THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

BORDER UNION AGRICULTURAL SOCIETY

Charity No SCO16869

Company Number: SC214525
(incorporated on 8 January 2011)

LINDSAYS WS
Caledonian Exchange
19A Canning Street
Edinburgh
EH3 8HE

Ref: AJK/BO/1891/4

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OBJECTS & ACTIVITIES

Objects of the Company

1. The company's objects are the promotion and advancement of agricultural and associated trades (the "**Objects**").

Activities of the Company

2. The company (hereinafter referred to as "the Company" or "the Society") will undertake all activities required to achieve the Objects which shall include:-

   (a) organising and promoting various events and, in particular, the annual Agricultural Show, Dog Show and Ram Sales; and

   (b) providing bursaries, financial assistance and other payments; and

   (c) organising educational events for children and other events.

Powers of the Company

3. The company in carrying out the above Objects and Activities shall have and may exercise (but only to the extent to which the same may lawfully be exercised by a charity on the Scottish Charities Register and in accordance with the Charities and Trustee Investment (Scotland) Act 2005) all or any of the following powers:-

   (a) to generate income to support the Objects by lettings of the Society's Hall and Showground;

   (b) to raise funds, solicit, receive and accept financial assistance, subscriptions, donations, endowments, legacies, gifts and loans of money, rents and any other property whatsoever, heritable or moveable, subject or not to any specific charitable trusts or conditions;

   (c) to establish, support or aid in the establishment and support of any charitable associations or institutions established for similar purposes and to subscribe monies for charitable purposes in any way connection with the purposes of the company or calculated to further its objects;

   (d) to encourage, provide, support and otherwise facilitate the work of those interested in the objects of the company;

   (e) to purchase, take on lease or in exchange or otherwise acquire and to hold, manage, develop, sell, dispose of lease or deal in any way with any heritable or moveable property and any interests therein;

   (f) to borrow and raise money for the objects of the company and secure or discharge any debt or obligation of or binding on the company in such manner and on such terms and conditions as may be thought fit, and in particular by mortgages of or charges upon the undertaking and all or any of the real and personal property (present and future) of the company;

   (g) to invest funds of the company not immediately required in such investments, securities or property as may be considered appropriate

(and to dispose of any vary, such investments);

(h) to grant, continue and pay such remuneration and pensions to any person or persons who renders services to the company supervising, organising, carrying on the work of and advising the company as may from time to time be thought proper, and to establish pension funds and other trust funds or charitable arrangements of any kind whatsoever for persons employed at any time by the company and their dependants;

(i) to insure and arrange insurance cover for, and to indemnify its officers, employees and voluntary workers and those of its members from and against, all such risks incurred in the course of the performance of their duties as may be thought fit;

(j) to promote, arrange, organise and conduct events, seminars, conferences, meetings and discussions;

(k) to prepare, edit, print, publish, issue, acquire, circulate and distribute books, pamphlets, papers, periodicals and other literary material, pictures, prints, photography, films, sound recordings and mechanical and other models and equipment, and to establish, form, promote, conduct and maintain public collection displays and exhibitions of literature, statistics, charts, information and other material;

(l) to construct, erect, alter, improve, demolish and maintain any buildings which may from time to time be required for the purposes of the company, and to manage, develop, sell, lease, let, mortgage, dispose of or otherwise deal with all or any part of the same;

(m) to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange and other negotiable or transferable instruments;

(n) to promote and incorporate or to join in the promotion or incorporation of any charitable company with limited or unlimited liability, organisations, societies or associations for the purpose of carrying out any object which the company itself could carry out and to subscribe for or otherwise acquire the shares, stock or other securities of such company or to lend money to such company on such terms as may be thought fit;

(o) to co-operate and enter into arrangements with any authorities, national, local or otherwise;

(p) to amalgamate with any companies, organisations, societies or associations which are charitable at law and have objects altogether or mainly similar to those of the company and prohibit the payment of any dividend or profit to, and the distribution of any of their assets amongst their members at least to the same extent as such payments or distributions are prohibited in the case of members of the company; and

(q) to do all such other things as are necessary for the attainment of the Objects.

4. The income and property of the company shall be applied solely towards the

promotion of the Objects of the company as set out in Article 1 above and subject to the following paragraphs 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 the company. Nothing herein shall prevent any payment in good faith by the company:-

(a) of out-of-pocket expenses incurred in carrying out duties by any member, Trustee, officer or employee of the company;

(b) reasonable payment in return for services rendered to the company;

(c) trustee indemnity insurance; and

(d) payment or benefits permitted in terms of the Charities and Trustee Investment (Scotland) Act 2005.

