

THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE AND NOT
HAVING A SHARE CAPITAL

ARTICLES of ASSOCIATION of
KILMARDINNY 71 LIMITED

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GENERAL

Constitution of company

1. The model articles of association as prescribed in Schedule 2 to The Companies (Model Articles) Regulations 2008 are excluded in respect of this Company.

Defined terms

2. In these articles of association, unless the context requires otherwise:-

“**Act**” means the Companies Act 2006;

“**Club**” means the Partick Thistle Football Club owned and operated by PTFC Ltd

“**Company**” or “**Foundation**” means Kilmardinny 71 Limited, a private company limited by guarantee without share capital, with company number SC682546 and having its registered office at 6 Atholl Crescent, Perth, Scotland, PH1 5JN;

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

“**property**” means any property, heritable or moveable, real or personal, wherever situated;

“**PTFC Ltd**” means Partick Thistle Football Club Ltd. (The) (Company number SC005417);

“**Rules**” means rules established by the directors under article 81 from time to time; and

“**subsidiary**” has the meaning given in section 1159 of the Act.

3. Any reference to a provision of any legislation (including any statutory instrument) shall include any statutory modification or re-enactment of that provision in force from time to time. References in these Articles to (a) the singular shall be deemed to include the plural; and (b) the masculine or feminine shall include any gender, and vice versa.

Objects and Aims

4. The Foundation’s objects are, either itself or through a subsidiary company or society trading for the benefit of the community and acting under its control:
 - 4.1. to acquire and hold, either directly or through a subsidiary, all or any of the shares and securities of the Club or any other company owning or controlling the Club;

- 4.2. to ensure that the Club is properly governed and takes proper account of the interests of its supporters and of the community, and to sustain the Club as a professional football club;
- 4.3. to ensure that the Foundation has its views taken into account by the Club and that it holds the appropriate places on the Club's Board and sub-committees;
- 4.4. to operate democratically, fairly, sustainably, transparently and with financial responsibility, while also encouraging the Club to do the same;
- 4.5. to be a positive, inclusive, and representative organisation, open and accessible to all supporters of the Club regardless of their age, income, ethnicity, gender, disability, sexuality or religious or moral belief(s) and without discrimination of any kind;
- 4.6. to encourage and promote the principle of supporter representation in football clubs and democratic ownership of them; and
- 4.7. to communicate appropriately with Members.

Powers

5. The Foundation may achieve these objects in whole or in part through an interest or interests in companies or societies, provided that the objects of the companies or societies are consistent with the Foundation's objects. In particular, in pursuit of these objects (but not otherwise) the Foundation may:
 - 5.1. acquire an interest (including a full, controlling, or majority interest) in or ownership of the Club or any limited company owning or controlling the Club either through itself or through a subsidiary;
 - 5.2. secure democratic and accountable representation on the Club's Board and/or sub-committees;
 - 5.3. take any other steps in relation to the Club which enable it to exercise the greatest possible influence in the ownership, governance, and management of the Club;
 - 5.4. In order to achieve its objects, the Foundation may either itself or through a subsidiary company or society acting under its control;
 - 5.4.1. employ staff;
 - 5.4.2. create an Executive Board and delegate powers and responsibilities to it;
 - 5.4.3. buy, sell and lease property or land;

- 5.4.4. have the power to borrow money from its Members and others in order to further its objects providing that (a) the amount outstanding at any time shall not exceed £50,000; and (b) the rate of interest on money borrowed, except on money borrowed by way of bank loan or overdraft or from a finance house or on mortgage from a building society or local authority, shall not exceed such rate as is necessary to attract and retain the capital required to further the Foundation;
- 5.4.5. have the power to mortgage or charge any of its property, including the assets and undertakings of the Foundation, present and future, and to issue loan stock, debentures and other securities for money borrowed or for the performance of any contracts of the Foundation or its customers having dealings with the Foundation;
- 5.4.6. receive from any person donations or loans free of interest in order to further its objects but shall not receive money on deposit;
- 5.4.7. write off loans made;
- 5.4.8. enter into joint ventures, partnerships and other commercial arrangements with external parties;
- 5.4.9. subject to Article 42.3, sell or exchange its shares (or any part thereof) in the Club (including but not limited to share options, "golden shares" or different types of shares) provided always that this transaction or any associated transaction does not diminish in any way the Foundation's control or influence over the Club;
- 5.4.10. establish promote and maintain for the purposes of the Foundation any lawful fundraising scheme;
- 5.4.11. buy and hold shares in the Club;
- 5.4.12. hold and exercise proxies for shares in any limited company owning or controlling the Club either itself or through a subsidiary;
- 5.4.13. promote means to give supporters greater opportunity to invest in the Club;
- 5.4.14. award pensions, allowances, gratuities, wages and bonuses to past and present employees (including their dependants and people connected with them) of the Foundation; and any subsidiary company or society of the Foundation;
- 5.4.15. set up and maintain itself or with others trust funds or schemes (whether contributory or non-contributory) intended to provide pension

or other benefits for the people referred to in the preceding subparagraph;

