



THE COMPANIES ACT 2006

**COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL**

ARTICLES OF ASSOCIATION

of

LGBT YOUTH SCOTLAND

(as adopted by written special resolution passed on 27 February 2021)

Lewis Shand Smith
Lewis Shand Smith (Mar 10, 2021 16:00 GMT)

Company Secretary/Director

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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:
 - 2.1 “Act” means the Companies Act 2006;
 - 2.2 “area of benefit” means Scotland;
 - 2.3 “charity” means a body which is either a “Scottish charity” within the meaning of section 13 of the Charities and Trustee Investment (Scotland) Act 2005 or a “charity” within the meaning of section 1 of the Charities Act 2011, providing (in either case) that its objects are limited to charitable purposes;
 - 2.4 “charitable purpose” means a charitable purpose under section 7 of the Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the application of the Taxes Acts;
 - 2.5 “conflict of interest” includes a conflict of interest and duty, and a conflict of duty;
 - 2.6 “Conflict Situation” means any situation or matter (other than one which cannot reasonably be regarded as likely to give rise to a conflict of interest) in which any director has or could have a direct or indirect interest that conflicts, or possibly might conflict, with the interests of the company including (without limitation) any such situation or matter which relates to the exploitation of any property, information or opportunity (irrespective of whether the company could take advantage of the property, information or opportunity);
 - 2.7 “electronic form” has the meaning given in section 1168 of the Act;
 - 2.8 “OSCR” means the Office of the Scottish Charity Regulator;
 - 2.9 “property” means any property, heritable or moveable, real or personal, wherever situated; and
 - 2.10 “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.

Objects

- 4 The purposes for which the Company is established (in this Memorandum referred as ‘the Objects’) shall be wholly charitable. The word ‘charitable’ wherever it appears in this Memorandum shall have the same meaning as in section 505 of the Income and Corporation Taxes Act 1988, including any statutory modification or re-enactment of that Act for the time being in force.
- 5 In particular the Objects shall be:
- 5.1 to promote the benefit, to preserve and protect the physical, mental and spiritual good health, and to advance the education of lesbian, gay, bisexual and transgender young people between the ages of 13 and 25 within the area of benefit; by working towards the elimination of discrimination against, and to promote equality of opportunity for all lesbian, gay, bisexual and transgender young people with a view to enabling them to participate fully in the social, economic and civic life of their communities.
- 6 The company’s objects are restricted to those set out in article 5 (but subject to article 7).
- 7 The company may (subject to first obtaining the consent of OSCR) add to, remove or alter the statement of the company’s objects in article 5; 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

- 8 In pursuance of the objects listed in article 5 (but not otherwise), the company shall have the following powers:-
- 8.1 To provide relevant information, advice, support and education services for lesbian, gay, bisexual and transgender young people, their families, friends and peers.
- 8.2 To raise awareness and promote education among the general public about issues of health and sexuality as they affect young people.
- 8.3 To work in collaboration with other organisations and agencies to take educational initiatives to combat discrimination against lesbian, gay, bisexual and transgender young people.
- 8.4 To represent and promote the interests of lesbian, gay, bisexual and transgender young people to other bodies including policy-makers and planners of public services.

- 8.5 To carry on any other activities which further any of the above objects.
- 8.6 To promote companies whose activities may further one or more of the above objects, or may generate income to support the activities of the company, acquire and hold shares in such companies and carry out, in relation to any such company which is a subsidiary of the company, all such functions as may be associated with a holding company.
- 8.7 To acquire and take over the whole or any part of the undertaking and liabilities of any body holding property or rights which are suitable for the company's activities.
- 8.8 To purchase, take on lease, hire, or otherwise acquire, any property or rights which are suitable for the company's activities.
- 8.9 To improve, manage, develop, or otherwise deal with, all or any part of the property and rights of the company.
- 8.10 To sell, let, hire out, license, or otherwise dispose of, all or any part of the property and rights of the company.
- 8.11 To lend money and give credit (with or without security) and to grant guarantees and issue indemnities.
- 8.12 To borrow money, and to give security in support of any such borrowings by the company, in support of any obligations undertaken by the company or in support of any guarantee issued by the company.
- 8.13 To employ such staff as are considered appropriate for the proper conduct of the company's activities, 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.
- 8.14 To engage such consultants and advisers as are considered appropriate from time to time.
- 8.15 To effect insurance of all kinds (which may include officers' liability insurance).
- 8.16 To invest any funds which are not immediately required for the company's activities in such investments as may be considered appropriate (and to dispose of, and vary, such investments).
- 8.17 To liaise with other voluntary sector bodies, local authorities, UK or Scottish government departments and agencies, and other bodies, all with a view to furthering the company's objects.

