

THE COMPANIES ACTS 1985 AND 2006

A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION

of

CAPABILITY SCOTLAND

(As altered by Special Resolutions passed on 8 October 1997 and 8 October 2008)

- I. The name of the Company is "CAPABILITY SCOTLAND".
- II. The Registered Office of Capability Scotland will be situate in Scotland.
- III. The objects for which Capability Scotland is established are:-
 - (1) To continue in Scotland the work which has hitherto been undertaken by the unincorporated body known as the Scottish Council for the Care of Spastic Children and those suffering from Allied Conditions, commonly known as the Scottish Council for the Care of Spastics and in pursuance thereof to promote, initiate, plan or assist schemes or activities directed towards the well being of persons suffering from Cerebral Palsy and Allied Conditions and/or from any other illness, disease or accident causing physical handicap or disablement whether or not accompanied by mental handicap or sensory loss; and for these purposes to co-operate with other Companies or unincorporated bodies with objects similar to those of Capability Scotland and to enter into arrangements with Voluntary Associations, Government Departments and public bodies.
 - (2) To provide, maintain and conduct residential homes, hostels, diagnostic and treatment centres and services, clinics, sheltered workshops, holiday camps, medical homes, training centres, day and residential schools, nursery, infant, primary, secondary, technical schools and other educational establishments and generally to promote and further the maintenance, welfare and interests of the persons described in sub-clause (1) of this Clause.

- (3) To provide educational facilities, training facilities and appliances, medical, physical and surgical treatment and generally to do any act calculated to be for the benefit of the persons described in sub-clause (1) of this Clause.
- (4) To find in association with statutory authorities, suitable posts and employment for the persons described in sub-clause (1) of this Clause, to act as an Employment Agency for and otherwise to assist the rehabilitation training and employment of such persons.
- (5) To collect, co-ordinate and make available by publication or otherwise information relative to the objects of Capability Scotland.
- (6) To promote, conduct and engage in such research and experimental work as is calculated by Capability Scotland to be for the benefit of the persons described in sub-clause (1) of this Clause.
- (7) To co-operate with other companies, unincorporated bodies, hospitals, rehabilitation centres, Government departments and other bodies or individuals dealing with disabled persons generally and thereby to participate in exchanges of ideas, methods and research for the benefit of the persons described in sub-clause (1) of this Clause.
- (8) To provide, in collaboration with statutory authorities, financial assistance to make grants and donations to and to provide equipment and apparatus for the persons described in sub-clause (1) of this Clause and generally to provide any other assistance calculated to be of benefit to such persons.
- (9) To hold, promote, assist or encourage the raising of money by collections, public appeals, competitions, lotteries or other means, sale of work, bazaars, entertainments, displays, public and other meetings and to take or hire any public hall or other building for any such purpose.
- (10) To receive, allocate and administer grants, gifts or bequests made available to Capability Scotland for any or all of its objects, whether from public funds or from private sources under the terms and conditions referable to such grants, gifts or bequests.
- (11) To undertake or accept any such specific tasks or responsibilities, including advisory functions, on behalf of Voluntary Associations, Government Departments or public bodies where in the judgement of Capability Scotland such undertaking will advance the objects for which Capability Scotland exists.

- (12) To purchase, take on lease or in exchange, hire or otherwise acquire in any manner any heritable or moveable, real or personal property and any rights or privileges which Capability Scotland may think necessary or convenient for its purposes.
- (13) To invest the moneys of Capability Scotland not immediately required for its purposes in or upon such investments, Securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided.
- (14) To borrow or raise money in such manner and upon such terms as Capability Scotland shall think fit, and in particular upon the security by way of bond and disposition in security, mortgage, charge, debenture or otherwise of all or any part of the property of Capability Scotland.
- (15) To sell, feu, manage, develop, let, mortgage or otherwise deal with all or any part of the property, rights and privileges of Capability Scotland, as may be deemed expedient with a view to the promotion of its objects.
- (16) To procure to be written and to print, publish, issue and circulate gratuitously or otherwise any reports or periodicals, books, pamphlets, leaflets or other documents as Capability Scotland may think expedient in connection with the objects of Capability Scotland or any of them.
- (17) To arrange and provide for or join in arranging and providing for the holding exhibitions, meetings, lectures and classes calculated directly or indirectly to further the objects of Capability Scotland or any of them.
- (18) To transfer or dispose of, with or without valuable consideration, any part of the property or assets of Capability Scotland not required for the purposes for which it is formed to any body formed for charitable purposes or a charitable purpose provided that such body is not carrying on business for profit or gain or for distribution of its income or property by way of dividend, bonus or otherwise amongst its members.
- (19) To apply for, promote and obtain or join in applying for, promoting or obtaining any private Act of Parliament, Provisional Order, Royal Charter or licence of any authority, necessary or desirable for the furtherance or realisation of any of the objects of Capability Scotland, and to take all such steps and proceedings, and to do all such acts and things either alone or jointly with others, whether by opposing applications or proceedings or otherwise as may seem necessary or expedient to

protect the interests of Capability Scotland.

- (20) To federate or amalgamate with, affiliate or become affiliated to any body formed exclusively for charitable purposes or a charitable purpose and which by its constitution prohibits the distribution of its income and property among its members to an extent at least as great as is imposed on Capability Scotland by Clause IV hereof, and to acquire and undertake all or any part of the assets, liabilities and engagements of any such body, which Capability Scotland may lawfully acquire.
- (21) Subject to the provisions hereinafter contained, to employ and pay officers and other persons or bodies whose services are required or deemed expedient for carrying out any of the objects of Capability Scotland.
- (22) Subject as aforesaid, to establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of Capability Scotland and the wives, widows, families and dependants of such persons.
- (23) To do or cause to be done all or any of the above things as principals, agents, trustees or otherwise, and by or through trustees, agents or otherwise.
- (24) To do all such things as may seem incidental or conducive to the attainment of the above objects.

