THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES of ASSOCIATION
Of
ARGYLL & BUTE THIRD SECTOR INTERFACE

These Articles were last updated on: *22nd March 2019**

Registered Company in Scotland: SC277345.

Registered Charity with OSCR: SC029947

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NAME

1 The name of the company is “Argyll & Bute Third Sector Interface” (the Company).

REGISTERED OFFICE

2 The registered office of the Company is situated in Argyll & Bute, Scotland.

DEFINITIONS AND INTERPRETATION

3 In these articles:

“**2005 Act**” means the Charities and Trustee Investment (Scotland) Act 2005;
“**2006 Act**” means the Companies Act 2006;
“**2015 Act**” means the Community Empowerment (Scotland) Act 2015;
“**AGM**” means an annual general meeting of the Company;
“**Articles**” means the articles of association of the Company;
“**Charity**” shall have the meaning given in section 106 of the 2005 Act;
“**Clear Days**”, in relation to notice of a meeting, means a period excluding the day on which notice is given and the day on which the meeting is held;
“**Co-opted Director**” has the meaning given in article 23;
“**Community**” has the meaning given in article 4;
“**Director**” has the meaning given in section 250 of the 2006 Act;
“**Elected Director**” has the meaning given in article 22;
“**GM**” means a general meeting of the Company;
“**Individual**” means a natural person;
“**Interim Board**” means the board of Directors of the Company at the point of incorporation;
“**Member**” has the meaning given in section 112 of the 2006 Act;
“**Minute Secretary**” has the meaning given in article 30.3;
“**NPF**” means the revised and latest issue of the Scottish Government’s National Performance Framework; which places the performance outcomes of the 2015 Act into statute;
“**Organisation**” means a body corporate, unincorporated association or other combination of persons;
“**Ordinary Member**” has the meaning given in article 8;
“**OSCR**” means the Office of the Scottish Charity Regulator or its successor;
“**Principal Officer**” has the meaning given in article 30.2;
“**Property**” means money and all other property, heritable or moveable, real or personal and wherever situated;
“**Purposes**” has the meaning given in article 4;
“**TSI Outcome Framework**” means the suggested outcomes issued by Scottish Government Third Sector Unit, Sep 2018, of the TSI activities that SG will directly fund and enable.

3.1 Words in the singular include the plural and words in the plural include the singular.

3.2 The Articles supersede any previous articles. Any words or expressions defined in the 2006 Act shall, if not inconsistent with the subject or context, bear the same meanings in the Articles.

3.3 Any reference in the Articles to an act, regulation or other legislation shall include a reference to any statutory modification or re-enactment thereof for the time being in force.

PURPOSES

4 In direction given by the NPF and the TSI Outcome Framework documents issued by the Scottish Government, the Company has been formed to benefit the community of those who reside and/or volunteer within Argyll & Bute Authority area (the "**Community**"), with the following purposes (the "**Purposes**"), and aims:

4.1 Argyll & Bute Third Sector Interface aim:

4.1.1 To advance citizenship and community development by assisting voluntary, charitable, social enterprise and community organisations (collectively referred to as the Third Sector) and volunteers to thrive and develop. This will include working with public sector agencies and operating appropriate projects to deliver services in the local authority area to assist people and communities who are in need to improve the physical, cultural, social and economic infrastructure;

4.1.2 To advance health and social care, and relieve poverty by supporting Third Sector Organisations, Public Sector bodies and volunteers to deliver high quality services and activities to vulnerable groups;

4.1.3 To advance education through the provision of appropriate training to Third Sector organisations, volunteer involving organisations, Public Sector bodies, volunteers, potential volunteers and local citizens;

4.1.4 To advance equality and diversity through the provision of appropriate training and assistance to individuals, Third Sector organisations and Public Sector bodies.

4.1.5 In order to better support the community, Argyll & Bute TSI will fundraise only where the end beneficiaries of such funding would be:

a. Third Sector Organisations within the community, and/or
b. Community Third Sector Organisations that are Social Enterprises, and/or
c. Community Volunteer-Involving Organisations, and/or
d. Volunteers from the Community.

4.2 The company's purposes are restricted to those set out in Article 4.1
(but subject to article 4.3).

4.3 The company may (subject to first obtaining the consent of OSCR) add to, remove or alter the statement of the company's purposes in Article 4; on any occasion when it does so, it must give notice to the Registrar of Companies and the amendment will not be effective until that notice is registered on the Register of Companies.

POWERS

5 In pursuance of the purposes listed in Article 4 (but not otherwise), the powers of the Company are set out in Schedule 1 and are to be used only in furtherance of the Purposes.