- 8.18 To establish and/or support any other charity, and to make donations for any charitable purpose falling within the company's objects.
- 8.19 To take such steps as may be deemed appropriate for the purpose of raising funds for the company's activities.
- 8.20 To accept grants, donations and legacies of all kinds (and to accept any reasonable conditions attaching to them).
- 8.21 To oppose, or object to, any application or proceedings which may prejudice the company's interests.
- 8.22 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 or mutual assistance with any charity.
- 8.23 To do anything which may be incidental or conducive to the furtherance of any of the company's objects.

Restrictions on use of the company's assets

- 9 The income and property of the company shall be applied solely towards promoting the company's objects.
- 10 No part of the income or property of the company shall be paid or transferred (directly or indirectly) to the members of the company, whether by way of dividend, bonus or otherwise.
- 11 No director of the company shall be appointed as a paid employee of the company; no director shall hold any office under the company for which a salary or fee is payable.
- 12 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 (outwith the ordinary duties of a director) actually rendered to the company.

Liability of members

- 13 The liability of the members is limited.
- 14 Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while they are a member or within one year after they cease to be a member, for payment of the company's debts and liabilities contracted before they cease to be a member, and

of the costs, charges and expenses of winding up; and for the adjustment of the rights of the contributories among themselves.

General structure

- 15 The structure of the company consists of:-
- 15.1 the MEMBERS - who have the right to participate in general meetings and have important powers under the articles of association and the Act; in particular, the members take decisions in relation to changes to the articles themselves
- 15.2 the DIRECTORS - who hold regular meetings, and generally govern and supervise the activities of the company; in particular, the directors are responsible for monitoring the financial position of the company.

Qualification for membership

- 16 Membership shall (subject to article 17) be open to any individual who is a director of the company.
- 17 No employee of the company may become a member; a person admitted to membership shall automatically cease to be a member if they become an employee of the company.

Application for membership

- 18 Any director who wishes to become a member must sign, and lodge with the company, a written application for membership (in such form as the directors may reasonably prescribe).
- 19 Any individual eligible for membership under article 16 shall become a member of the company immediately upon receipt by the company of a duly signed application for membership in accordance with article 18.

Register of members

- 20 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 individual ceased to be a member.

Withdrawal from membership

- 21 If any individual wishes to withdraw from membership, they shall, at least three months prior to the date on which their resignation is to become effective, sign, and

lodge with the company, a written notice to that effect; they shall cease to be a member with effect from the date stated in the notice.

Termination/transfer

- 22 Membership shall cease on the member ceasing (for any reason) to be a director of the company.
- 23 A member may not transfer their membership to any other individual or to any body.

General meetings (meetings of members)

- 24 Subject to article 25, the directors may convene a general meeting at any time.
- 25 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).
- 26 For the avoidance of doubt, the directors are under no obligation to convene annual general meetings.

Notice of general meetings

- 27 At least 14 clear days' notice of each general meeting must be given to the members, to all the directors, and (if auditors are in office at the time) to the auditors.
- 28 The reference to "clear days" in article 27 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 email, the day after it was sent), and also the day of the meeting, should be excluded.
- 29 A notice calling a meeting shall specify the time, date and (subject to article 31) place of the meeting; it shall:
- 29.1 indicate the general nature of the business to be dealt with at the meeting;
 - 29.2 if a special resolution or a resolution requiring special notice under the Act is to be proposed, state that fact, giving the exact terms of the resolution; and
 - 29.3 contain a statement informing each member of their right to appoint a proxy.
- 30 If members are to be permitted to participate in the meeting by way of audio and/or an audio-visual link, the notice (or notes accompanying the notice) shall:

