
- 5.5 to open, operate and manage bank and other accounts and to invest any funds which are not immediately required for the activities of the Partnership in such investments as may be considered appropriate and to dispose of, and vary, such investments;
- 5.6 to make grants or loans of money and to give guarantees;
- 5.7 to employ as a professional investment manager any person who is entitled to carry on investment business under the supervision of the Financial Conduct Authority (or its successors) and to delegate to any such manager the exercise of all or any of its powers of investment on such terms and at such reasonable remuneration as the Board of Trustees thinks fit, and to enable investments to be held for the Partnership in nominee names, but subject always to the provisions of the Charities Act;
- 5.8 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;

6 Development

- 6.1 to establish, manage and/or support any other charity, and to make donations for any charitable purpose falling within the Charitable 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 Partnership and to enter into any arrangement for co-operation, mutual assistance, or sharing profit with any charity;
- 6.4 to enter into contracts to provide services to or on behalf of others;
- 6.5 to subscribe for, take, purchase or otherwise acquire and hold shares, stocks, debentures and other interests in any company with which the Partnership is authorised to amalgamate and to acquire and take over the whole or any part of the undertaking, assets and liabilities of any company, association or other body with which the Partnership is authorised to amalgamate;

7 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 Partnership;

8 Ancillary

- 8.1 to pay the costs of forming the Partnership and its subsequent development;
- 8.2 to carry out the Charitable Purposes in any part of the world as principal, agent, contractor, Trustee or in any other capacity; and
- 8.3 to do anything which may be incidental or conducive to the Charitable Purposes so long as these are charitable.

Schedule 2

Form of Proxy

Further to Article 6.8.3, the Form of Proxy shall be in the following general terms (to be varied as required to fit the circumstances):

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