GENERAL STRUCTURE OF THE COMPANY

6 The Company is composed of:

6.1 **Members**; and

6.2 **Directors** (composed of Elected Directors, Appointed Directors; and Co-Opted Directors, following a GM).

MEMBERSHIP

7 The Members shall consist of the subscribers to the Memorandum of Association and Individuals and Organisations who agree to become Members and are registered as such in the Register of Members.

7.1 The Company shall have not fewer than 20 Members at any time; which is consistent with Section 80(2)(a) of the 2015 Act.

7.2 In the event that the number of Members falls below 20, the Directors may not conduct any business other than taking steps to ensure that sufficient Members are admitted to enable the Company to comply with article 7.1.

MEMBERSHIP CRITERIA

8 Membership of the Company is open to Individuals aged 16 or over who (and Organisations which) are members of the Community.

8.1 Each Member which is an Organisation shall appoint one named authorised representative to represent and act for such Member at all GMs. Any change in the appointment of an authorised representative may be made at any time by the appointing Member, but only by written notice to the Company. Such notice will take effect upon its receipt by the Company.

8.2 If an Individual or Organisation ceases to fulfil the criteria within article 8 or 8.1, that Individual or Organisation must inform the Company.

8.3 As a Community Company, employees of the company shall be eligible for membership, they are, however, debarred from serving as Directors.

APPLICATIONS FOR MEMBERSHIP

9 No Individual or Organisation may become a Member unless that Individual or Organisation has submitted a written application for membership in the form prescribed by the Directors and the Directors have approved the application. An application submitted by an Organisation must be signed on behalf of that Organisation. The Directors shall consider applications promptly.

9.1 The directors may, at their discretion, refuse to admit any person or organisation to membership; the directors shall, within a reasonable time, notify the applicant of their decision on the application, without any requirement to give any reason(s) for refusal.

REGISTER OF MEMBERS

10 The Directors shall cause a register of members to be maintained in accordance with section 113 of the 2006 Act.

NOTICES AND OTHER COMMUNICATIONS

11 The Company may serve a notice on a Member in hard copy (addressed to the address given for that Member in the register of members and posted or hand-delivered) or electronic form (faxed or e-mailed).

11.1 A notice is deemed to have been served on the day following the day on which it is hand-delivered, posted, faxed or e-mailed.

11.2 The Company may communicate with a Member by electronic means (including fax and e-mail) unless the Member has requested that communications from the Company be sent in hard copy.

11.3 The Company may publish notifications by means of a website provided the Company has advised Members of this and taken reasonable steps to notify Members who have informed the Company that they do not have internet access.

CESSATION OF MEMBERSHIP

12 A Member shall cease to be a Member if:

12.1 that Member sends a written notice of resignation to registered office of the Company;

12.2 that Member no longer fulfils the membership criteria within article 8;

12.3 a resolution that that Member be expelled (where that Member's conduct, in their/its capacity as a Member, has been detrimental to the effective functioning of the Company) is passed by special resolution at a GM, notice of which shall state:

12.3.1 the full text of the resolution proposed; and

12.3.2 the grounds on which it is proposed; at which the Member is entitled to be heard;

12.4 in the case of an Individual:

12.4.1 that Individual becomes insolvent or apparently insolvent or makes any arrangement with their creditors; or

12.4.2 that Individual has died (membership of a company limited by guarantee not being transferable); or

12.5 in the case of an Organisation, that Organisation goes into receivership or liquidation, or is dissolved or otherwise ceases to exist (membership of a company limited by guarantee not being transferable).

GENERAL MEETINGS (Meetings of the Members)

13 The Directors may call a GM at any time and must call a GM within 28 Clear Days of a valid requisition. To be valid, such requisition must be signed by at least 5% of the Members, must clearly state the purposes of the meeting, and must be delivered to the registered office of the Company. The requisition may consist of several documents in like form each signed by one or more of the Members.

ANNUAL GENERAL MEETING

14 The Directors shall convene one GM a year as an AGM. An AGM need not be held during the calendar year during which the Company is incorporated, provided an AGM is held within 18 months of the date of incorporation. Thereafter, not more than 15 months shall elapse between one AGM and the next.

14.1 The business of each AGM shall include:

(a) a report by the Chairperson on the activities of the Company
(b) the election of Elected Directors;
(c) the fixing of annual subscriptions;
(d) consideration of the accounts of the Company;
(e) a report of any auditor required under the 2006 Act; and
(f) the appointment of any auditor required under the 2006 Act.

NOTICE OF GENERAL MEETINGS

15 At least 28 Clear Days' notice of each GM shall be given to each Member and Director, and any company secretary, auditor and/or honorary patron appointed for the time being.

15.1 Where section 312 of the 2006 Act requires special notice of a resolution to be given to the Members, the Company must give notice at least 28 days before the GM at which it is moved.