- 30.1 set out details of how to connect and participate via (in the case of participation by way of audio) dial-in details, or (in the case of participation by way of an audio-visual link) that link; and
 - 30.2 for the benefit of those members who do not have access to a computer or to an adequate internet connection, draw members' attention to (i) the ability to participate in the meeting via audio only means, (ii) the ability of members to appoint the chairperson of the meeting as proxy, and to direct the chairperson on how they should vote in relation to each resolution to be proposed at the meeting, or (iii) (where attendance in person is to be permitted) the ability to attend and vote in person at the meeting.
- 31 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 one place – the requirement under article 29 to specify the place of the meeting in the notice calling the meeting shall not apply (except to the extent that this remains a requirement under the Act).
- 32 Notice of every general meeting shall be given to all the members and directors, and (if auditors are in office at the time) to the auditors:
- 32.1 in hard copy form; or
 - 32.2 (where the individual to whom notice is given has notified the company of an email address to be used for the purpose of communications from the company) by way of email; or
 - 32.3 (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.

Procedure at general meetings

- 33 The board may, if they consider appropriate (whether on the basis of concerns relating to health risks associated with large gatherings, or otherwise) make arrangements for members to participate in general meetings by way of audio and/or audio-visual links, providing:
- 33.1 the means by which members 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 members – a barrier to participation;
 - 33.2 the notice calling the meeting contains the information required under articles 29 and 31; and

- 33.3 the manner in which the meeting is conducted ensures, so far as reasonably possible, that those members who participate via the audio or audio-visual links are not disadvantaged with regard to their ability to contribute to discussions at the meeting, as compared with those members (if any) who are attending in person (and vice versa).
- 34 A general meeting may involve two or more members participating via attendance in person while other members participate via audio and/or audio-visual links; or it may involve participation solely via audio and/or audio-visual links.
- 35 For the avoidance of doubt, an individual participating in a general meeting (whether as a member, as a proxy for a member, or as the chairperson of the meeting) via an audio or audio-visual link shall be deemed to be present (or, as the case may be, in attendance) at the meeting.
- 36 Where a general meeting is to involve participation solely via audio and/or audio-visual links, the board shall encourage any individuals participating in that general meeting who do not have access to a computer or to an adequate internet connection to dial-in to the meeting via audio means, failing which the board shall take reasonable steps to encourage such individuals to participate in the meeting through:
- 36.1 the submission of a proxy form (which may appoint the chairperson of the meeting as proxy, and with the proxy form being completed in a manner which directs the chairperson on whether to vote in favour of, or against, each of the resolutions to be proposed at the meeting); and/or
- 36.2 the submission of questions and/or comments, which (subject to article 37) the chairperson of the meeting will be expected to read out, and address, in the course of the meeting.
- 37 The requirements under paragraph 36.2 of article 36 shall not apply 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.
- 38 No business shall be dealt with at any general meeting unless a quorum is present; the quorum for a general meeting shall be as follows:
- 38.1 if the number of members at the time is 6, the quorum shall be 4 members either present or represented by proxy;
- 38.2 if the number of members at the time is 7 or 8, the quorum shall be 5 members either present or represented by proxy;
- 38.3 if the number of members at the time is 9 or 10, the quorum shall be 6 members either present or represented by proxy;

- 38.4 if the number of members at the time is 11 or 12, the quorum shall be 7 members either present or represented by proxy.
- 39 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, date and (subject to article 40) place as may be fixed by the chairperson of the meeting.
- 40 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 in one place – the requirement under article 39 for the chairperson to fix the place of the adjourned meeting shall not apply.
- 41 The Convener of the company shall (if present and willing to act as chairperson) preside as chairperson of each general meeting; if the Convener is not present and willing to act as chairperson within 15 minutes after the time at which the meeting was due to commence, the Vice-Convener shall act as chairperson of the meeting.
- 42 If neither the Convener nor the Vice-Convener is present and willing to act as chairperson of the meeting within 15 minutes after the time appointed for holding the meeting, the directors present shall elect one of their number to act as chairperson of the meeting.
- 43 The chairperson of a general meeting may, with the consent of the meeting, adjourn the meeting to such time, date and (subject to article 40) place as the chairperson may determine.