5.4.16. so far as permitted by these articles take out and maintain insurance against any risks to which the Foundation may be exposed;

5.4.17. co-operate with other supporters' organisations, co-operatives and societies and other organisations whose aims coincide with the Foundation's objects;

5.4.18. select an individual or individuals to represent the interests of the community served by the Club and/or the Foundation to the board of the Club and to any other organisations appropriate and necessary; and

5.4.19. do anything else which is necessary or expedient to achieve the Foundation's objects.

Restrictions on use of the company's assets

6. The income and property of the Company shall be applied solely towards promoting the Company's objects aims as set out in Article 4.

7. No director of the Company shall be appointed as a paid employee of the Company and no director shall hold any office under the Company for which a salary or fee is payable.

8. No benefit (whether in money or in kind) shall be given by the Company to any director except (i) repayment of out-of-pocket expenses or (ii) reasonable payment in return for particular services (not being of a management nature) actually rendered to the Company.

Liability of members

9. Each member undertakes that if the Company is wound up while they are a member (or within one year after they cease to be a member), they will contribute - up to a maximum of £1 - to the assets of the Company, to be applied towards:

9.1. payment of the Company's debts and liabilities contracted before they cease to be a member;

9.2. payment of the costs, charges and expenses of winding up; and

9.3. adjustment of the rights of the contributories among themselves.

General structure

10. The structure of the Company consists of:-

10.1. the MEMBERS - who have the right to attend the annual general meeting (and any other general meeting) and have important powers under the articles of association and the Act; in particular, the members elect people to serve as directors and take decisions in relation to changes to the articles themselves; and

10.2. the DIRECTORS - who hold regular meetings during the period between annual general meetings, and generally control and supervise the activities of the Company; in particular, the directors are responsible for monitoring the financial position of the Company.

MEMBERS

Qualifications for membership

11. The members of the Company shall consist of the original subscribers to the Company's memorandum of association who remain members and such other persons as are admitted to membership under articles 15 to 17.
12. The directors may establish rules to govern different classes of members and set out their respective rights and obligations.
13. No person under the age of 16 may be a member of the Company.
14. Employees of the Company shall not be eligible for membership; a person who becomes an employee of the Company after admission to membership shall automatically cease to be a member.

Application for membership

15. Any person who wishes to become a member must lodge with the Company, a written or online application for membership.
16. The directors may, at their discretion, refuse to admit any person to membership.

Membership subscription

17. The directors shall prescribe rules for membership of the Company but shall not be obliged to accept persons fulfilling those criteria as Members. In particular, the prescribed rules may make provision about the payment of amounts to the Company, whether by way of contributions, subscriptions, entrance fees or otherwise. If an application for membership is not accepted, each applicant denied membership (each an "**Applicant**") shall be given the opportunity to be heard in writing or in person as to why his membership application was denied, unless in the reasonable opinion of the directors the application for membership made by an Applicant was made for spurious or vexatious reasons. The directors must consider any representations made by the Applicant and inform the Applicant of their decision following such consideration. There shall be no right to appeal from a decision of the directors to deny the membership application of an Applicant.

Register of members

18. The directors shall maintain a register of members, setting out the full name and address of each member, the date on which they were admitted to membership, and the date on which any person ceased to be a member.

Withdrawal from or cessation of membership

19. Any person who wishes to withdraw from membership shall lodge with the Company, a written notice to that effect; on receipt of the notice by the Company, they shall cease to be a member.
20. The directors may establish within the rules provisions relating to when a person's membership terminates, including rules about termination of membership if a particular payment is not made to the Company within a prescribed period

Expulsion from membership

21. The directors may terminate the membership of any member without his consent by giving him written notice if, in the reasonable opinion of the directors:
 - 21.1. he is guilty of conduct which has or is likely to have a serious adverse effect on the Company and/or the Club or bring the Company and/or the Club or any or all of the Members and directors into disrepute; or
 - 21.2. he has acted or has threatened to act in a manner which is contrary to the interests of the Company as a whole; or
 - 21.3. he has failed to observe the terms of these Articles and the rules.
22. Following such termination, the Member shall be removed from the Register of Members by the Company.
23. The notice to the Member under this article must give the Member the opportunity to be heard in writing or in person as to why his membership should not be terminated. The directors must consider any representations made by the Member and inform the Member of their decision following such consideration. There shall be no right to appeal from a decision of the directors to terminate the membership of a Member.
24. A Member whose membership terminates pursuant to article 21, and a Member who either withdraws from membership or whose membership ceases under Article 19, shall not be entitled to a refund of any contribution, subscription or entrance fee, and shall remain liable to pay to the Company any subscription or other sum owed by him.