And throughout this Clause the word "body" includes any association, institution or aggregate of persons, whether incorporated or unincorporated.

Provided that:-

- (i) In case Capability Scotland shall take or hold any property which may be subject to any trusts, Capability Scotland shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.
- (ii) Capability Scotland shall not support with its funds any object, or endeavour to impose on or procure to be observed by its members or others, any regulation, restriction or condition which if an object of Capability Scotland would make it a Trade Union.
- (iii) In case Capability Scotland shall take or hold any property subject to the jurisdiction of any competent educational or charitable authority, Capability Scotland shall not sell, mortgage, charge or lease the same without such authority, approval or

consent as may be required by law and as regards any such property the Main Board or Governing Body of Capability Scotland shall be chargeable for any such property that may come into their hands and shall be answerable and accountable for their own acts, receipts, neglects and defaults, and for the due administration of such property in the same manner and to the same extent as they would as such Main Board or Governing Body have been if no incorporation had been effected, and the incorporation of Capability Scotland shall not diminish or impair any control or authority exercisable by the Scottish Education Department or the Court of Session or any Court or authority of competent jurisdiction over such Main Board or Governing Body but they shall, as regards any such property, be subject jointly and separately to such control or authority as if Capability Scotland were not incorporated.

- IV. The income and property of Capability Scotland, whencesoever derived, shall be applied solely towards the promotion of the objects of Capability Scotland as set forth in this Memorandum of Association, and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to the members of Capability Scotland. Provided that nothing herein shall prevent the gratuitous distribution among or a sale at less than cost to subscribing members of Capability Scotland of any books, pamphlets or other publications, whether published by Capability Scotland or otherwise, relating to all or any of its objects, or prevent the payment in good faith of reasonable and proper remuneration to any officer or servant of Capability Scotland, or to any member of Capability Scotland in return for any services actually rendered to Capability Scotland, nor prevent the payment of interest at a rate not exceeding six per cent. per annum on money lent or reasonable and proper rent for premises demised or let by any member to Capability Scotland, but so that no member of the Main Board or any other Committee of Capability Scotland shall be appointed to any salaried office of Capability Scotland, or any office of Capability Scotland paid by fees, and that no remuneration or other benefit in money or money's worth shall be given by Capability Scotland to any member of the Main Board or of such Committee except repayment of out-of-pocket expenses and the distribution or sale to them of any such publications as aforesaid and interest at the rate aforesaid on money lent or reasonable and proper rent for premises demised or let to Capability Scotland. Provided that the provision last aforesaid shall not apply to any payment to any Company of which a

member of the Main Board or other Committee may be a member, and in which such member shall not hold more than one-hundredth part of the capital, and such member shall not be bound to account for any share of profits he may receive in respect of any such payment, and provided further that the Chief Executive of Capability Scotland may be appointed as a member of the Main Board and, notwithstanding that he or she is a member of the Main Board, shall be entitled to reasonable and proper remuneration as Chief Executive of Capability Scotland, provided always that if the Chief Executive of Capability Scotland is a member of the Main Board he or she shall be excluded from, and shall not participate in, the determination or discussion of the Main Board or of any committee of the Main Board as to the terms and conditions of his or her appointment as Chief Executive of Capability Scotland or as to the amount or basis of his or her salary or other remuneration as Chief Executive of Capability Scotland or as to his or her performance as Chief Executive of Capability Scotland.

- V. The liability of the members is limited.
- VI Every member of Capability Scotland undertakes to contribute to the assets of Capability Scotland in the event of its being wound up while he is a member or within one year after he ceases to be a member, for payment of the debts and liabilities of Capability Scotland contracted before he ceases to be a member, and of the costs, charges and expenses of winding-up and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding £1.
- VII. If, upon the winding-up or dissolution of Capability Scotland, there remains after the satisfaction of all its debts and liabilities any property whatsoever, the same shall not be paid to or distributed among the Members of Capability Scotland but shall be given or transferred to some other charitable institution or institutions having objects similar to the objects of Capability Scotland, and which shall prohibit the distribution of its or their income and property amongst its or their members to an extent at least as great as is imposed on Capability Scotland under or by virtue of Clause IV hereof, such charitable institution or institutions to be determined by the members of Capability Scotland at or before the time of dissolution, and if and so far as effect cannot be given to the aforesaid provision, then to some charitable object.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a company in pursuance of this Memorandum of Association.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

CHARLES B. LAIRD

Ardmore, 10 Corbiehill Avenue, Edinburgh

Paper Stock Merchant

JOHN S. COVENTRY

19 North Street, Clackmannan

County Youth Employment Officer

T.E. WOODSEND

Foxburn, Thornly Park, Paisley

Company Director, Eadie Bros. & Co. Limited

MYLCHREEST GELL

Beechbank Cottage, Roslin, Midlothian

County Director, Midlothian Red Cross

WILLIAM MONTEITH

16 Bankpark Crescent, Tranent

Headmaster

JOHN A. SMITH

108 Queen Victoria Drive, Glasgow, W.4

Vice-Principal, Jordanhill College

W.V. ANDERSON

5 St. Margaret's Road, Edinburgh, 9

Orthopaedic Surgeon

Dated this 23rd day of May 1961

Witness to the above signatures:-

G.R. COCKBURN

16 Charlotte Square, Edinburgh, 2

Writer to the Signet

THE COMPANIES ACTS 1985 AND 2006

A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

OF

CAPABILITY SCOTLAND

(As adopted by Special Resolution passed on 8 October 1997 and as altered by Special Resolutions passed on 11 October 2006, 8 October 2008 and 7 December 2017)

PRELIMINARY

1. The Regulations contained in Table C in The Companies (Tables A to F) Regulations 1985 shall not apply to Capability Scotland, but the following shall be the Regulations of Capability Scotland.