Votes of members

- 44 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.
- 45 Where a member, or a proxy for a member, is participating in a meeting via audio or an audio-visual link, they may cast their vote on a given 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 board have no reasonable grounds for suspicion as regards authenticity, any such action shall be deemed to be a vote cast via a show of hands.
- 46 Any member who wishes to appoint a proxy to vote on their behalf at any meeting (or adjourned meeting):
- 46.1 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

46.2 shall send by email to the company, at such email 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 reasonably 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); for the avoidance of doubt, in calculating the 48-hour period referred to in the preceding provisions of this article 46, no account shall be taken of any part of a day that is not a working day.

47 An instrument of proxy which does not conform with the provisions of article 46, or which is not lodged or sent in accordance with such provisions, shall be invalid.

48 A member shall not be entitled to appoint more than one proxy to attend on the same occasion.

49 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.

50 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 email, was received by the company at the address notified by the company to the members for the purpose of email communications) before the commencement of the meeting or adjourned meeting at which the vote was given or the ballot demanded.

51 If there are an equal number of votes for and against any resolution, whether on a show of hands or on a ballot, the chairperson of the meeting shall be entitled to a casting vote.

52 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 participating in 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.

53 If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such manner as the chairperson may direct.

54 Where member, or a proxy for member, is participating in a meeting via audio or an audio-visual link, the chairperson's directions regarding how a secret ballot is to be conducted may allow them to cast their votes on the secret ballot via any of the methods referred to in article 53, providing reasonable steps are taken to preserve

anonymity (while at the same time, maintaining confidence in the validity of the process).

55 The result of any secret ballot shall be declared at the meeting at which the ballot was demanded.

56 These articles of association impose certain requirements regarding the means which can be adopted for participation and voting at general meetings; providing the arrangements made by the board in relation to a given general meeting are consistent with those requirements:

56.1 a member cannot insist on participating in the general meeting, or voting at the general meeting, by any particular means;

56.2 the general meeting need not be held in any particular place;

56.3 the general meeting may be held without any number of those participating in the meeting being together at the same place (but on the basis that the quorum requirements – taking account of those participating via audio or an audio-visual link – must still be met);

56.4 the general meeting may be held by any means which permits those attending to hear and contribute to discussions at the meeting;

56.5 a member will be able to exercise the right to vote at a 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 board) and which permits that member's vote to be taken into account in determining whether or not a resolution is passed.

Special resolutions and ordinary resolutions

57 For the purposes of these articles, a “special resolution” means 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 27 to 30; 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.

58 In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Act allow the company, by special resolution,

58.1 to alter its name; or

58.2 to alter any provision of these articles or adopt new articles of association.

59 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 27 to 30.

Written resolutions

60 A written resolution can be passed by the members of the company (having been proposed by either the members or the directors in accordance with the procedures detailed in Chapter 2 of Part 13 of the Act) and will have effect as if passed by the members of the company in general meeting; a written resolution is passed when the required majority of eligible members have signified their agreement to it by sending to the company (in hard copy or electronic form) an authenticated document which identifies the resolution to which it relates and which indicates the member’s agreement to it (which agreement cannot thereafter be revoked).

61 For the purposes of the preceding article:

61.1 the reference to “eligible members” is to those members who would have been entitled to vote on the resolution on the circulation date of the resolution (which is either (a) the date on which copies of the written resolution are sent or submitted to the members in accordance with the procedures detailed in Chapter 2 of Part 13 of the Act; or (b) if copies are sent or submitted to members on different days, the first of those dates);

61.2 the reference to “required majority” is to the majority required to pass an ordinary or a special resolution under the Act, as follows:

61.2.1. in order to pass an ordinary resolution by way of written resolution, it must be passed (in accordance with article 60) by members representing a simple majority of the total voting rights of eligible members;

61.2.2. in order to pass a special resolution by way of written resolution, it must be passed (in accordance with article 60) by members representing not less than 75% of the total voting rights of eligible members and the resolution must specifically state that it was proposed as a special resolution.

62 A resolution to remove a director (under section 168 of the Act) or a resolution to remove an auditor (under section 510 of the Act) cannot be proposed as a written resolution.

- 63 For the purposes of article 60, a proposed written resolution will lapse if it is not passed before the end of a period of 28 days beginning with the circulation date (as defined in article 61), and the agreement of any member to a written resolution will be ineffective if signified after the expiry of that period.