GENERAL STRUCTURE

Company Structure

5. The structure of the company consists of:-

(a) MEMBERS – who have the right to attend the annual general meeting (and any general meeting) and have important powers under the Articles of Association and the Act; in particular, the members may take decisions in relation to changes to the articles themselves.

(b) TRUSTEES – who hold regular meetings during the period between annual general meetings, and generally control and supervise the activities of the company; in particular, the trustees are responsible for monitoring the financial position of the company and are charity trustees and company directors.

MEMBERS

Registers of members

6. The Trustees shall maintain registers of members, setting out the full name and address of each member and the date on which any member ceased to be a member.

Members

7. (A) The members at the date of adoption of these Articles and such other persons as are admitted to membership shall be the members of the Company;

(B) Every person who wishes to become a member shall deliver to the Company an application (duly signed) for membership in such form as the Trustees require. No person shall be admitted to be a member of the Company unless approved by the Trustees.

Subscriptions

8. All members shall pay an annual subscription. The subscription for each category of membership shall be determined by the Board before the commencement of the calendar year to which they relate. Members who fail

to give appropriate notice of withdrawal in any year shall be liable for the next year's subscription.

9. Failure to pay membership subscription within 3 months of the due date for the payment will result in automatic termination of membership.

Withdrawal from membership

10. Any member who wishes to withdraw from membership shall sign, and lodge with the company, a written notice to that effect; on receipt of the notice by the company, they shall cease to be a member.

Expulsion from membership

11. Any member may be expelled from membership by resolution of the Trustees, providing the following procedures have been observed:-

    (a) at least 14 days' notice of the intention to propose the resolution must be given to the member concerned, specifying the grounds for the proposed expulsion

    (b) the member concerned shall be entitled to be heard on the resolution at the meeting at which the resolution is proposed.

General meetings (meetings of members)

12. The Trustees:

    (a) shall convene an annual general meeting in each year;

    (b) shall ensure that not more than 15 months shall elapse between one annual general meeting and the next;

    (c) may convene a general meeting at any time; and

    (d) must convene a general meeting if there is a valid requisition by no less than 10% of the members from time to time.

13. The business of each annual general meeting shall include:-

    (a) a report by the Chairman on the activities of the company;

    (b) consideration of the annual accounts of the company;

    (c) the election/re-election of trustees, as referred to in Article 30; And

    (d) the appointment of auditors or accountants.

Notice of general meetings

14. At least 14 clear days' notice must be given of an annual general meeting or general meeting. Where:-

    (a) the term "clear days" in this Article 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 contained in an electronic communication, the day after the time when it was sent) and also the day of the meeting, should be excluded;

    (b) any notice calling a meeting shall specify the time and place of the meeting; it shall:-

        i. indicate the general nature of the business to be dealt with at the meeting; and

        ii. if a special resolution (see article 22) (or a resolution requiring special notice under the Act) is to be proposed, shall also state that fact, giving the exact terms of the resolution.

(c) a notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting; any other general meeting shall be called a general meeting; and

(d) notice of every general meeting shall be given either in writing or, (where the party to whom notice is given has notified the company of an address to be used for the purpose of electronic communications), (by way of an electronic communication) to all the members and trustees, and (if there are auditors in office at the time) to the auditors.

Procedure at general meetings

15. No business shall be dealt with at any general meeting unless a quorum is present. The quorum for a general meeting shall be fifteen members.

16. The Chairman of the Society shall (if present and willing to act as chairperson) preside as chairperson of each general meeting;

(a) if the Chairman is not present and willing to act as chairperson within 15 minutes after the time at which the meeting was due to commence, the trustees present at the meeting shall elect from among themselves the person who will act as chairperson of that meeting; and

(b) may, with the consent of the meeting, adjourn the meeting to such time and place as the chairperson may determine.

17. Every member shall have one vote, which (whether on a show of hands or on a secret ballot) must be given personally or by proxy.

18. A resolution may be decided by postal ballot if so decided by the Board.

19. If there is an equal number of votes for and against any resolution, the chairperson of the meeting shall be entitled to a casting vote of the Chair.

20. 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 members present in person at the meeting); 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.

21. If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such a manner as the Chairman may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded.

Special resolutions and ordinary resolutions

22. 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 an annual general meeting or general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with Article 14, 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 number of votes cast against the resolution, and accordingly no account shall be taken of abstentions or members absent from the meeting.

23. In addition to the matters expressly referred to elsewhere in these Articles, the provisions of the Act allow the company, by special resolution,

(a) to alter its name;

(b) to alter its Objects or Activities; and

(c) to alter any provision of these articles or adopt new articles of association.