15.2 Notice of an AGM shall be accompanied by a copy of the accounts for the period since the last accounting reference date (or, in the case of the first AGM, the period since incorporation) and proper reports of the Directors.

15.3 The notice shall specify the place, the date and the time of the GM, the general nature of any business, and the full text of any **special** resolutions proposed in terms of article 19.1.

15.4 An accidental failure to give notice of a resolution or GM to (or the non-receipt of such notice by) any Member entitled to receive notice thereof shall not affect the validity of the resolution passed or the meeting held (or the validity of anything done at that meeting).

QUORUM

16 The quorum for a GM shall be the greater of:

(a) eleven Members; or
(b) 10% of the Members, present either in person or by proxy.

16.1 No business shall be transacted at a GM unless a quorum is present.

16.2 If a quorum is not present within 15 minutes of the time at which the GM was due to start (or if during a GM a quorum ceases to be present) the GM shall be adjourned until such place, date and time as is fixed by the chairperson of the GM.

16.3 The Directors may make arrangements in advance of a GM to allow Members (or their proxies) and Associates to participate remotely provided:

16.3.1 all participating may communicate with each other during the meeting; and

16.3.2 provided all Members (or their proxies) may vote during the meeting.

VOTING

17 The chairperson of the GM shall endeavour to achieve consensus where possible but, if necessary, questions arising shall be decided by being put to a vote.

17.1 Each Member shall have one vote, to be exercised in person or by proxy, on a show of hands.

17.2 A secret ballot may be demanded by:

(a) the chairperson of the GM; or

(b) at least two Members present at the GM, before a show of hands and must be taken immediately and in such manner as the chairperson of the GM directs. The result of a secret ballot shall be declared at that GM.

PROXIES

18 Whilst the attendance of Members at GMs is encouraged, a Member may appoint a proxy to attend a GM on behalf of that Member.

18.1 A proxy appointed to attend and vote at a GM on behalf of a Member need not be a Member and shall have the same rights as the Member who appointed them to speak and vote at the GM.

18.2 An instrument appointing a proxy shall be in the form set out in Schedule 2 of the Articles and shall be valid for 12 months from the date on which it is signed. An instrument appointing a proxy (or a certified copy thereof), accompanied by a copy of any power of attorney or other authority under which it is signed, shall be lodged at the registered office of the Company at least 48 hours before the GM to which it relates.

RESOLUTIONS OF THE MEMBERS

19 An ordinary resolution may be passed on a show of hands at a GM by a simple majority of the Members voting (in person or by proxy). An ordinary resolution may be passed as a written resolution provided it is passed by members representing a simple majority of the total voting rights of the Members.

19.1 Certain resolutions must be passed as special resolutions, including resolutions:

(a) to amend the Articles (including the Purposes);

(b) to change the name of the Company;

(c) to expel a Member; and

(d) to wind-up the Company.

19.2 A special resolution may be passed on a show of hands at a GM by not less than 75% of the Members voting (in person or by proxy). A special resolution may be passed as a written resolution provided it is passed by members representing not less than 75% of the total voting rights of the Members.

WRITTEN RESOLUTIONS

20 Resolutions under sections 168 (removal of a Director) and 510 (removal of an auditor) of the 2006 Act may not be passed as written resolutions.

20.1 Written resolutions have effect as if passed by the Company in general meeting.

20.2 Resolutions must be sent to all Members at the same time (the "Circulation Date") in hard copy (posted or hand-delivered) or electronic form (faxed or e-mailed), or by means of a website.

20.3 Written resolutions must be accompanied by a statement informing the Member:

(a) how to signify agreement to the resolution;
(b) how to return the signed resolution to the Company (in hard copy (posted or hand-delivered) or electronic form (faxed or e-mailed));
(c) 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); and
(d) that they will not be deemed to have agreed to the resolution if they fail to reply.

20.4 A written resolution may consist of several documents in the same form, each signed by or on behalf of one or more Members.

20.5 Once a Member has signed and returned a written resolution in agreement thereto, that Members' agreement is irrevocable.

20.6 The Members may require the Company to circulate a written resolution. The resolution must be requested by at least 5% of the Members. Requests must be in hard copy (posted or hand-delivered) or electronic form (faxed or e-mailed), must identify the resolution and may be accompanied by a statement not exceeding 1,000 words which the Company will also be required to circulate.

20.7 Unless the resolution requested in accordance with article 22.6 is covered by section 292(2) of the 2006 Act, the Company must circulate the resolution (along with the guidance set out in article 20.3) and any accompanying statement within 28 days and may require the requesting Members to cover the expenses it incurs circulating the resolution.