INTERPRETATION

2. In these Regulations:-
 - (a) "the Act" means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force;
 - (b) "the Adoption Date" means the date of the adoption of these Regulations as the Articles;
 - (c) "the Articles" means the Articles of Association of Capability Scotland;
 - (d) "body" means any corporation, body corporate, firm, association, institution, organisation or other aggregate of persons, whether incorporated or unincorporated;
 - (e) "the Chief Executive" means the chief executive officer of Capability Scotland;
 - (f) "clear days" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
 - (g) "executed" includes any mode of execution;
 - (h) "the Main Board" means the Main Board of Capability Scotland by which the business of Capability Scotland shall be managed;
 - (i) "Office" means the Registered Office of Capability Scotland;
 - (j) "Previous Articles" means any Articles of Association of Capability Scotland in force

at any time prior to the Adoption Date;

- (k) "the Secretary" means the secretary of Capability Scotland or any other person appointed to perform the duties of the secretary of Capability Scotland, including a joint, assistant or deputy secretary;
- (l) "the United Kingdom" means Great Britain and Northern Ireland; and
- (m) "year" means a calendar year.

3. Unless the context otherwise requires, words or expressions contained in these Regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Regulations become binding on Capability Scotland.

PURPOSES

4. The objects and purposes of Capability Scotland are as referred to in the Memorandum of Association of Capability Scotland.

MEMBERS

5. For the purpose of registration the number of members of Capability Scotland is declared not to exceed 300, but the Main Board may from time to time register an increase of members.
6. Subject as hereinafter mentioned the power of admitting members of Capability Scotland shall be exerciseable only by the Main Board.
7. No person shall become a member of Capability Scotland on or after the Adoption Date unless that person shall have agreed in writing to become a member of Capability Scotland.
8.
 - (1) Capability Scotland shall consist of individual members as determined by the Main Board, provided that any person who is a member of Capability Scotland on 8 October 2008 shall continue as a member of Capability Scotland until that person ceases to be a member of Capability Scotland in terms of the Articles.
 - (2) The Main Board may elect as assessors representatives of statutory corporations. Honorary Officers shall be elected as provided by Regulation 40 below and shall be entitled to honorary membership of Capability Scotland, but assessors and honorary members shall not be members of Capability Scotland for the purposes of the Act or

of Clause VI of the Memorandum of Association of Capability Scotland and accordingly particulars in relation to them shall not be entered in the Register of Members.

9. The rights and privileges of a member of Capability Scotland shall be personal and shall not be transferable or transmissible by any means.

10. The Main Board may admit any person as an individual member of Capability Scotland. The Main Board shall not be obliged to give any reason for refusing to admit any person as an individual member of Capability Scotland.

11. (1) A member of Capability Scotland shall forthwith cease to be a member of Capability Scotland:-
 - (a) if the member shall die;
 - (b) if, being a body, the member shall be wound up or dissolved;
 - (c) if the member shall resign as a member of Capability Scotland by giving notice in writing to Capability Scotland of the member's resignation;
 - (d) if the member is removed as a member of Capability Scotland in terms of paragraph (3) or paragraph (4) of this Regulation 11 or is removed as a member of Capability Scotland in terms of Regulation 12 below;
 - (e) if the member being a member of the Main Board ceases for any reason whatsoever to be a member of the Main Board;
 - (f) if the member shall become bankrupt or insolvent or shall suspend payment to, or compound with, the member's creditors;
 - (g) if a receiver or judicial factor is appointed to the whole or any part of the member's property.

- (2) The resignation of any member of Capability Scotland in terms of paragraph (1)(c) of this Regulation 11 take effect as at the date on which the notice in writing of the member's resignation is lodged at the Office or delivered to duly constituted meeting of the Main Board or at such later time as shall be specified in the notice.

- (3) Any member of Capability Scotland may be removed from membership of Capability Scotland by a special resolution passed at a duly convened and held General Meeting of Capability Scotland.

- (4) If any annual membership fee is overdue for payment to Capability Scotland by any member of Capability Scotland for a period of more than six consecutive calendar months, then the Main Board shall be entitled, by notice in writing to that member, to terminate that member's membership of Capability Scotland, provided always that the Main Board shall not so terminate the membership of Capability Scotland of any member unless following the expiry of the said period of six consecutive calendar months a notice in writing has been given to that member advising the member that the Main Board will terminate the membership of Capability Scotland of that member if the overdue annual membership fee is not paid by that member to Capability Scotland within 30 days of the service of that notice on that member. Any notice given by the Main Board in terms of this paragraph (4) shall be signed by a member of the Main Board or by the Chief Executive or by the Secretary.
- (5) An honorary member shall cease to be such if he ceases to be an Honorary Officer of Capability Scotland.
12. The Main Board may, at a meeting of the Main Board held not more than 365 days after the service of the notice referred to in sub-paragraph (b) below, terminate the membership of Capability Scotland of any member ("the relevant member") of Capability Scotland if each of the following has occurred:-
- (a) a notice asking the relevant member whether the relevant member wishes to remain a member of Capability Scotland has been served on the relevant member;
 - (b) not less than 28 days nor more than 63 days after the notice referred to in sub-paragraph (a) above was served on the relevant member a further notice asking the relevant member whether the relevant member wishes to remain a member of Capability Scotland has been served on the relevant member;
 - (c) each of the notices referred to in sub-paragraphs (a) and (b) above stated that the membership of Capability Scotland of the relevant member may be terminated by the Main Board if the relevant member did not lodge at the Office (the address of which shall be stated in each of the said notices) confirmation in writing that the member wishes to remain a member of Capability Scotland; and