Termination/transfer

25. Membership shall cease on death.
26. A member may not transfer their membership to any other person.

GENERAL MEETINGS (MEETINGS OF MEMBERS)

General

27. The directors shall convene an annual general meeting in each year. The first annual general meeting shall be held not later than 12 months after the date of adoption of these Articles.
28. Not more than 15 months shall elapse between one annual general meeting and the next.
29. The business of each annual general meeting shall include:-
 - 29.1. a report by the chair on the activities of the Company;
 - 29.2. consideration of the annual accounts of the Company;
 - 29.3. the election/re-election of directors, as referred to in articles 69 to 72.
30. Subject to articles 27, 28 and 31, the directors may convene a general meeting at any time.
31. The directors must convene a general meeting if there is a valid requisition by members (under section 303 of the Act) or a requisition by a resigning auditor (under section 518 of the Act).

Notice of general meetings

32. At least 14 clear days' notice must be given of a general meeting.
33. The reference to "clear days" in article 32 shall be taken to mean that, in calculating the period of notice, the day after the notice is posted, (or, in the case of a notice sent by electronic means, the day after it was sent) and also the day of the meeting, should be excluded.
34. A notice calling a meeting shall specify the time and (subject to article 38) place of the meeting; it shall (a) indicate the general nature of the business to be dealt with at the meeting and (b) if a special resolution (see article 41) (or a resolution requiring special notice under the Act) is to be proposed, shall also state that fact, giving the exact terms of the resolution.
35. A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting.

36. Notice of every general meeting shall be given:

36.1. where the individual to whom notice is given has notified the Company of an address to be used for the purpose of electronic communication in electronic form; or

36.2. subject to the Company notifying members of the presence of the notice on the website, and complying with the other requirements of section 309 of the Act by means of a website.

37. If members and directors are to be permitted to participate in a general meeting by way of audio and/or audio-visual link(s), the notice (or notes accompanying the notice) must:

37.1. set out details of how to connect and participate via that link or links; and

37.2. (particularly for the benefit of those members who may have difficulties in using a computer or laptop for this purpose) draw members' attention to the following options:

37.2.1. participating in the meeting via an audio link accessed by phone, using dial-in details (if that forms part of the arrangements);

37.2.2. appointing the chairperson of the meeting as proxy, and directing the chairperson on how they should use that proxy vote in relation to each resolution to be proposed at the meeting;

37.2.3. (where attendance in person is to be permitted, either on an open basis or with a restriction on the total number who will be permitted to attend) attending and voting in person at the meeting;

37.2.4. (where article 39 applies) submitting questions and/or comments in advance of the meeting.

38. If participation in the meeting is to be by way of audio and/or audio-visual links - with no intention for the meeting to involve attendance in person by two or more members in any particular location - the place of the meeting shall, for the purposes of the notice calling the meeting, be taken to be the place where the anticipated chairperson of the meeting is expected to be, as at the time fixed for the commencement of the meeting; and, if it transpires that the chairperson of the meeting is at some other place as at the commencement of the meeting, the meeting shall be taken to have been validly adjourned to that other place.

39. Where a general meeting is to involve participation solely via audio and/or audio-visual links, the notice (or notes accompanying the notice) must include a

statement inviting members to submit questions and/or comments in advance of the meeting, which (subject to article 37) the chairperson of the meeting will be expected to read out, and address, in the course of the meeting.

40. Where article 39 applies, the chairperson of a general meeting will not require to read out or address any questions or comments submitted by members in advance of the meeting if and to the extent that the questions or comments are of an unreasonable length (individually or taken together), or contain material which is defamatory, racist or otherwise offensive.

Special resolutions and ordinary resolutions

41. For the purposes of these articles, a “special resolution” means a written resolution passed as a special resolution pursuant to the terms of the Act, or a resolution passed by 75% or more of the votes cast on the resolution at a general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with articles 32 to 34; for the avoidance of doubt, the reference to a 75% majority relates only to the number of votes cast in favour of the resolution as compared with the total number of votes cast in relation to the resolution, and accordingly no account shall be taken of abstentions or members absent from the meeting.