Maximum and minimum number of directors

- 64 The maximum number of directors shall be 12.
- 65 The minimum number of directors shall be 6.

Eligibility

- 66 An individual shall not be eligible to hold office as a director if they are an employee of the company.
- 67 An individual who has been employed by the company shall not be eligible to hold office as a director for a period of 12 months following the end of their employment.

Appointment of directors

- 68 The directors may at any time appoint as a director any individual (providing they are willing to act) who they consider to have the requisite skills and experience to make a substantial contribution to the work of the board of directors.
- 69 In exercising their powers under article 68, the directors shall seek to ensure (so far as reasonably practicable) that that there is an appropriate blend of skills on the board.

Retirement of directors

- 70 At each Accounts Sign-off Board Meeting (as defined in paragraph 71.1) those directors who have held office for three years since they were appointed (or last re-appointed) shall retire from office; but a director retiring from office shall (subject to article 73) be eligible for re-appointment.
- 71 For the purposes of these articles:
- 71.1 an “Accounts Sign-off Board Meeting” shall mean the meeting of directors at which the final accounts of the company for a given financial year are approved by the directors;
- 71.2 the period between the date of appointment of a director and the Accounts Sign-off Board Meeting which next follows shall be taken to be a period of one year, unless it is of less than six months' duration (in which case it shall be disregarded);

- 71.3 the period between one Accounts Sign-off Board Meeting and the next shall be taken to be a period of one year;
- 71.4 if an individual ceases to be a director and is then re-appointed as a director within a period of six months, they shall be deemed to have continued in office as a director without break;
- 71.5 any period in office as a director prior to the adoption of these articles shall be included in calculating the period for which an individual has held office as a director.
- 72 For the avoidance of doubt, a director who is due to retire at an Accounts Sign-off Board Meeting shall remain in office as a director throughout that Accounts Sign-off Board Meeting; they shall, however, unless re-appointed under article 70, automatically vacate office at the conclusion of that Accounts Sign-off Board Meeting.
- 73 A director who, as at the Accounts Sign-off Board Meeting when they retire from office as a director under article 70, has held office for a period of six years or more shall not be eligible for re-appointment.

Termination of office

- 74 A director shall automatically vacate office if:
- 74.1 they cease to be a director by virtue of any provision of the Act or become prohibited by law from being a director or a charity trustee (within the meaning of the Charities and Trustee Investment (Scotland) Act 2005);
- 74.2 they are sequestrated;
- 74.3 they become incapable for medical reasons of fulfilling the duties of their office and such incapacity has continued or is expected to continue for a period of more than six months;
- 74.4 they become an employee of the company;
- 74.5 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;
- 74.6 they are removed from office by resolution of the directors on the grounds that they are considered to have committed a material breach of the code of conduct for directors in force from time to time (as referred to in article 89);

- 74.7 they are removed from office by resolution of the directors on the grounds that they are considered to have been in serious or persistent breach of their duties under sections 66(1) or (2) of the Charities and Trustee Investment (Scotland) Act 2005; or
- 74.8 they are removed from office by ordinary resolution (special notice having been given) in pursuance of section 168 of the Act.
- 75 A resolution under paragraph 74.6 or 74.7 shall be valid only if:
- 75.1 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;
- 75.2 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
- 75.3 at least two thirds (to the nearest round number) of the directors then in office vote in favour of the resolution.
- 76 If any individual wishes to resign as a director, they shall, at least three months prior to the date on which their resignation is to become effective, sign, and lodge with the company, a written notice to that effect; they shall cease to be a director with effect from the date stated in the notice.

Register of directors

- 77 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

- 78 The directors shall elect from among themselves a Convener, Vice-Convener and Treasurer, and such other office bearers (if any) as they consider appropriate.
- 79 All of the office bearers shall cease to hold office at the conclusion of each Accounts Sign-off Board Meeting (as defined in paragraph 71.1), but shall then be eligible for re-appointment to that office under article 78 (providing they are willing to act).
- 80 A person elected to any office shall cease to hold that office if they cease to be a director (whether by way of retiral as a director under article 70, where they are not re-appointed as a director; or for any other reason), or if they resign from that office by written notice to that effect.

81 If the appointment of a director to any office under article 79 terminates, the directors shall appoint another director to hold the office in their place.