DIRECTORS

21 The minimum number of Directors shall be **4** and the maximum number of Directors shall be 10 unless a special resolution is passed to increase the maximum number of Directors. **At all times, the majority of Directors shall be Ordinary Members**.

21.1 The Directors:
(a) shall set the strategy and policy of the Company;
(b) shall, where no employees or managers are appointed, be responsible for the day-to-day management of the Company;
(c) shall hold regular meetings between each AGM, meeting as often as necessary to despatch all business of the Company;
(d) shall monitor the financial position of the Company;
(e) shall direct and manage the affairs and Property of the Company;
(f) shall generally control and supervise the activities of the Company;
(g) may, on behalf of the Company, do all acts which may be performed by the Company (other than those required to be performed by the Members at a GM);
(h) may exercise the powers of the Company; and
(i) may not also be paid employees of the Company.

21.2 The Directors shall cause a Register of Directors and a Register of Directors' residential addresses to be maintained in accordance with sections 163 to 166 of the 2006 Act.

21.3 Following incorporation, the board shall be composed of the Individuals named as Directors in the application to register a company submitted to Companies House (being subscribers to the memorandum of association aged 16 or over) and any Co-opted Directors appointed by those directors prior to the first GM (together, the "Interim Board").

21.4 The Interim Board shall retire at the first GM, which shall be held as soon as practicable following incorporation but shall remain eligible for re-election (the period of office between the date of incorporation and the date of the first GM not being regarded as a "term of office" for the purposes of article 22.5).

ELECTED DIRECTORS

22 At the first GM and subsequent AGMs the Members may appoint Individual Ordinary Members (or Individuals who have applied to become Ordinary Members) as Directors ("Elected Directors").

22.1 Elected Directors must be nominated by at least two Members. Such nominations must contain confirmation from the nominee that they are willing to act as an Elected Director and must be delivered to the registered office of the Company at least seven days before the GM.

22.2 Each Member has one vote for each vacancy in the Elected Directors on the board.

22.3 Provided the first GM is not also the first AGM, there shall be no changes in the Directors at the first AGM (except to fill any vacancies left following the first GM or caused by retirals since the first GM).

22.4 At the second and subsequent AGMs, one-third of the Elected Directors (rounding upwards if this is not a whole number) shall retire from office at the close or adjournment of that meeting.

22.5 A retiring Director shall be eligible for re-election after one term of office.

22.6 The Elected Director(s) to retire at an AGM shall be those who have been longest in office since their election/re-election (unless other Elected Director(s) have agreed to retire at that AGM). As between Individuals who were appointed as Elected Directors on the same date, the Elected Director(s) to retire shall be agreed between the Individuals appointed on the same date or determined by lot.

CO-OPTED DIRECTORS

23 Subject to article 21, the Directors may appoint individuals as Directors to ensure a spread of skills and experience within the board ("Co-opted Directors") and may remove a Co-opted Director at any time.

23.1 A Co-opted Director shall retire at the AGM following their appointment unless re-appointed by the Directors.

23.2 For the avoidance of doubt, a Co-opted Director may attend and vote at board meetings (subject to article 25).

TERMINATION OF DIRECTOR'S APPOINTMENT

24 A Director shall cease to be a Director if:

24.1 that Director sends a written notice of resignation to the registered office of the Company, or retires at GM or AGM;

24.2 that Director becomes prohibited from being:

(a) a charity trustee under section 69(2) of the 2005 Act; or
(b) a Director of a limited company by reason of any order made under the Company Directors Disqualification Act 1986;

24.3 that Director becomes a paid employee of the Company or holds an office within the Company for which they receive payment;

24.4 being an Elected Director, that Director ceases to be an Ordinary Member;

24.5 being a Co-opted Director, that Director is removed from office by the Directors in accordance with article 23;

24.6 that Director is removed from office under section 168 of the 2006 Act;

24.7 that Director is considered by the Directors to have been in serious or persistent breach of either or both of the duties listed in sections 66(1) and 66(2) of the 2005 Act, under section 66(5)(b) of the 2005 Act;

24.8 that Director becomes incapable of fulfilling the duties of a Director as the result of a medical condition and such incapacity, certified by two medical practitioners where necessary, is expected to continue for more than six months; or

24.9 that Director is absent (without permission of the Directors) from over three consecutive board meetings, and the Directors resolve to remove them from office.

DIRECTORS INTERESTS

25 If a Director is has an interest in a proposed arrangement with the Company or connected with a person (as defined by section 252 of the 2006 Act and section 68(2) of the 2005 Act) who is so interested, that Director must declare that interest to the other Directors at a board meeting (in accordance with section 177(2) of the 2006 Act), by notice in writing (in accordance with section 184 of the 2006 Act) or by giving general notice (in accordance with section 185 of the 2006 Act).