42. In addition to the matters expressly referred to elsewhere in these articles:

42.1. the provisions of the Act allow the Company, by special resolution to alter any provision of these articles or adopt new articles of association;

42.2. the Company shall not dispose of any shares in PTFC, or any interest in such shares, except with the prior sanction of a special resolution of the members;

42.3. the Company shall not, sell or exchange its shares (or any part thereof) in the Club (including but not limited to share options, "golden shares" or different types of shares) provided always that this transaction or any associated transaction does not diminish in any way the Foundation’s control or influence over the Club, except with the prior sanction of a special resolution of the members.

43. For the purposes of these articles, an “ordinary resolution” means a resolution passed by majority vote (taking account only of those votes cast in favour as compared with those votes against), at a general meeting, providing proper notice of the meeting has been given in accordance with articles 32 to 34.

Procedure at general meetings

44. The directors may if they consider appropriate make arrangements for members and directors to participate in general meetings by way of audio and/or audio-

visual link(s) which allow them to hear and contribute to discussions at the meeting, providing:

- 44.1. the means by which members and directors can participate via those link(s) are not subject to technical complexities, significant costs or other factors which are likely to represent - for all or a significant proportion of the membership - a barrier to participation;
 - 44.2. the notice calling the meeting (or notes accompanying the notice) contains the information required under article 34; and
 - 44.3. the manner in which the meeting is conducted ensures, so far as reasonably possible, that those members and directors who participate via an audio or audio-visual link are not disadvantaged with regard to their ability to contribute to discussions at the meeting, as compared with those members and directors (if any) who are attending in person (and vice versa).
45. A general meeting may involve two or more members or directors participating via attendance in person while other members and/or directors participate via audio and/or audio-visual links; or it may involve participation solely via audio and/or audio-visual links.
46. Reference in articles 37 to 39 and articles 44 to 45 (and any other articles deemed applicable) to members should be taken to include proxies for members and authorised representatives of members which are corporate bodies.
47. No business shall be dealt with at any general meeting unless a quorum is present; the quorum for a general meeting shall be the lower of 20 individuals or 10% of the total number of members (as at the date of the meeting) entitled to vote (each being a member or a proxy for a member).
48. An individual participating in a general meeting via an audio or audio-visual link which allows them to hear and contribute to discussions at the meeting will be deemed to be present in person (or, if they are not a member or the authorised representative of a member which is a corporate body, will be deemed to be in attendance) at the meeting.
49. If a quorum is not present within 15 minutes after the time at which a general meeting was due to commence - or if, during a meeting, a quorum ceases to be present - the meeting shall stand adjourned to such time and (subject to article 53) place as may be fixed by the chairperson of the meeting.
50. Where participation in the adjourned meeting is to be by way of audio and/or audio-visual links - with no intention for the adjourned meeting to involve attendance in person by two or more members or directors in one place - the requirement under article 53 for the chairperson to fix the place of the adjourned meeting shall not apply.

51. The chair of the Company shall (if present and willing to act as chairperson) preside as chairperson of each general meeting; if the chair is not present and willing to act as chairperson within 15 minutes after the time at which the meeting was due to commence, the directors present at the meeting shall elect from among themselves the person who will act as chairperson of that meeting.
52. The chairperson of a general meeting may, with the consent of the meeting, adjourn the meeting to such time and (subject to article 53) place as the chairperson may determine.
53. Article 38 shall apply in relation to the requirement under article 52 for the chairperson to specify the place of an adjourned meeting.
54. Every member shall have one vote, which (whether on a show of hands or on a secret ballot) may be given either personally or by proxy (subject to article 55).
55. Any member who wishes to appoint a proxy to vote on their behalf at any meeting (or adjourned meeting):
 - 55.1. shall lodge with the Company, at the Company's registered office, a written instrument of proxy (in such form as the directors require), signed by them; or
 - 55.2. shall send by electronic means to the Company, at such electronic address as may have been notified to the members by the Company for that purpose, an instrument of proxy (in such form as the directors require)providing (in either case), the instrument of proxy is received by the Company at the relevant address not less than 48 hours before the time for holding the meeting (or, as the case may be, adjourned meeting).
56. An instrument of proxy which does not conform with the provisions of article 5555, or which is not lodged or sent in accordance with such provisions, shall be invalid.
57. A member shall not be entitled to appoint more than one proxy to attend on the same occasion.
58. A proxy appointed to attend and vote at any meeting instead of a member shall have the same right as the member who appointed them to speak at the meeting and need not be a member of the Company.
59. A vote given, or ballot demanded, by proxy shall be valid notwithstanding that the authority of the person voting or demanding a ballot had terminated prior to the giving of such vote or demanding of such ballot, unless notice of such termination was received by the Company at the Company's registered office (or, where sent by electronic means, was received by the Company at the address notified by the

Company to the members for the purpose of electronic communications) before the commencement of the meeting or adjourned meeting at which the vote was given or the ballot demanded.