- (d) the relevant member has not lodged at the Office, by no later than the twenty eighth day after the service on the relevant member of the notice referred to in subparagraph (b) above, confirmation in writing that the relevant member wishes to remain a member of Capability Scotland.

ANNUAL MEMBERSHIP FEE

13. (1) Each member of Capability Scotland shall pay to Capability Scotland an annual membership fee of such amount, if any, as shall be determined by the members of Capability Scotland in General Meeting, provided always that unless the members of Capability Scotland have determined the amount of any annual membership fee the members of Capability Scotland shall pay to Capability Scotland an annual membership fee of such amount (if any) not exceeding £25 per annum (or such other amount per annum which may be determined by an ordinary resolution passed at a duly convened and held General Meeting of Capability Scotland) as shall be determined by the Main Board.
- (2) The annual membership fee shall be payable for such period and on or before such date as shall be determined by the members of Capability Scotland (or, failing any determination by the members of Capability Scotland, as shall be determined by the Main Board).
- (3) The annual membership fee payable to Capability Scotland by each member (whether being a representative member or an individual member) of Capability Scotland shall be of the same amount, provided always that:-
- (a) when a member of Capability Scotland becomes a member of Capability Scotland during any period for which an annual membership fee is payable, that member shall only be liable to pay to Capability Scotland a pro rata amount of that annual membership fee calculated on a daily basis for that part of such period during which that member is a member of Capability Scotland and such member shall pay to Capability Scotland such pro rata amount on or within 30 days of becoming a member of Capability Scotland;
- (b) no part or portion of any annual membership fee shall fall to be repaid or refunded to any member of Capability Scotland who ceases to be a member of Capability Scotland during any period for which any annual membership fee has been paid or is payable to Capability Scotland; and

- (c) the Main Board shall be entitled to release and discharge any member of Capability Scotland, either generally or in respect of any particular annual membership fee, from the obligation of paying any annual membership fee to Capability Scotland.

GENERAL MEETINGS

14. Capability Scotland shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meetings in that year, and shall specify the Meeting as such in the notices calling it. Not more than 15 months shall elapse between the date of one Annual General Meeting of Capability Scotland and that of the next. The Annual General Meeting shall be held at such time and place as the Main Board shall appoint.
15. The business to be transacted at each Annual General Meeting of Capability Scotland shall include:-
 - (a) consideration of reports of Capability Scotland's activities and financial position and of the income and expenditure account and balance sheet to be presented to the Meeting;
 - (b) the appointment of the Honorary Officers and members of the Main Board; and
 - (c) the appointment and fixing of the remuneration of the Auditors of Capability Scotland.
16. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
17. The Main Board may, whenever it thinks fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisition or, in default, may be convened by such requisitionists, as provided by Section 368 of the Act.
18. If at any time there are not within the United Kingdom sufficient members of the Main Board capable of acting to form a quorum, any member of the Main Board may convene an Extraordinary General Meeting of Capability Scotland in the same manner as nearly as possible as that in which General Meetings of Capability Scotland may be convened by the Main Board.

19. An Annual General Meeting and a Meeting called for the passing of a Special Resolution shall be called by 21 clear days' notice in writing at the least, and a Meeting of Capability Scotland other than an Annual General Meeting or a Meeting for the passing of a Special Resolution shall be called by 14 clear days' notice in writing at the least. The notice shall specify the place, the day and the hour of the Meeting and, in the case of special business, the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by Capability Scotland in General Meeting, to the members of Capability Scotland, to any elected assessor and to the Auditors of Capability Scotland.
20. A General Meeting shall, notwithstanding that it is called by shorter notice than that specified in the preceding Regulation, be deemed to have been duly called if it is so agreed in writing:-
- (a) in the case of a Meeting called as the Annual General Meeting, by all the members of Capability Scotland having the right to attend and vote thereat; and
 - (b) in the case of any other Meeting, by a majority in number of the members of Capability Scotland having the right to attend and vote at the Meeting and together representing not less than 95 per cent of the total voting rights at that Meeting of all the members of Capability Scotland.
21. The notice convening an Annual General Meeting shall specify the Meeting as such, and the notice convening a General Meeting to pass a special or extraordinary resolution shall specify the intention to propose the resolution as a special or extraordinary resolution, as the case may be.
22. The accidental omission to give notice of any Meeting of Capability Scotland to, or the non-receipt of the notice of a Meeting of Capability Scotland by, any person shall not invalidate the proceedings at the Meeting.

PROCEEDINGS AT GENERAL MEETINGS

23. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all that is transacted at an Annual General Meeting, with the exception of the business referred to in Regulation 15 above.