25.1 When a Director becomes aware (or ought reasonably to have become aware) that he/she, has an interest in an existing arrangement with the Company or connected with a person (as defined by section 252 of the 2006 Act and section 68(2) of the 2005 Act) who is so interested, that Director has a duty to declare that interest to the other Directors as soon as reasonably practicable, whether at a board meeting (in accordance with section 182(2) of the 2006 Act), by notice in writing (in accordance with section 184 of the 2006 Act) or by giving general notice (in accordance with section 185 of the 2006 Act).

25.2 The Directors shall cause a Register of Directors Interests to be maintained, where declarations made are recorded and declarations made by notice in writing (in accordance with section 184 of the 2006 Act) are kept.

25.3 Where a Director has an interest in a transaction or arrangement which the Company proposes to enter into, that Director may not participate in a proposed meeting for quorum or voting purposes, unless the Members pass an ordinary resolution permitting that Director to participate in that proposed meeting for quorum and voting purposes.

25.4 Where a Director declares an interest (other than in relation to a transaction or arrangement covered under article 28.4) at a board meeting, the chairperson of that board meeting shall determine whether that Director may:

(a) participate in that meeting for quorum and voting purposes,

(b) participate in discussions at that board meeting, or

(c) be present while the matter is discussed.

CONDUCT OF DIRECTORS

26 Each Director shall, in exercising their functions as a Director, act in the interests of the Company and, in particular, must:

26.1 Seek, in good faith, to ensure that the Company acts in a manner which is in accordance with the Purposes;

26.2 Act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;

26.3 In circumstances giving rise to the possibility of a conflict of interest between the Company and another party:

26.3.1 put the interests of the Company before that of the other party, in taking decisions as a Director;

26.3.2 where any other duty prevents him or her 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; and

26.3.3 ensure that the Company complies with any direction, requirement, notice or duty imposed on it by the 2005 Act.

QUORUM AT BOARD MEETINGS

27 The quorum for board meetings is 50% of the Directors, at least 50% of whom are Elected Directors. No business shall be dealt with at a board meeting unless a quorum is present.

BOARD MEETINGS

28 Board meetings 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 Directors.

28.1 The Directors participating must determine where and when the meeting is to be treated as having taken place for the purposes of article 28.5.

28.2 A Director may (and any Company Secretary, at the request of a Director, shall) summon a meeting of the Directors, by causing notice to be served on the other Directors, to be held at a place, date and time which is convenient for a majority of the Directors. Directors must receive at least seven Clear Days' notice of board meetings, unless the Directors unanimously agree in writing or electronic means to dispense with such notice on a specific occasion. On such occasions, any papers relevant to the matters to be discussed should be distributed electronically allowing sufficient time for Directors to consider them, and/or not less than 18 hours prior to the board meeting.

28.3 The Chairperson of the board meeting shall endeavour to achieve consensus wherever possible but, if necessary, questions

arising shall be decided by being put to a vote, each Director present having one vote. In the event of an equal number of votes for and against any resolution at a board meeting, the Chairperson of the board meeting shall have a casting vote.

28.4 The Directors may delegate any of their powers to sub-committees consisting of at least one Director, such other person or persons as they think fit, and such other persons as they delegate to that sub-committee to appoint. Any sub-committee so formed shall, in the exercise of the powers so delegated, conform to any remit and regulations imposed on it by the Directors. The meetings and proceedings of any such sub-committee shall be governed by the provisions of the Articles regulating the meetings and proceedings of the Directors so far as applicable and so far as the same shall not be superseded by any regulations made by the Directors. Such sub-committee shall regularly and promptly circulate, or ensure the regular and prompt circulation of, the minutes of its meetings to the Directors.

28.5 The Directors shall cause minutes to be made of:

(a) the appointment of officers by the Directors; and

(b) the proceedings at GMs, board meetings and sub-committee meetings, including the names of those present and all business transacted at such meetings.

28.6 Minutes of a meeting which bear to have been signed by the Chairperson thereof or the Chairperson of a subsequent meeting, shall be sufficient evidence without any further proof of the facts therein stated.

28.7 The Members may, by special resolution, direct the Directors to take, or refrain from taking, specified action. No alteration of the Articles and no direction given by special resolution shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given.

28.8 A resolution may be passed where all Directors (or, in the case of a sub-committee, all sub-committee members), indicate their agreement in writing and such resolution shall be as valid and effectual as if it had been passed at a meeting of the Directors (or of such sub-committee) duly convened and constituted.

28.9 The Directors may act notwithstanding any vacancy in the board, but where the number of Directors falls below the minimum number specified in article 21, the Directors may not conduct any business other than to appoint sufficient Directors to enable the Company to comply with article 21.