60. If there are an equal number of votes for and against any resolution, the chairperson of the meeting shall not be entitled to a casting vote.
61. A resolution put to the vote at a general meeting shall be decided on a show of hands unless a secret ballot is demanded by the chairperson (or by at least two persons present in person at the meeting and entitled to vote (whether as members or proxies for members)); a secret ballot may be demanded either before the show of hands takes place, or immediately after the result of the show of hands is declared.
62. Where members are participating in a meeting via an audio or audio-visual link, they may cast their vote on any resolution orally, or by way of some form of visual indication, or by use of a voting button or similar, or by way of a message sent electronically - and providing the directors have no reasonable grounds for suspicion as regards authenticity, any such action shall be deemed to be a vote cast personally via a show of hands.
63. If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such a manner as the chairperson may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded.
64. Where members are participating in a meeting via audio and/or audio-visual links, the chairperson's directions regarding how a secret ballot is to be conducted may allow those members to cast their votes on the secret ballot via any or all of the methods referred to in article 62, providing reasonable steps are taken to preserve anonymity (while at the same time, addressing any risk of irregularities in the process).
65. The principles set out in articles 62 and 64 shall also apply in relation to the casting of votes by an individual in their capacity as proxy for a member or as the authorised representative of a member which is a corporate body.

Technical objections to remote participation in general meetings

66. These articles impose certain requirements regarding the use of audio and/or audio-visual links as a means of participation and voting at general meetings; providing the arrangements made by the directors in relation to a given general meeting (and the manner in which the general meeting is conducted) are consistent with those requirements:
 - 66.1. a member cannot insist on participating in the general meeting, or voting at the general meeting, by any particular means;

- 66.2. the general meeting need not be held in any particular place;
- 66.3. the general meeting may be held without any particular number of those participating in the meeting being present in person at the same place (but notwithstanding that, the quorum requirements - taking account of those participating via audio and/or audio-visual links - must still be met);
- 66.4. the general meeting may be held by any means which permits those participating in the meeting to hear and contribute to discussions at the meeting;
- 66.5. a member will be able to exercise the right to vote at the general meeting (including where a secret ballot is to be held) by such means as is determined by the chairperson of the meeting (consistent with the arrangements made by the directors) and which permits that member's vote to be taken into account in determining whether or not a resolution is passed.

DIRECTORS

Maximum number of directors

67. The maximum number of directors shall be 12 (twelve).

Eligibility

68. A person shall not be eligible for election/appointment as a director unless they are a member of the Company.

Election, retiral, re-election

69. Subject to these Articles (in particular Article 70 and 71), a director who is elected to office shall retire from office at the annual general meeting falling closest to the third anniversary of his or her appointment. By way of example (which is non-exhaustive and for illustrative purposes only), a director appointed at the annual general meeting in 2023 would be required to retire at the annual general meeting in 2026. A director retiring at an annual general meeting shall continue to hold office until the conclusion of the meeting.

70. The directors in office as at the date of adoption of these Articles, having been elected in 2022 to serve terms of office ranging from one to three years, shall retire at the end of the agreed period of office and may offer themselves for re-election in accordance with Article 72.

71. The directors may at any time appoint any member (providing they are willing to act) to be a director (subject to article 67). Any director so appointed shall hold office until the annual general meeting next following such appointment.
72. At each annual general meeting, an election or elections shall be held to fill any vacancies on the board of directors which arise or are required to be filled. Such election(s) shall be held in accordance with the provisions of Rules promulgated by the Directors from time to time.

Termination of office

73. A director shall automatically vacate office if:

- 73.1. they cease to be a director through the operation of any provision of the Act or become prohibited by law from being a director;
- 73.2. they become incapable for medical reasons of fulfilling the duties of their office and such incapacity is expected to continue for a period of more than six months;
- 73.3. they cease to be a member of the Company;
- 73.4. they become an employee of the Company;
- 73.5. they resign office by notice to the Company;
- 73.6. they are absent (without permission of the directors) from more than three consecutive meetings of the directors, and the directors resolve to remove them from office;
- 73.7. they are removed from office by resolution of the directors on the grounds that they are considered to have committed a material breach of any code of conduct for directors in force from time to time; or
- 73.8. they are removed from office by ordinary resolution (special notice having been given) in pursuance of section 168 of the Act.

74. A resolution under article 73.8 shall be valid only if:-

- 74.1. the director who is the subject of the resolution is given reasonable prior written notice by the directors of the grounds upon which the resolution for their removal is to be proposed;
- 74.2. the director concerned is given the opportunity to address the meeting of directors at which the resolution is proposed, prior to the resolution being put to the vote; and

74.3. at least two thirds (to the nearest round number) of the directors then in office vote in favour of the resolution.