24. No business shall be transacted at any General Meeting unless a quorum of members of Capability Scotland is present at the time when the Meeting proceeds to business; save as herein otherwise provided, two members of Capability Scotland present in person or by proxy or by representative appointed in accordance with Regulation 39 below shall be a quorum.
25. If within half an hour from the time appointed for the Meeting a quorum is not present, the Meeting, if called on the requisition of members, shall be dissolved, and in any other case the Meeting shall stand adjourned to the same day in the next week, at the same time and place, and if at the adjourned Meeting a quorum is not present within half an hour from the time appointed for the Meeting, the members of Capability Scotland present shall form a quorum.
26. The Chairperson of the Main Board, or in his or her absence the senior Vice-Chairperson of the Main Board, or in the absence of both of them the junior Vice-Chairperson of the Main Board, shall preside at every General Meeting of Capability Scotland. If none of them shall be present within 15 minutes after the time appointed for the holding of the Meeting or be willing to act, the members of the Main Board present shall elect one of their number to be chairperson of the Meeting. If at any General Meeting of Capability Scotland no member of the Main Board is willing to act as chairperson or if no member of the Main Board is present within 15 minutes after the time appointed for holding the Meeting, the members of Capability Scotland present shall choose one of their own number to be chairperson of the Meeting.
27. The chairperson may, with the consent of any General Meeting at which a quorum is present (and shall if so directed by the Meeting), adjourn the Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place. When a Meeting is adjourned for 30 days or more, notice of the adjourned Meeting shall be given as in the case of an original Meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned Meeting.
28. At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least three members of Capability Scotland, present in person or by proxy or by representative appointed in accordance with Regulation 39 below, or by the chairperson of

the Meeting or by any member or members of Capability Scotland present in person or by proxy or by representative as aforesaid and representing not less than one-tenth of the total voting rights of all the members of Capability Scotland having the right to vote at the Meeting. Unless a poll is so demanded, a declaration by the chairperson of the Meeting that a resolution has on a show of hands been carried or lost or carried or not carried by a particular majority, and an entry to that effect in the book containing the Minutes of the proceedings of Capability Scotland, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution.

29. A demand for a poll may be withdrawn.
30. If a poll is duly demanded, it shall be taken in such manner and at such time as the chairperson of the Meeting directs, and the result of the poll shall be deemed to be the resolution of the Meeting at which the poll was demanded. A poll demanded on the election of a chairperson or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairperson of the Meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.
31. In the case of an equality of votes, whether on a show of hands or on a poll, the chairperson of the Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
32. Subject to the provisions of the Act, a resolution in writing signed by all the members of Capability Scotland for the time being entitled to receive notice of and to attend and vote at General Meetings of Capability Scotland (or, in the case of any body, by its duly authorised representative) shall be as valid and effective as if the same had been passed at a General Meeting of Capability Scotland duly convened and held, and may consist of several documents in the like form, each signed by one or more members of Capability Scotland.
33. The Main Board shall be at liberty to invite any person or persons, not being a member or members of Capability Scotland, to attend and speak, but not to vote, at any General Meeting of Capability Scotland.

VOTES OF MEMBERS

34. Every member of Capability Scotland shall have one vote. On a poll, votes may be given personally or by proxy or by representative appointed in accordance with Regulation 39 below.
35. The instrument appointing a proxy shall be in writing in common form or in any other form which the Main Board shall approve under the hand of the appointer or his or her attorney duly authorised in writing, or if the appointer is a body, under the hand of an officer or attorney so authorised. A proxy need not be a member of Capability Scotland.
36. The instrument appointing the proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority, shall be deposited at the Office, or at such other place within the United Kingdom as is specified in the notice convening the Meeting, not later than 48 hours before the time for holding the Meeting or adjourned Meeting at which the person named in the instrument proposes to vote, and, in default, the instrument of proxy shall not be treated as valid.
37. A vote given or poll demanded by a proxy or by the duly authorised representative of a body shall be valid notwithstanding the previous determination of the authority of the person voting or demanding the poll unless notice of the determination was received by Capability Scotland at the Office or at such other place at which the instrument of proxy was duly deposited one hour at least before the commencement of the Meeting or adjourned Meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the Meeting or adjourned Meeting) the time appointed for taking the poll.
38. No objection shall be raised to the qualification of any voter except at the Meeting or adjourned Meeting at which the vote objected to is tendered, and every vote not disallowed at the Meeting shall be valid. Any objection made shall be referred to the chairperson of the Meeting whose decision shall be final and conclusive.

REPRESENTATIVES AT MEETINGS

39. Any body which is a member of Capability Scotland may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any Meeting of Capability Scotland, and the person so authorised shall be entitled to exercise the same powers on behalf of the body which such person represents as that body could exercise if it were an individual member of Capability Scotland.

HONORARY OFFICERS

40. The Honorary Officers of Capability Scotland shall be a Patron, an Honorary President and Honorary Vice-Presidents. His Royal Highness The Duke of Edinburgh, K.G., K.T., C.B.E. is the Patron as at the Adoption Date, and shall be the Patron and shall hold office for as long as he shall so wish. The Honorary President and Honorary Vice-Presidents in office at the Adoption Date shall each hold office until the close of the first Annual General Meeting of Capability Scotland held after the Adoption Date, but shall be eligible for re- election. The number of Honorary Officers may be increased or reduced at any time by Capability Scotland in General Meeting. Honorary Officers other than the Patron shall be elected annually at the Annual General Meeting and when elected shall hold office until the close of the next following Annual General Meeting.