24. 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, and (as applicable) the chairperson's casting vote), at an annual general meeting or extraordinary general meeting, providing proper notice of the meeting has been given in accordance with Article 14.

Voting rights of members

25. Only members who have paid their annual membership subscription shall have the right to vote at any General Meeting of the Company.

TRUSTEES

Number of trustees

26. Unless otherwise determined by ordinary resolution of the company, the number of Trustees shall be subject to a maximum of ten.

27. The Board shall consist of individuals that can contribute to the successful operation of the Company.

28. Up to 6 trustees shall be appointed at the Annual General Meeting. Up to 2 further trustees may be co-opted by the Board at any time.

29. Nominations for the office of Trustee shall be lodged with the Secretary not less than 28 days before the date of the Annual General Meeting at which these offices are to be filled. Nominations may be made by the Board or by any two members. The Secretary shall have the power to reject any nomination on the grounds that the nominating party has not paid his subscription for the current year.

Eligibility and Maximum period in office for trustees

30. At every Annual General Meeting two trustees who are subject to retirement by rotation shall retire from office.

31. The trustees to retire by rotation shall be those who have been longest in office since their last appointment or re-appointment, but as between persons who became or were last re-appointed trustees on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

32. If the company, at the meeting at which a trustee retires by rotation, does not fill the vacancy the retiring trustee shall, if willing to act, be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the re-appointment of the trustee is put to the meeting and lost.

33. No person other than a trustee retiring by rotation shall be appointed or re-appointed a trustee at any general meeting unless:-

    (a) He/she is recommended by the trustees; or

    (b) not less than fourteen or more than twenty eight clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the company of the intention to propose that person for appointment or re-appointment stating the particulars which would, if he/she were so appointed or re-appointed, be required to be included in the company's register of trustees together with notice executed by that person of his

willingness to be appointed or re-appointed.

34. Subject to the aforesaid, the company may by ordinary resolution appoint a person who is willing to act as a trustee, either to fill a vacancy or as an additional trustee.

35. The trustees may appoint any person who is willing to act as a trustee, either to fill a casual vacancy or as an additional trustee, provided that the appointment does not cause the number of trustees to exceed any number fixed by or in accordance with the articles as the maximum number of trustees. A trustee so appointed shall hold office only until the following Annual General Meeting. If not re-appointed at such Annual General Meeting, he shall vacate office at the conclusion thereof.

36. Trustees may be re-elected on two occasions but then take a compulsory break of one year from being a trustee.

Termination of office

37. A trustee shall automatically vacate office if:-

    (a) he/she ceases to be a trustee through the operation of any provision of the Act or becomes prohibited by law from being a trustee

    (b) he/she becomes debarred under any statutory provision from being involved in the management or control of a charity

    (c) he/she becomes incapable for medical reasons of fulfilling the duties of his/her office and such incapacity is expected to continue for a period of more than six months

    (d) he/she resigns office by notice to the company

    (e) he/she is absent (without permission of the trustees) from more than three consecutive meetings of the trustees, and the trustees resolve to remove him/her from office

    (f) he / she is removed from office by resolution of the trustees.

Register of trustees interests

38. The trustees shall maintain a register of trustees, setting out full details of each trustee, including the date on which he/she became a trustee, and specifying the date on which any person ceased to hold office as a trustee and containing details of trustees' interests.

Trustees

39. The Chairman and Vice Chairman of the Society, who are elected by the Members at the AGM, will automatically be Trustees during their term of Office.

40. The Chairman of the Trustees shall generally hold office for two years but this period may be reduced or extended by the Board. Otherwise, the office bearers shall hold office without limit of time.

41. A person elected to any office shall cease to hold that office if he/she ceases to be a Trustee, or if he/she resigns from that office by written notice to that effect.

Powers of trustees

42. 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 trustees, who may exercise all the powers of the company.

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

Trustees Declarations of Interests

44. The trustees may authorise any matter proposed to them by any trustee which would, if not authorised, involve or constitute a trustee breaching or infringing his duty under section 175 of the Act to avoid conflicts of interest.

Personal interests

45. A trustee who is in any way, whether directly or indirectly interested in a proposed transaction or arrangement with the company shall declare the nature and extent of his interest to the other trustees before the company enters into the transaction or arrangement in accordance with the Act. For the purposes of this article, a trustee shall be deemed to have a personal interest in an arrangement if any partner or other close relative of his/hers or any firm of which he/she is a partner or any limited company of which he/she is a substantial shareholder or trustee (or any other party who/which is deemed to be connected with him/her for the purposes of the Act), has a personal interest in that arrangement.

46. A trustee who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the company shall declare the nature and extent of his interest to the other trustees as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under Article 45.