Register of directors

75. The directors shall maintain a register of directors, setting out full details of each director, including the date on which they became a director, and also specifying the date on which any person ceased to hold office as a director.

Office Bearers

76. The directors shall elect from among themselves a chair, secretary, and a treasurer, and such other office bearers (if any) as they consider appropriate.

77. All of the office bearers shall cease to hold office at the conclusion of each annual general meeting, but shall then be eligible for re-election.

78. A person elected to any office shall cease to hold that office if they cease to be a director, or if they resign from that office by written notice to that effect.

Powers of directors

79. Subject to the provisions of the Act, and these articles, and subject to any directions given by special resolution, the Company and its assets and undertaking shall be managed by the directors, who may exercise all the powers of the Company.

80. A meeting of the directors at which a quorum is present may exercise all powers exercisable by the directors.

81. The directors may from time to time establish, alter, and repeal such rules as they may deem necessary or expedient for the proper conduct and management of the Company. If there is a conflict between the terms of these Articles and any rules established under this article, the terms of these Articles shall prevail.

82. Without prejudice to any other provision of these Articles, the Rules may make provision for the following matters, but are not restricted to them:

82.1. the admission of Members (including the admission of corporate or unincorporated bodies to membership), and in particular the admission criteria for Members;

82.2. classes of Members and the rights and privileges of such Members;

82.3. the entrance fees, subscriptions, contributions and other fees or payments to be made by Members;

82.4. the conduct of any election of directors or office bearers; and

82.5. the procedure at general meetings, in so far as such procedure is not regulated by the Act or these Articles, and arrangements for facilitating the organisation and administration of any general meeting.

83. The directors shall adopt such means as they deem sufficient to bring to the notice of Members all Rules, alterations and repeals, and the Rules, so long as they are in force, shall be binding upon all Members.

Personal interests

84. A director who has a personal interest in any transaction or other arrangement which the Company is proposing to enter into, must declare that interest at a meeting of the directors; they will be debarred (in terms of article 102) from voting on the question of whether or not the Company should enter into that arrangement.

85. For the purposes of the preceding article, a director shall be deemed to have a personal interest in an arrangement if any partner or other close relative of theirs **or** any firm of which they are a partner **or** any limited company of which they are a substantial shareholder or director **or** any limited liability partnership of which they are a member **or** any Scottish charitable incorporated organisation of which they are a charity trustee **or** any registered society or unincorporated association of which they are a management committee member (or any other party who/which is deemed to be connected with them for the purposes of the Act) , has a personal interest in that arrangement.

86. Provided:

86.1. they have declared their interest; and

86.2. they have not voted on the question of whether or not the Company should enter into the relevant arrangement;

a director will not be debarred from entering into an arrangement with the Company in which they have a personal interest (or is deemed to have a personal interest under article 85) and may retain any personal benefit which they gain from their participation in that arrangement.

87. The directors shall be entitled, for the purposes of section 175 of the Act, to authorise (by way of resolution to that effect) any conflict situation (as defined for the purposes of that section of the Act) that may arise (such that the duty of the director concerned, under that section, to avoid conflicts of interest is not infringed) and to amend or vary any such authorisation; the directors may give such authorisation subject to such terms and conditions as they may consider appropriate and reasonable in the circumstances.

88. For the avoidance of doubt, the provisions of section 175 of the Act and article 77 do not apply to a conflict of interest relating to a transaction or arrangement with the Company; conflicts of that kind are regulated by the provisions of articles 84 to 86 and articles 102 to 105.
89. The directors may be paid all travelling and other expenses reasonably incurred by them in connection with their attendance at meetings of the directors, general meetings, or meetings of committees, or otherwise in connection with the carrying-out of their duties.

DIRECTORS' MEETINGS

Procedure at directors' meetings

90. Any director may call a meeting of the directors or request the secretary to call a meeting of the directors.
91. If directors are to be permitted to participate in a directors' meeting by way of audio and/or audio-visual link(s), the directors must, in advance of the meeting, be provided with details of how to connect and participate via that link or links; and (particularly for the benefit of those directors who may have difficulties in using a computer or laptop for this purpose) the directors' attention should be drawn to the following options:
- 91.1. participating in the meeting via an audio link accessed by phone, using dial-in details (if that forms part of the arrangements);
- 91.2. (where attendance in person is to be permitted, either on an open basis or subject to a restriction on the total number who will be permitted to attend) the ability to attend the meeting in person.
92. Questions arising at a meeting of the directors shall be decided by a majority of votes; if an equality of votes arises, the chairperson of the meeting shall have a casting vote.
93. The directors may, if they consider appropriate (and must, if this is required under article 91) allow directors to participate in directors' meetings by way of audio and/or audio-visual link(s) which allow them to hear and contribute to discussions at the meeting, providing:
- 93.1. the means by which directors can participate in this manner are not subject to technical complexities, significant costs or other factors which are likely to represent - for all, or a significant proportion, of the directors - a barrier to participation; and
- 93.2. the manner in which the meeting is conducted ensures, so far as reasonably possible, that those directors who participate via an audio or audio-visual link are not disadvantaged with regard to their ability to