28.10 The Directors may allow any person to attend and speak, but not vote, at meetings of the board or sub-committees.

28.11 The Directors may from time to time promulgate, review and amend any Ancillary Regulations, Guidelines and/or Policies, subordinate at all times to the Articles, as it deems necessary and appropriate to provide additional explanation, guidance and governance to Members/Directors.

CHAIRPERSON

29 The Directors must appoint:

29.1 an Elected Director to chair board meetings and general meetings (the "Chairperson"), and an Elected Director to chair board meetings and general meetings in the event that the Chairperson is not present and willing to do so (the "Vice Chairperson"), at a board meeting immediately after each AGM or following the resignation of the existing Chairperson/Vice-Chairperson.

29.2 In the event that the Chairperson is not present and willing to act within 15 minutes of the time at which the GM/board meeting is due to start, or no Chairperson is currently appointed; and the Vice-Chairperson is not present and willing to act within 15 minutes of the time at which the GM/board meeting is due to start, or no Vice-Chairperson is currently appointed, the Directors present must appoint an Elected Director to chair the GM/board meeting.

OTHER OFFICERS

30 The Directors may appoint the following additional officers:

30.1 a Company Secretary for such term and upon such terms and conditions as they think fit. The Company Secretary may be removed by the Directors at any time.

30.2 an employee of the Company as principal officer of the Company ("Principal Officer") upon such terms and conditions, and with such job title, as they think fit. The Principal Officer may be required to attend board or sub-committee meetings but:

(a) may not participate in such meetings for voting or quorum purposes;

(b) may not attend meetings (or parts of meetings) at which their remuneration or employment is to be discussed; and

(c) may not attend meetings at which confidential matters relating directly to themselves or their position are to be discussed.

30.3 may appoint an employee of the Company as a Minute Secretary who will minute the matters set out in article 28.5 for such term and upon such terms and conditions as they think fit (the "Minute Secretary"). The Minute Secretary may be removed by the Directors at any time. Additionally, the Minute Secretary;

(a) may not participate in such meetings for voting or quorum purposes;

(b) may not attend meetings (or parts of meetings) at which their remuneration or employment is to be discussed; and

(c) may not attend meetings at which confidential matters are to be discussed, and the Board feel it would be inappropriate for their attendance.

30.4 The Directors may appoint a Treasurer for such term and upon such terms and conditions as they think fit. The Treasurer may be removed by the Directors at any time. The Treasurer may be required to attend board and sub-committee meetings but:

(a) may not participate in such meetings for voting or quorum purposes unless they are also a Director;

(b) may not attend meetings (or parts of meetings) at which their remuneration or employment is to be discussed; and

(c) (if the Treasurer is not a Director) may not attend meetings at which confidential matters are to be discussed.

30.5 The Directors may propose a resolution to appoint an Honorary Patron. Such resolution may be passed by the Members at a GM. The Honorary Patron may be appointed for a period determined by the Members or for an unspecified period until the Members resolve to terminate their appointment. The Honorary Patron may attend and speak at GMs but may not participate in such meetings for voting or quorum purposes unless they are also a Member.

PSC REGISTER

31 The Directors shall cause a register of any relevant persons with significant control to be maintained in accordance with section 790M of the 2006 Act.

FINANCES

32 The Directors shall determine:

32.1 which banks or building societies the bank accounts of the Company shall be opened with;

32.2 how bank accounts shall be maintained and operated; and

32.3 how cheques and other negotiable instruments, and receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed.

ACCOUNTS

33 The Directors shall cause accounting records to be kept:

33.1 in accordance with the requirements of the 2006 Act, the 2005 Act and other relevant legislation.

33.2 Unless the Directors determine otherwise, accounting records shall be maintained by the Senior Management Team and the Principal Officer. They will be overseen by the Treasurer. The accounting records shall be kept at such place as the Directors think fit and must at all times be open to inspection by the Directors.

33.3 The Directors shall ensure that the accounts of the Company are prepared and examined and/or audited in accordance with all relevant statutory requirements and, for the avoidance of doubt, an audit (within the meaning of the 2006 Act) shall not be required in a case where the Company is exempt from audit under the 2006 Act.

ALTERATIONS TO THE ARTICLES

34 A resolution to amend the Articles must be passed in accordance with article 19.2.

34.1 The Purposes may not be amended unless the written consent of OSCR is obtained in accordance with section 16 of the 2005 Act.

34.2 OSCR must be notified of all amendments to the Articles in accordance with section 17 of the 2005 Act.

INDEMNITY

35 Without prejudice to any other indemnity, and in accordance with the 2006 Act and 2005 Act, the Directors, employees and members of any sub-committee, Company Secretary or Treasurer, may be indemnified out of the Company's Property against any loss or liability (including the costs of successfully defending court proceedings) which they may sustain or incur on behalf of the Company or in connection with the activities of the Company.