Personal interests

82 Subject to the provisions of the Act and of articles 9 to 12 and provided that they have disclosed to the directors the nature and extent of any personal interest which they have (unless immaterial) and has complied with the code of conduct (as referred to in article 89), a director (notwithstanding their office):

82.1 may be a party to, or have some other personal interest in, any transaction or arrangement with the company or any associated company;

82.2 may be a party to, or have some other personal interest in, any transaction or arrangement in which the company or any associated company has an interest;

82.3 may be a director or secretary of, or employed by, or have some other personal interest in, any associated company; and

82.4 shall not, because of their office, be accountable to the company for any benefit which they derive from any such office or employment or from any such transaction or arrangement or from any interest in any such company;

and no such transaction or arrangement shall be liable to be treated as void on the ground of any such interest or benefit.

83 For the purposes of the preceding article, an interest of which a director has no knowledge and of which it is unreasonable to expect them to have knowledge shall not be treated as an interest of theirs; the references to “associated company” shall be interpreted as references to any subsidiary of the company or any other company in which the company has a direct or indirect interest.

84 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 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.

85 For the avoidance of doubt, article 84 shall not apply to a conflict of interest arising in relation to a transaction or arrangement with the company; any conflict of interest of that nature shall be governed by the provisions of articles 82, 83 and 114 and the code of conduct referred to in article 89.

86 The directors shall procure that a register of directors' interests is maintained in accordance with the provisions in this regard contained in the conflict of interest rules for directors referred to in article 89.

Conduct of directors

87 It is the duty of each director of the company to take decisions (and exercise their other powers and responsibilities as a director) in such a way as they consider, in good faith, will be most likely to promote the success of the company in achieving its objects (as set out in article 5) and will be in the interests of the company, and irrespective of any office, post, engagement or other connection which they may have with any other body which may have an interest in the matter in question.

88 Without prejudice to the principle set out in article 87, each of the directors shall have a duty, in exercising functions as a charity trustee, to act in the interests of the company; and, in particular, must:

88.1 seek, in good faith, to ensure that the company acts in a manner which is in accordance with its purposes;

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

88.3 in circumstances giving rise to the possibility of a conflict of interest between the company and any party responsible for the appointment of that director

88.3.1. put the interests of the company before that of the other party;

88.3.2. where any other duty prevents them from doing so, disclose the conflicting interest to the company and refrain from participating in any deliberation or decision of the other directors with regard to the matter in question;

88.4 ensure that the company complies with any direction, requirement, notice or duty imposed under or by virtue of the Charities and Trustee Investment (Scotland) Act 2005.

89 Each of the directors shall comply with the code of conduct prescribed by the board of directors from time to time.

90 For the avoidance of doubt, the code of conduct shall be supplemental to the provisions relating to the conduct of directors contained in these articles of association; and the relevant provisions of these articles shall be interpreted and applied in accordance with the provisions of the code of conduct in force from time to time.

Directors' remuneration and expenses

- 91 No director may serve as an employee of the company, and no director may be given any remuneration by the company for carrying out their ordinary duties as a director or as the holder of any office under article 78.
- 92 The directors may be paid all travelling and other expenses properly incurred by them in connection with their attendance at meetings of directors, general meetings, meetings of committees of directors or otherwise in connection with the carrying-out of their duties.

Powers of directors

- 93 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.
- 94 A meeting of the directors at which a quorum is present may exercise all powers exercisable by the directors.

Procedure at directors' meetings

- 95 Subject to the provisions of these articles, the directors may regulate their proceedings as they think fit.
- 96 Any director may call a meeting of the directors or request the secretary to call a meeting of the directors.
- 97 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.
- 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 as follows:
- 98.1 if the number of directors in office at the time is 6, the quorum shall be 4;
- 98.2 if the number of directors in office at the time is 7 or 8, the quorum shall be 5;
- 98.3 if the number of directors in office at the time is 9 or 10, the quorum shall be 6;
- 98.4 if the number of directors in office at the time is 11 or 12, the quorum shall be 7.