contribute to discussions at the meeting, as compared with those directors (if any) who are attending in person (and vice versa).

94. If restrictions arising from public health legislation or guidance are likely to mean that attendance in person at a proposed directors' meeting would not be possible or advisable for one or more of the directors, the directors must make arrangements for directors to participate in that directors' meeting by way of audio and/or audio-visual link(s); and on the basis that:
 - 94.1. the requirements set out in article 93 will apply; and
 - 94.2. the directors must use all reasonable endeavours to ensure that all directors have access to one or more means by which they may hear and contribute to discussions at the meeting.
95. A directors' meeting may involve two or more directors participating via attendance in person while other directors participate via audio and/or audio-visual links; or it may involve participation solely via audio and/or audio-visual links.
96. For the avoidance of doubt, an individual participating in a directors' meeting via an audio or audio-visual link will be deemed to be present in person (or, if they are not a director, will be deemed to be in attendance) at the meeting.
97. Where a director or directors are participating in a directors' meeting via an audio or audio-visual link, they may cast their vote on any resolution orally, or by way of some form of visual indication, or by use of a voting button or similar, or by way of a message sent electronically.
98. No business shall be dealt with at a meeting of the directors unless a quorum is present; the quorum for meetings of the directors shall be 5.
99. If at any time the number of directors in office falls below the number fixed as the quorum, the remaining director(s) may act only for the purpose of filling vacancies or of calling a general meeting.
100. Unless they are unwilling to do so, the chair of the Company shall preside as chairperson at every directors' meeting at which they are present; if the chair is unwilling to act as chairperson or is not present within 15 minutes after the time when the meeting was due to commence, the directors present shall elect from among themselves the person who will act as chairperson of the meeting.
101. The directors may, at their discretion, allow any person who they reasonably consider appropriate, to attend (whether in person or by way of an audio or audio-visual link) and speak at any meeting of the directors; for the avoidance of doubt,

any such person who is invited to attend a directors' meeting shall not be entitled to vote.

102. A director shall not vote at a directors' meeting (or at a meeting of a committee) on any resolution concerning a matter in which they have a personal interest which conflicts (or may conflict) with the interests of the Company; they must withdraw from the meeting while an item of that nature is being dealt with.
103. For the purposes of article 102, a person shall be deemed to have a personal interest in a particular matter if any partner or other close relative of theirs or any firm of which they are a partner or any limited company of which they are a substantial shareholder or director or any limited liability partnership of which they are a member or any Scottish charitable incorporated organisation of which they are a charity trustee or any registered society or unincorporated association of which they are a management committee member has a personal interest in that matter.
104. A director shall not be counted in the quorum present at a meeting in relation to a resolution on which they are not entitled to vote.
105. The Company may, by ordinary resolution, suspend or relax to any extent – either generally or in relation to any particular matter – the provisions of articles 102 to 104.
106. The principles set out in article 66 (technical objections to remote participation) shall apply in relation to remote participation and voting at directors' meetings, as if each reference in that article to a member were a reference to a director and each reference in that article to a general meeting were a reference to a directors' meeting.
107. A resolution agreed to in writing (or by e-mail) by a majority of the directors then in office shall (subject to articles 108 and 109) be as valid as if duly passed at a directors' meeting.
108. A resolution under article 107 shall not be valid unless a copy of the resolution was circulated to all of the directors, along with a cut-off time (which must be reasonable in the circumstances) for notifications under article 109.
109. If a resolution is circulated to the directors under article 108, any one or more directors may, following receipt of a copy of the resolution, notify the secretary that they consider that a directors' meeting should be held to discuss the matter which is the subject of the resolution; and if any such notification is received by the secretary prior to the cut-off time:
 - 109.1. the secretary must convene a directors' meeting accordingly, and on the basis that it will take place as soon as reasonably possible;

109.2. the resolution cannot be treated as valid under article 107 unless and until that directors' meeting has taken place;

109.3. the directors may (if they consider appropriate, on the basis of the discussions at the meeting) resolve at that directors' meeting that the resolution should be treated as invalid, notwithstanding that it had previously been agreed to in writing (or by e-mail) by a majority of the directors then in office.