47. Subject, where applicable, to the disclosures required under Article 45 and Article 46, and to any terms and conditions imposed by the trustees in accordance with these Articles 45 to 48, a trustee shall be entitled to vote in respect of any proposed or existing transaction or arrangement with the company in which he is interested and if he shall do so his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present.

48. A trustee need not declare an interest under Article 45 and Article 46 as the case may be:

    (a) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;

    (b) of which the trustee is not aware, although for this purpose a trustee is treated as being aware of matters of which he ought reasonably to be aware;

    (c) if, or to the extent that, the other trustees are already aware of it, and for this purpose the other trustees are treated as aware of anything of which they ought reasonably to be aware; or

    (d) if, or to the extent that, it concerns the terms of his service contract that have been, or are to be, considered at a meeting of the Board of trustees.

49. Provided he/she has declared his/her interest a trustee will not be debarred from entering into an arrangement with the company in which he/she has a personal interest and may retain any personal benefit which he/she gains from his/her participation in that arrangement.

TRUSTEES' MEETINGS

Procedure at Trustees' meetings

50. Board meetings will be held on a regular basis. Any trustee may call a meeting of the trustees or request the secretary to call a meeting of the trustees.

51. The trustees can agree to confirm decisions by telephone or by written resolution as alternatives to confirming decisions at trustees meetings.

52. Questions arising at a meeting of the trustees shall be decided by a majority of votes; if an equality of votes arises, the chairperson of the meeting shall have a casting vote.

53. No business shall be dealt with at a meeting of the trustees unless a quorum is present; the quorum for meetings of the trustees shall be 5. If at any time the number of trustees in office falls below the number fixed as the quorum, the remaining trustee (s) may act only for the purpose of filling vacancies or of calling a general meeting.

54. Unless he/she is unwilling to do so, the chair of the Trustees shall preside as chairperson at every trustees' meeting at which he/she is present; if the chair is unwilling to act as chairperson or is not present within 15 minutes after the time when the meeting was due to commence, the trustees present shall elect from among themselves the person who will act as chairperson of the meeting.

55. The trustees may, at their discretion, allow any person who they reasonably consider appropriate, to attend and speak at any meeting of the trustees; for the avoidance of doubt, any such person who is invited to attend a trustees' meeting shall not be entitled to vote.

56. Subject to Article 44, a trustee shall not vote at a trustees' meeting (or at a meeting of a committee) on any resolution concerning a matter in which he/she has a personal interest which conflicts (or may conflict) with the interests of the Society

57. A trustee shall not be counted in the quorum present at a meeting in relation to a resolution on which he/she is not entitled to vote.

58. The trustees may be paid all travelling and other expenses reasonably incurred by them in connection with their attendance at meetings of the trustees, general meetings, or meetings of committees, or otherwise in connection with the carrying-out of their duties.

59. The Trustees may, by ordinary resolution, suspend or relax to any extent – either generally or in relation to any particular matter – the provisions of Articles 50 to 58.

Delegation to sub-committees

60. The trustees may delegate any of their powers to any sub-committee consisting of one or more trustees and such other persons (if any) as the trustees may determine; they may also delegate to the chair of the company (or the holder of any other post) such of their powers as they may consider appropriate. Any delegation of powers under this Article may be made subject to:-

    (a) such conditions as the trustees may impose and may be revoked or altered; and

    (b) such rules of procedure for any sub-committee shall be as prescribed

by the trustees.

ADMINISTRATION

Operation of bank accounts

61. The signatures of two of four authorised nominated representatives of the company (the Secretary and one of three nominated representatives), who need not be trustees of the company) shall be required in relation to all operations (other than lodgement of funds) on the bank, building society or other financial institution accounts held by the company.

Secretary

62. The trustees may in their sole discretion decide to appoint a company secretary for such term, at such remuneration (if any), and upon such conditions, as they may think fit; the company secretary may be removed and replaced or not (at the trustees sole discretion) by the trustees at any time.

Minutes

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

Accounting records and annual accounts

64. The trustees shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements for both companies and charities.

65. No member shall (unless he/she is a trustee) have any right of inspecting any accounting or other records, or any document of the Society, except as conferred by statute or as authorised by the trustees or as authorised by ordinary resolution of the Society.