- 99 If at any time the number of directors falls below the quorum required under article 98, the remaining director(s) may act only for the purpose of filling vacancies or of calling a general meeting.
- 100 A director may, if considered appropriate (whether on the basis of concerns relating to health risks associated with gatherings, or otherwise) participate in board meetings by way of audio and/or audio-visual links, providing:
- 100.1 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
- 100.2 the manner in which the meeting is conducted ensures, so far as reasonably possible, that those directors who participate via the audio or audio-visual links 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).
- 101 A director participating in a board meeting in the manner provided for under article 100 shall be deemed to be present in person at the meeting.
- 102 For the avoidance of doubt, a board meeting may involve participation solely via audio and/or audio-visual links.
- 103 If directors are to be permitted to participate in the meeting by way of audio and/or an audio-visual link, the directors shall, in advance of the meeting:
- 103.1 be provided with details of how to connect and participate via (in the case of participation by way of audio) dial-in details, or (in the case of participation by way of an audio-visual link) that link;
- 103.2 be made aware, for the benefit of those directors who do not have access to a computer or to an adequate internet connection, of (i) the ability to participate in the meeting via audio only means, or (ii) (where attendance in person is to be permitted) the ability to attend and vote in person at the meeting.
- 104 Where a director is participating in a board meeting via audio or an audio-visual link, they may cast their vote on a given 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.
- 105 Providing the arrangements in relation to a given board meeting are consistent with the requirements set out in articles 100 to 104:

- 105.1 a director cannot insist on participating in the board meeting, or voting at the board meeting, by any particular means;
- 105.2 the board meeting may be held without any number of those participating in the meeting being together at the same place (but on the basis that the quorum requirements – taking account of those participating via audio or an audio-visual link – must still be met);
- 105.3 the board meeting may be held by any means which permits those attending to hear and contribute to discussions at the meeting;
- 105.4 a director will be able to exercise the right to vote at a board meeting by such means as is determined by the chairperson of the meeting and which permits that director's vote to be taken into account in determining whether or not a resolution is passed.
- 106 Unless they are unwilling to do so, the Convener of the company shall preside as chairperson at every directors' meeting at which they are present; if the Convener is unwilling to act as chairperson or is not present within 15 minutes after the time when the meeting was due to commence, the Vice-Convener shall preside as chairperson.
- 107 If neither the Convener nor the Vice-Convener is present and willing to act as chairperson of the meeting within 15 minutes after the time appointed for holding the meeting, the directors present shall elect one of their number to act as chairperson of the meeting.
- 108 The directors may, at their discretion, allow any person who they reasonably consider appropriate, to participate (whether in person or by way of an audio or audio-visual link) in and speak at any meeting of the directors; for the avoidance of doubt, any such person who is invited to participate in a directors' meeting shall not be entitled to vote.
- 109 For the avoidance of doubt, the individual holding the most senior management post within the company shall not be entitled to be a director but (subject to article 110) shall have the right to participate (whether in person or by way of an audio or audio-visual link) in and speak at all board meetings.
- 110 The directors retain the right to require the individual referred to in article 109 to withdraw from the whole or any part of a meeting, and in particular to refrain from participating in any discussions or decisions relating to their remuneration or terms and conditions of employment.
- 111 The directors may allow two individuals representing the Youth Reference Group (as defined in article 122), plus an individual with the role of providing support to them, to participate (whether in person or by way of an audio or audio-visual link) in any

meeting of the directors during discussions relating to relevant agenda items, and to participate in discussions.

- 112 All acts done by a meeting of directors or by a meeting of a committee of directors or by a person acting as a director shall, notwithstanding that it is afterwards discovered that there was a defect in the appointment of any director or that any of them was disqualified from holding office or had vacated office or was not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
- 113 A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors, or (as the case may be) a committee of directors, duly convened and held; it may consist of several documents in the same form, each signed by one or more directors.
- 114 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.
- 115 For the purposes of article 114, 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 or charitable incorporated organisation of which they are a charity trustee or any registered society or unincorporated association of which they are a member of the governing organ has a personal interest in that matter.
- 116 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.
- 117 The company may (subject to the Charities and Trustee Investment (Scotland) Act 2005), by way of an ordinary resolution, suspend or relax to any extent – either generally or in relation to any particular matter – the provisions of articles 114 to 116.
- 118 If a question arises at a meeting of directors or at a meeting of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairperson of the meeting; their ruling in relation to any director other than themselves shall be final and conclusive.