Conduct of directors

110. Each of the directors shall, in exercising their functions as a director of the Company, act in the interests of the Company; and, in particular, must:

110.1. seek, in good faith, to ensure that the Company acts in a manner which is in accordance with its objects;

110.2. act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;

110.3. in circumstances giving rise to the possibility of a conflict of interest of interest between the Company and any other party:

110.3.1. put the interests of the Company before that of the other party, in taking decisions as a director; or

110.3.2. where any other duty prevents them from doing so, disclose the conflicting interest to the Company and refrain from participating in any discussions or decisions involving the other directors with regard to the matter in question.

ADMINISTRATION

Delegation to sub-committees

111. The directors may delegate any of their powers to any sub-committee consisting of one or more directors and such other persons (if any) as the directors may determine; they may also delegate to the chair of the Company (or the holder of any other post) such of their powers as they may consider appropriate.

112. Any delegation of powers under article 111 may be made subject to such conditions as the directors may impose and may be revoked or altered.

113. The rules of procedure for any sub-committee shall be as prescribed by the directors.

Operation of bank accounts

114. The signatures of two out of the signatories appointed by the directors shall be required in relation to all operations (other than lodgement of funds) on the bank and building society accounts held by the Company; at least one out of the two signatures must be the signature of a director.

Secretary

115. The directors may appoint a company secretary, and on the basis that the term of the appointment, the remuneration (if any) payable to the company secretary, and the conditions of appointment shall be as determined by the directors; the company secretary may be removed by them at any time.

Minutes

116. The directors shall ensure that minutes are made of all proceedings at general meetings, directors' meetings and meetings of committees; a minute of any meeting shall include the names of those present, and (as far as possible) shall be signed by the chairperson of the meeting.

Accounting records and annual accounts

117. The directors shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements.

118. The directors shall prepare annual accounts, complying with all relevant statutory requirements; if an audit is required under any statutory provisions or if they otherwise think fit, they shall ensure that an audit of such accounts is carried out by a qualified auditor. Notwithstanding there may be no audit, the annual accounts may be subject to independent examination by a qualified accountant as determined by the Board of directors from time to time.

119. No member shall (unless they are a director) have any right of inspecting any accounting or other records, or any document of the Company, except as conferred by statute or as authorised by the directors or as authorised by ordinary resolution of the Company.

Notices

120. Any notice which requires to be given to a member under these articles shall be given either in writing or by electronic means; such a notice may be given personally to the member or be sent by post in a pre-paid envelope addressed to the member at the address last intimated by them to the Company or (in the case of a member who has notified the Company of an address to be used for the purpose of electronic communications) may be given to the member by electronic means.

121. Any notice, if sent by post, shall be deemed to have been given at the expiry of 24 hours after posting; for the purpose of proving that any notice was given, it

shall be sufficient to prove that the envelope containing the notice was properly addressed and posted.

122. Any notice sent by electronic means shall be deemed to have been given at the expiry of 24 hours after it is sent; for the purpose of proving that any notice sent by electronic means was indeed sent, it shall be sufficient to provide any of the evidence referred to in the relevant guidance issued from time to time by the Chartered Institute of Secretaries and Administrators.

Winding-up

123. If on the winding-up of the Company any property remains after satisfaction of all the Company's debts and liabilities, such property shall be transferred to such body or bodies (whether incorporated or unincorporated) with similar aims and objects of the Company as may be determined by the Board of directors and as sanctioned by a special resolution of the Members at or before the time of dissolution (or, failing such determination, by such court as may have or acquire jurisdiction).
124. To the extent that effect cannot be given to article 123 the relevant property shall be applied to some charitable purpose or purposes.

Indemnity

125. Every director or other officer or auditor of the Company shall be indemnified (to the extent permitted by the Act) out of the assets of the Company against any loss or liability which he may sustain or incur in connection with the execution of the duties of his office; that may include, without prejudice to that generality, (but only to the extent permitted by the Act), any liability incurred by him/her in defending any proceedings (whether civil or criminal) in which judgement is given in his favour or in which he is acquitted or any liability in connection with an application in which relief is granted to him/her by the court from liability for negligence, default or breach of trust in relation to the affairs of the Company.

Insurance

126. The Company shall be entitled to purchase and maintain for any director insurance against any loss or liability which any director or other officer of the Company may sustain or incur in connection with the execution of the duties of his office, and such insurance may extend to liabilities of the nature referred to in section 232(2) of the Act.

Company Name

127. In accordance with sections 77 and 79 of the Act, the name of the Company may be changed by Board resolution.