MAIN BOARD

41. The business of Capability Scotland shall be managed by the Main Board, who may exercise all such powers of Capability Scotland as are not by the Act or by the Articles required to be exercised by Capability Scotland in General Meeting, subject, nevertheless, to the provisions of the Act or the Articles and to such other regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by Capability Scotland in General Meeting; but no regulation made by Capability Scotland in General Meeting shall invalidate any prior act of the Main Board which would have been valid if that regulation had not been made.
42. The Main Board may exercise all the powers of Capability Scotland to borrow or raise money and to mortgage and charge the undertaking and property of Capability Scotland.
43. The members of the Main Board shall act without remuneration, provided that the members of the Main Board shall be paid all travelling, hotel and other expenses properly incurred by

them in attending and returning from Meetings of the Main Board or of any Committee of the Main Board or of any Committee established by the Main Board or of any General Meeting of Capability Scotland or otherwise in connection with the business of Capability Scotland and provided that if the Chief Executive of Capability Scotland is a member of the Main Board then notwithstanding that he or she is a member of the Main Board he or she shall be entitled to reasonable and proper remuneration as Chief Executive of Capability Scotland (provided always that if the Chief Executive of Capability Scotland is a member of the Main Board he or she shall be excluded from, and shall not participate in, the determination or discussion of the Main Board or of any committee of the Main Board as to the terms and conditions of his or her appointment as Chief Executive of Capability Scotland or as to the amount or basis of his or her salary or other remuneration as Chief Executive of Capability Scotland or as to his or her performance as Chief Executive of Capability Scotland).

44. Unless otherwise determined by Ordinary Resolution passed at a General Meeting of Capability Scotland, the number of members of the Main Board shall not be less than five (exclusive of any person who, in accordance with Regulation 56 below or Regulation 74 below, is ex officio a member of the Main Board), and the number of members of the Main Board shall not be subject to any maximum.
45. No person who is not a member of Capability Scotland shall in any circumstances be eligible to hold office as a member of the Main Board.
46. Any casual vacancy in the Main Board may be filled up by the Main Board, provided always that any member of the Main Board appointed to fill a casual vacancy shall hold office until the close of the next Annual General Meeting of Capability Scotland when that member shall be eligible for re-election.
47. The Main Board may act although their number is, or is reduced by death, retirement or otherwise, below the number of five, provided that if at any time their number is or is reduced below five, the members for the time being of the Main Board shall only act for the purpose of (i) increasing the number of members of Capability Scotland, (ii) increasing the number of members of the Main Board and/or (iii) convening a General Meeting of Capability Scotland,

but for no other purpose.

48. Subject always to Regulations 49, 56 and 74 below, at each Annual General Meeting of Capability Scotland one-third of the members of the Main Board (or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third of the members of the Main Board) shall retire from office but shall be eligible for re-appointment.
49. Any member of the Main Board appointed pursuant to Regulation 46 above or pursuant to Regulation 54 or Regulation 55 below shall not be taken into account in determining the members of the Main Board who are to retire by rotation, at the first Annual General Meeting of Capability Scotland following his or her appointment, provided that if that member is not re-appointed at such Annual General Meeting he or she shall vacate office at the conclusion of the Meeting.
50. The members of the Main Board to retire by rotation at each Annual General Meeting of Capability Scotland shall be those members of the Main Board who have been longest in office since their last appointment or re-appointment as members of the Main Board, but as between members of the Main Board who became or were last appointed members of the Main Board on the same day those to retire by rotation shall (unless they otherwise agree among themselves) be determined by lot.
51. Capability Scotland at the General Meeting at which a member of the Main Board retires by rotation may fill the vacated office by appointing a person thereto, and in default the retiring member of the Main Board shall, if offering himself or herself for re- appointment, be deemed to have been re-appointed, unless at such Meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-appointment of such member of the Main Board shall have been put to the Meeting and lost.
52. No member of Capability Scotland shall be eligible for appointment (other than re-appointment) to the Main Board at any General Meeting of Capability Scotland unless a written form of nomination, duly proposed and seconded, is in the hands of the Chief Executive at least seven clear days in advance of the General Meeting.

53. Capability Scotland may by Ordinary Resolution, of which special notice has been given in accordance with Section 379 of the Act, remove from office any member of the Main Board notwithstanding anything in the Articles or in any agreement between Capability Scotland and that member of the Main Board.
54. Capability Scotland may, subject to Regulation 52 above, by Ordinary Resolution appoint another person in place a member of the Main Board removed from office under the immediately preceding Regulation.
55. Subject to Regulation 52 above, Capability Scotland in General Meeting may appoint any person to be a member of the Main Board either to fill a casual vacancy or as an additional member of the Main Board.
56. The immediate past chairperson of Capability Scotland from time to time and for the time being shall be entitled, so long as he or she is a member of Capability Scotland, to be ex officio a member of the Main Board should he or she wish to hold office as a member of the Main Board, and shall not retire by rotation or be taken into account in determining the members of the Main Board to retire by rotation at any General Meeting of Capability Scotland. Any person being ex officio a member of the Main Board pursuant to this Regulation shall retire from office at the first Annual General Meeting of Capability Scotland held after he or she ceases to be the immediate past Chairperson of Capability Scotland.
57. The Main Board shall have power to co-opt persons (being members of Capability Scotland) as additional members of the Main Board subject always to the maximum number of members of the Main Board determined by or in accordance with the Articles not being thereby exceeded. Any member of the Main Board co-opted in accordance with this Regulation shall not be taken into account for the purposes of Regulations 48 and 50 above and shall retire at the first Annual General Meeting of Capability Scotland after his or her co-option.
58. The members of the Main Board shall appoint a Chairperson and two Vice Chairpersons of Capability Scotland from their own number and may determine the period or periods for which the Chairperson and Vice Chairpersons are to hold office.