APPLICATION OF PROFITS

36 No part of the income or Property of the Company shall be paid or transferred (directly or indirectly) to the Members, Directors or any other officer, whether by way of dividend, bonus or otherwise, except in accordance with article 37. The income and Property of the Company shall be applied solely towards promoting the Purposes. Any surplus income or Property of the Company shall be applied for the benefit of the Community.

PAYMENTS TO DIRECTORS/MEMBERS

37 Subject to the 2006 Act, section 67 of the 2005 Act and the Articles, Directors and Members are entitled to the following, if the Directors so determine:

37.1 repayment of out-of-pocket expenses (provided they have obtained the prior consent of the Directors);

37.2 reasonable remuneration in return for specific services actually rendered to the Company (in the case of a Director, such services must not be of the management nature normally carried out by a Director of a company);

37.3 payment of interest at a rate not exceeding the commercial rate on money lent to the Company;

37.4 payment of rent at a rate not exceeding the open market rent for property let to the Company;

37.5 to sell property to the Company provided such sale is at or below market value;

37.6 to purchase property from the Company provided such sale is at or above market value; and

37.7 payment by way of any indemnity, where appropriate, in accordance with article 38.

DISSOLUTION

38 A resolution to wind-up the Company must be passed in accordance with article 19.2.

38.1 If on the winding-up of the Company any Property remains after satisfaction of its debts and liabilities, such Property shall be given or transferred:

38.1.1 to another community transfer body or Charity approved by:

(a) not less than 75% of the Members (in accordance with article 21.3); and

(b) OSCR; or

38.1.2 to a community body (as defined by section 34 of the Land Reform (Scotland) Act 2003) which is also a Charity approved by:

(a) not less than 75% of the Members (in accordance with article 21.3);

(b) the Scottish Ministers; and

(c) OSCR; or

38.1.3 to a crofting community body (as defined by section 71 of the Land Reform (Scotland) Act 2003) which is also a Charity approved by:

(a) not less than 75% of the Members (in accordance with article 21.3);
(b) the Scottish Ministers; and
(c) OSCR; or

38.1.4 (in the event that no community body or crofting community body is approved by the Scottish Ministers) to the Scottish Ministers or to such Charity as the Scottish Ministers may direct.

LIMIT OF LIABILITY

39 The liability of each Member is limited to £1, being the amount which each Member undertakes to contribute to the property of the Company in the event that it is wound up while they are/it is a Member or within one year after they cease/it ceases to be a Member, for payment of: (a) its debts and liabilities contracted before they cease/it ceases to be a Member, (b) the costs, charges and expenses of winding up, and (c) adjustment of the rights of the contributories among themselves.

SCHEDULE 1

POWERS

1 The order in which these Powers are listed, and the terms of the sub-headings are of no significance in terms of their respective priority and they shall be deemed to be of equal importance.

2 **General**

2.1 To ensure the provision of support and assistance to new and existing voluntary organisations established within the community to meet the identified need.

2.2 To encourage and develop a spirit of voluntary or other commitment by (or co-operation with) individuals, unincorporated associations, societies, federations, partnerships, corporate bodies, agencies, undertakings, local authorities, unions, co-operatives, trusts and others. and any groups or groupings thereof, willing to assist the Company to achieve the Purposes.

2.3 To promote and carry out research, surveys and investigations; and to promote, develop and manage initiatives, projects and programmes.

2.4 To provide advice, consultancy, training, tuition, expertise and assistance.

2.5 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.

2.6 To provide relevant information, including information from public bodies and facilitate the exchange and sharing of resources, ideas and the planning of services to the community.

2.7 To facilitate dialogue, campaign and co-operate amongst and between voluntary and public bodies and other relevant agencies, and additionally to facilitate according to identified need the formation of ad hoc groups and working parties and thus enable specific tasks which might be identified locally to be undertaken.

3 **Property**

3.1 To purchase, take on lease, hire or otherwise acquire any property suitable for the Company.

3.2 To construct, convert, improve, develop, conserve, maintain, alter and demolish any buildings or erections whether of a permanent or temporary nature; and manage and operate (or arrange for the professional or other appropriate management and operation of) the

Property.

3.3 To sell, let, hire, license, give in exchange and otherwise dispose of all or any part of the Property.

3.4 To establish and administer a building fund(s) or guarantee fund(s) or endowment fund(s).

4 Employment

4.1 To employ, contract with, train and pay such staff (whether employed or self-employed) as are considered appropriate for the proper conduct of the activities of the Company, and to make reasonable provision for the payment of pension and/or other benefits for members of staff, ex-members of staff and their dependants.

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 Company.