Delegation to sub-committees

- 119 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 Convener of the company (or the holder of any other office) such of their powers as they may consider appropriate.

- 120 Any delegation of powers under article 119 shall be made subject to such conditions as the directors may impose and may be revoked or altered.
- 121 The terms of reference and rules of procedure for each sub-committee shall be as prescribed in writing by the directors.

Youth Reference Group

- 122 The directors shall establish a committee (referred to in these articles as the “**Youth Reference Group**”) for the purposes of advising the directors on matters regarding the furtherance of the company’s objects for the benefit of young people.
- 123 The Youth Reference Group shall consist of a maximum of 15 individuals under the age of 26 who have been appointed by the board following an open and transparent recruitment process reflecting best practice at the time.
- 124 The proceedings of the Youth Reference Group shall be governed by such standing orders as may be issued by the directors from time to time.

Operation of bank accounts

- 125 The directors shall put in place (and review and adjust from time to time) appropriate authorities (complying with the recommendations of the auditors or independent examiners from time to time) for the operation of the bank and building society accounts held by the company.

Secretary

- 126 The directors may (notwithstanding the provisions of the Act) appoint a company secretary, and on the basis that the term of office, remuneration (if any), and other terms and conditions attaching to the appointment of the company secretary shall be as determined by the directors; the company secretary may be removed by the directors at any time.

Minutes

- 127 The directors shall ensure that minutes are made of all proceedings at general meetings, meetings of the directors and meetings of committees of directors; a minute of a meeting of directors or of a committee of directors shall include the names of the directors participating in the meeting, and the minutes of each meeting shall be signed by the chairperson of that meeting at the following meeting.

Accounting records and annual accounts

- 128 Accounting records shall be kept in accordance with all applicable statutory requirements and such accounting records shall, in particular, contain entries from day to day of all sums of money received and expended by the company and the matters in respect of which such receipt and expenditure take place and a record of the assets and liabilities of the company; such accounting records shall be open to inspection at all times by any director of the company.
- 129 The directors shall prepare annual accounts, complying with all relevant statutory requirements; if an audit is required (as opposed to an independent examination) under any statutory provisions, or if the directors consider that an audit would be appropriate for some other reason, the directors shall ensure that an audit of the accounts is carried out by a qualified auditor.

Notices

- 130 Any notice to be given in pursuance of these articles shall be given either in writing or by way email (or, in the case of a notice of general meeting, by way of a website – (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)).
- 131 The company may give any notice to a member in pursuance of these articles either personally or by sending it by post in a pre-paid envelope addressed to the member at their registered address or by leaving it at that address; alternatively, in the case of a member who has notified the company of an email address to be used for this purpose, the company may give any notice to that member by way of email.
- 132 Any notice, if sent by post, shall be deemed to have been given at the expiry of twenty four 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.
- 133 Any notice sent by email 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 email 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.
- 134 A member may give any notice to the company either by (i) sending it by post in a pre-paid envelope addressed to the company at its registered office, (ii) leaving it, addressed to the company secretary, at the company's registered office, or (iii) sending it by way of email to an email address notified to the members for this purpose.

- 135 A member participating in or represented at any meeting of the company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

Winding-up

- 136 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 paid or transferred to some charity or charities with similar purposes to those of the company, as determined (prior to the winding up) by the members of the company.
- 137 To the extent that effect cannot be given to article 136, the relevant property shall be applied to some charitable purpose or purposes.

Indemnity

- 138 Every director or other officer or auditor of the company shall be indemnified (to the extent permitted by sections 232, 234, 235, 532 and 533 of the Act) out of the assets of the company against any loss or liability which they may sustain or incur in connection with the execution of the duties of their office including, without prejudice to that generality (but only to the extent permitted by those sections of the Act), any liability incurred by them in defending any proceedings, whether civil or criminal, in which judgement is given in their favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.
- 139 For the avoidance of doubt, the company shall be entitled (subject to the provisions of section 68A of the Charities and Trustee Investment (Scotland) Act 2005) to purchase and maintain 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 their office; and such insurance may (subject to the provisions of section 68A of the Charities and Trustee Investment (Scotland) Act 2005) extend to liabilities of the nature referred to in section 232(2) of the Act (negligence etc. of a director).