59. The Chairperson of Capability Scotland shall preside at every meeting of the Main Board at which he or she is present, unless he or she is unwilling to do so. If there is no Chairperson for the time being of Capability Scotland, or if the Chairperson of Capability Scotland is unwilling to preside or is not present within five minutes after the time appointed for the meeting of the Main Board, the Senior Vice Chairperson of Capability Scotland, if present and willing to preside, shall be chairperson of the meeting, whom failing the Junior Vice Chairperson of Capability Scotland, if present and willing to preside, shall be chairperson of the meeting, whom failing the members of the Main Board present shall appoint one of their own number to be chairperson of the meeting.
60. All acts done by a meeting of the Main Board, or by a Committee of or established by the Main Board, or by a person acting as a member of the Main Board shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any member of the Main Board or that any member of the Main Board 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 member of the Main Board and had been entitled to vote.
61. Unless otherwise determined by Capability Scotland in General Meeting, the quorum for a meeting of the Main Board shall be three.
62. The Main Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as they think fit. Questions arising at any meeting of the Main Board shall be decided by a majority of votes. In the case of an equality of votes, the chairperson of the meeting shall have a second or casting vote.
63. The Main Board shall meet together for the despatch of business not less than four times in each calendar year.
64. On the request of any two or more members of the Main Board, the Chief Executive shall at any time summon a meeting of the Main Board by notice served upon all the members of the Main Board. A member of the Main Board who is absent from the United Kingdom shall not

be entitled to receive notice of a meeting of the Main Board.

65. A member of the Main Board shall not vote in respect of any contract in which he or she is interested or in respect of any matter arising thereat, and if he or she does so vote, his or her vote shall not be counted.
66. A resolution in writing, signed by all the members of the Main Board for the time being entitled to receive notice of a meeting of the Main Board, shall be as valid and effective as if it had been passed at a meeting of the Main Board duly convened and held, and may consist of several documents in the like form each signed by one or more members of the Main Board.
67. The Main Board may invite or allow any person as it may consider appropriate to attend and speak, but not to vote, at any meeting or meetings of the Main Board.

OFFICERS

68. (1) The Main Board may from time to time appoint a chief executive officer of Capability Scotland with the title of "Chief Executive" and who shall hold office on such terms and conditions and for such remuneration as may be fixed by the Main Board or by any member or members of the Main Board duly authorised by the Main Board. The Main Board may delegate to the Chief Executive such powers and duties as the Main Board think fit.
- (2) The Main Board may (subject to the provisions of the Memorandum of Association of Capability Scotland) also appoint and, in the Main Board's discretion, remove such officers, employees and agents for permanent, temporary or special services as the Main Board may from time to time think fit and may determine their powers and duties and fix their salaries and emoluments and other terms and conditions of employment.

COMMITTEES

69. The Main Board may delegate any of their powers to a Committee or Committees consisting of such persons (whether or not being members of the Main Board) as the Main Board shall determine.
70. The Main Board may also establish a Committee or Committees consisting of such persons

(whether or not being members of the Main Board) as the Main Board shall determine for the purposes of providing advice and assistance to the Main Board and to the Chief Executive and other professional officers of Capability Scotland.

71. When establishing any Committee in accordance with the Articles, the Main Board shall prescribe regulations for the appointment and removal of the members of the Committee and regulations determining the remit, functions and authority of the Committee and shall prescribe such regulations (if any) as the Main Board consider appropriate for the management and organisation of the Committee.
72. The Main Board shall be entitled from time to time to amend, vary, alter, revoke or renew any regulation prescribed by the Main Board in accordance with Regulation 71 above.
73. A Committee established by the Main Board shall (subject to any regulations prescribed by the Main Board) meet and adjourn as the Committee thinks proper.
74. The Chairperson of each Committee established by the Main Board shall be such member of the Committee as shall be nominated by the Main Board. Unless the Chairperson of any Committee established by the Main Board is, at the time of his or her nomination by the Main Board as Chairperson of the Committee, already a member of the Main Board, that member of such Committee shall ex officio be a member of the Main Board provided he or she agrees to hold office as a member of the Main Board. Any person who is ex officio a member of a the Main Board in terms of this Regulation shall hold office ex officio as a member of the Main Board so long as he or she shall be Chairperson of the Committee established by the Main Board pursuant to which he or she is ex officio a member of the Main Board and shall not retire by rotation as a member of the Main Board or be taken into account in determining the members of the Main Board to retire by rotation at any General Meeting of Capability Scotland.
75. If at any meeting of a Committee the Chairperson of the Committee is not present within five minutes after the time appointed for the meeting or is unwilling to preside, the members of the Committee present shall elect one of their own number to be chairperson of the meeting.

76. Each member of a Committee shall have one vote. Questions arising at any meeting of a Committee established by the Main Board shall be determined by a majority of votes of the members of the Committee present, and in the case of an equality of votes the chairperson of the meeting shall have a second or casting vote.
77. A Committee may (unless the Main Board shall otherwise determine) invite or allow any person as the Committee considers appropriate to attend and speak, but not to vote, at any meeting or meetings of the Committee.
78. In making regulations for the establishment of any Committee, the Main Board shall be entitled to provide that the members of the Committee can appoint additional members of the Committee, subject always to the appointment not causing the number of members of the Committee to exceed the maximum number of members of the Committee prescribed by the Main Board and subject always to the Main Board resolving that the person or persons proposed to be appointed to the Committee is or are a suitable person or persons to hold office as a member or members of that Committee.
79. In making regulations for the establishment of any Committee, the Main Board shall prescribe the minimum number of meetings to be held by that Committee in any year.
80. Any Committee of or established by the Main Board shall report and be responsible to the Main Board.