5.2 To accept subscriptions, grants, donations, gifts, legacies and endowments of all kinds, either absolutely, conditionally or in trust.

5.3 To borrow or raise money for the Purposes, and to give security in support of any such borrowings by the Company and/or in support of any obligations undertaken by the Company.

5.4 To set aside funds not immediately required as a reserve or for specific purposes.

5.5 To invest any funds which are not immediately required for the activities of the Company in such investments as may be considered appropriate, which may be held in the name of a nominee Company under the instructions of the Directors, and to vary and dispose of such investments.

5.6 To make grants or loans of money and to give guarantees.

5.7 to promote, acquire and/or hold shares in companies, including a subsidiary company, in furtherance of the above objects or whose income may support the furtherance of the above purposes.

5.8 To set up any subsidiary companies and/or enter into any formal partnership or consortium arrangements to further the company's purposes.

5.9 to open and operate such bank accounts and other financial savings accounts as required in the name of the Company.

6 Development

6.1 To establish, manage and/or support any other Charity, and to make donations for any charitable purpose falling within the Purposes.

6.2 To establish, operate and administer (and/or otherwise acquire) any separate trading company or association, whether charitable or not.

6.3 To liaise with, work with and/or to enter into any arrangement with any organisation, government or authority which may be advantageous for the purposes of the activities of the Company and to enter into any arrangement for co-operation, mutual assistance, or sharing profit with any such body or charitable organisation.

6.4 To subscribe to, become a member of, or amalgamate or co-operate with any other charitable organisation, institution, society or body not formed or established for the purposes of distributing profit

(whether incorporated or not and whether in Great Britain or Northern Ireland) whose objects are wholly or in part similar to those of the Company and which by its Constitution prohibits the distribution of its income and property amongst its members.

6.5 To enter into contracts to provide services to or on behalf of others.

6.6 To establish and/or support any other charity, and to make donations for any charitable purpose falling within the company's purposes.

6.7 To do all or any of the things previously authorised either alone or in conjunction with any other charitable organisation, institution, society or body with which this Company is authorised to amalgamate.

7 Insurance and Protection

7.1 To effect insurance of all kinds (which may include indemnity insurance in respect of Directors and employees).

7.2 To oppose or object to any application or proceedings which may prejudice the interests of the Company.

8 Ancillary

8.1 To pay the costs of forming the Company and its subsequent development.

8.2 To carry out the Purposes as principal, agent, contractor, trustee or in any other capacity.

8.3 To do anything which may be incidental or conducive to the Purposes, provided these are charitable.

8.4 To enable and support any lawful activity in support of voluntary, charitable, community and social enterprise in the local authority area.

8.5 To promote member companies whose activities may further one or more of the above objects, or may generate income to support the activities of the company;

8.6 To engage such consultants and advisers as are considered appropriate from time to time and pay fees to such advisers or consultants;

8.7 To oppose, or object to, any application or proceedings which may prejudice the company's interests;

8.8 To apply for, purchase or otherwise acquire, and protect and renew in any part of the world any patents, patent rights, brevets d'invention, privileges, concessions and licences, secret processes, trademarks, trade names, brands and copyrights and the like which may seem capable of being used for any of the above objects, and to use, exercise, develop, prolong and grant licences of the same;

8.9 To do anything which may be incidental or conducive to the furtherance of any of the company's objects.

SCHEDULE 2

FORM OF INSTRUMENT APPOINTING PROXY

If the member appointing a proxy is an individual:

ARGYLL & BUTE THIRD SECTOR INTERFACE

I, ……,

residing at ……,

being a Member of the above Company hereby

appoint……,

of ……,

and, failing him / her, ……,

of ……,

as my proxy to vote on my behalf at the [annual general meeting/general meeting] of the Company to

be held on ……
and at any adjournment thereof.

I hereby instruct my proxy to vote in favour of/against the following resolution[s]:

[insert resolution(s)]

Signed the ..... day of ……

Signature of member appointing proxy ……

If the member appointing a proxy is an organisation:

ARGYLL & BUTE THIRD SECTOR INTERFACE

We, [INSERT NAME OF ORGANISATION/COMPANY/GROUP]

Incorporated in Scotland under the Companies Acts or having Scottish Charitable Status, if applicable (no [INSERT NUMBER]) and having its Registered Offices at

……...

being a Member of the above Company hereby

appoint……,

of ……,

and, failing him / her, ……,

of ……,

as our proxy to vote on our behalf at the [annual general meeting/general meeting] of the Company to

be held on ……..... and at any adjournment thereof.

I hereby instruct our proxy to vote in favour of/against the following resolution[s]:

[insert resolution(s)]

Signed the ..... day of ……

Signature of representing member appointing proxy ……