DISQUALIFICATION OF OFFICERS

81. The Office of an Honorary President, Honorary Vice-President or member of the Main Board shall be vacated (a) if he or she resigns his or her office by a notice in writing to Capability Scotland, or (b) if being a member of the Main Board he or she for any cause ceases to be a member of Capability Scotland, or (c) if he or she becomes bankrupt or insolvent or apparently insolvent or shall suspend payment to, or compound with, his or her creditors, or (d) if a receiver or judicial factor is appointed to the whole or any part of his or her property, or (e) if he or she becomes of unsound mind or for any reason becomes incapable of managing his or her affairs, or (f) if he or she ceases to hold office by virtue of any provisions of the Act, or (g) if he or she is disqualified under Section 8 of the Law Reform (Miscellaneous

Provisions) (Scotland) Act 1990 from holding such office. The Office of an Honorary President or Honorary Vice President shall also be vacated if he or she is removed from office by a resolution passed by a majority of at least three-fourths of the members present and voting at any General Meeting of Capability Scotland.

MINUTES

82. The Main Board shall cause Minutes to be made in books provided for the purpose:-
- (a) of all appointments of officers made by the Main Board or Capability Scotland in General Meeting;
 - (b) of the names of the members of the Main Board present at each meeting of the Main Board and of any Committee of the Main Board; and
 - (c) of all resolutions and proceedings at all Meetings of Capability Scotland, and of the Main Board and of any Committee of the Main Board.

SECRETARY

83. Subject to the provisions of the Act, the Secretary shall be appointed by the Main Board for such term and (subject to the Memorandum of Association of Capability Scotland) at such remuneration and upon such conditions as the Main Board shall think fit; and the Secretary may be removed by the Main Board.
84. A provision of the Act or of the Articles requiring or authorising a thing to be done by or to a member of the Main Board and the Secretary shall not be satisfied by its being done by or to the same person acting both as a member of the Main Board and as the Secretary.

ACCOUNTS

85. The Main Board shall cause to be kept such books of account as are necessary to exhibit and explain the transactions and financial position of Capability Scotland and to give a true and fair view of the state of its affairs and in particular (but without limiting the generality of the foregoing provision) proper books of account with respect to:-
- (a) all sums of money received and expended by Capability Scotland and the matters in respect of which such receipt and expenditure takes place;
 - (b) all sales and purchases of goods by Capability Scotland; and
 - (c) the assets and liabilities of Capability Scotland.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of Capability Scotland's affairs and to explain its transactions.

86. The books of account shall be kept at the Office or, subject to Section 222 of the Act, at such other place or places as the Main Board think fit, and shall always be open to the inspection of the members of the Main Board.
87. The Main Board shall from time to time in accordance with the Act cause to be prepared and to be laid before Capability Scotland in General Meeting an income and expenditure account, a balance sheet and report of the Main Board and a report of the Auditors of Capability Scotland on such account and balance sheet. The Auditors' report shall be read before the General Meeting as required by the Act.
88. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before Capability Scotland in General Meeting, together with a copy of the Auditors' report and a copy of the report of the Main Board, shall, not less than 21 clear days before the date of the Meeting, be sent to all persons entitled to receive notices of General Meetings of Capability Scotland, provided that this Regulation shall not require a copy of those documents to be sent to any person of whose address Capability Scotland is not aware.

AUDIT

89. Once at least in every year the accounts of Capability Scotland shall be audited by one or more properly qualified Auditor or Auditors. Auditors of Capability Scotland shall be appointed and their duties regulated in accordance with the Act or other statutory provisions as to audit for the time being in force.

NOTICES

90. Any notice may be served by Capability Scotland on any member of Capability Scotland or assessor either personally or by sending it through the post in a prepaid letter, properly addressed to such member at the member's registered address as appearing in the Register of Members or to such assessor at the assessor's registered address as appearing in the list

of assessors.

91. Any person described in the Register of Members or list of assessors by an address not within the United Kingdom, who shall from time to time give to Capability Scotland an address within the United Kingdom at which notices may be served upon that person, shall be entitled to have notices served upon that person at such address; save as aforesaid, only members of Capability Scotland described in the Register of Members and assessors described in the list of assessors by an address within the United Kingdom shall be entitled to receive any notice from Capability Scotland.
92. Any notice served by post shall be deemed to have been served on the day following that on which the letter containing the same was put into the post office, and in proving such service it shall be sufficient to show that the letter containing the same was properly addressed and put into the post as a prepaid letter.

INDEMNITY

93. Every member of the Main Board and of every Committee of the Main Board, the Chief Executive and any Agent, Auditor, Secretary and other officer from time to time and for the time being of Capability Scotland shall be indemnified out of the assets of Capability Scotland against any liability incurred by him or her in defending proceedings, whether civil or criminal, in which judgement is given in his or her favour or in which he or she is acquitted or in connection with any application under Section 727 of the Act in which relief is granted to him or her by the Court.

DISSOLUTION

94. The provisions of Clause VII of Capability Scotland's Memorandum of Association relating to the winding-up or dissolution of Capability Scotland shall have effect and be observed as if the same were repeated in the Articles.