Notices

66. Any notice, document or other information shall be deemed served on or delivered to the intended recipient:-

    (a) if properly addressed and sent by pre-paid UK first class post to an address (last intimated by him/her/them) to the company in the UK 48 hours after it is posted;

    (b) a Member whose registered address is not within the United Kingdom shall be entitled to receive notices at such address and such notices shall be sent to the Member by airmail. Notices sent overseas shall be deemed to be given at the expiry of a period of 5 days after the envelope containing it was posted. Sections 1143 to 1148 together with schedule 4 and 5 of the Act shall apply;

    (c) if properly addressed and delivered by hand, when it was given or left at the appropriate address;

    (d) if properly addressed and sent or supplied by electronic mail (e-mail) (in the case of a Member who has notified the company of an address to be used for the purpose of electronic communications) one hour after the e-mail was sent or supplied; and

(e) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is so deemed to have received) notice of the fact that the material is on the website.

For the purposes of this article, no account will be taken of any part of a day that is not a business day (where a "business day" means any day (other than a Saturday, Sunday or public holiday in Scotland) on which clearing banks in Edinburgh are generally open for business). In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purposes of the Act.

MISCELLANEOUS

Rules and Bye-Laws

67. The Trustees, from time to time, make such Rules and Bye-Laws as they may deem necessary or expedient for the operation of the Company.

Honorary Presidents and Vice Presidents

68. At each Annual General Meeting of the Company the trustees shall recommend that one member of the Company be put forward for election to the position of Honorary President (President) of the Society and up to 14 members be put forward for election as Honorary Vice-Presidents (Vice President). The Honorary President and Honorary Vice Presidents shall not be trustees of the Company and shall have no right to attend meetings of the Board of Trustees or any of the duties and responsibilities of a trustee.

69. The President shall have the right to Chair the Annual General Meeting of the Company but, apart from his own vote as a member of the Company, shall have no right to a casting vote in the event if an equality of votes nor shall he or she have the right to demand a poll. The Chairman (or in his absence, the Vice Chairman) of the Board of trustees shall however be entitled to a casting vote in the event of there being an equality of votes and shall have the right to demand a poll. The President will not be entitled to Chair any other general meetings of the Company.

70. The President and Vice Presidents shall have the right to resign from office by depositing a letter of resignation at the registered office of the Company. In the event of the President resigning or dying the trustees shall appoint one of the Vice Presidents as President of the Company until the conclusion of the next Annual General Meeting.

Winding-up

71. If the company is dissolved or wound up, the liquidator shall, if there remains , after the satisfaction of all its debts and liabilities, any property whatsoever, then the property shall not be paid to or distributed among the members of the company, but shall be paid, given, transferred or distributed to such body or bodies to be determined by the members of the company at the time of the dissolution or winding up :

(a) being a charitable body or bodies having objects similar to the Objects of the company; and

(b) being a charitable body or bodies which shall prohibit the distribution

of its or their assets, income and property among its or their members to an extent at least as great as is imposed on the company.

or failing which such other charitable body or bodies as are willing to take the property of the company.

Indemnity

72. Subject to the provisions of and to the extent permitted by the Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every trustee or other officer of the company (other than any person (whether an officer or not) engaged by the company as auditor) shall be indemnified out of the assets of the company against any liability incurred by him for negligence, default, breach of duty or breach of trust in relation to the affairs of the company, provided that this Article shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause this Article, or any element of it, to be treated as void under the Act.

Insurance

73. Subject to the Act, the trustees may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss.

In this Article:-

a. a “relevant officer” means any trustee or former trustee of the company, any other officer or employee or former officer or employee of the company or its associate (but not the auditors), or any trustee of a pension fund or employee benefits trust of the company;

b. a “relevant loss” means any loss or expenditure which has been or may be incurred by a relevant officer in connection with that relevant officer’s duties, powers or responsibilities in relation to the company or an associate or its pension fund or employee benefits trust; and

c. an "associate" means any subsidiary or subsidiary undertaking or holding company of such company and any other subsidiary or subsidiary undertaking of any holding company of such company ("**holding company**" and "**subsidiary company**" having the meanings set out in section 1159 and Schedule 6 of the Companies Act 2006).

Liability of Members

74. The liability of the members is limited to ONE POUND (£1.00). Every member of the company undertakes to contribute to the assets of the company in the event of the same being wound up while he is a member, or within one year after he ceases to be a member, for payment of the:-

(a) debts and liabilities of the company contracted before he ceases to be a member;

(b) costs, charges and expenses of winding up,

and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding ONE POUND.

75. The income, assets and property of the company shall be applied solely towards the promotion of the Objects of the company as set out herein and subject to the following paragraphs 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 the company. Nothing herein shall prevent any payment in good faith by the company:-

(a) of out-of-pocket expenses incurred in carrying out duties by any

member, trustee, officer or employee of the company;

(b) reasonable payment in return for services rendered to the company;

(c) trustee indemnity insurance; and

(d) payment or benefits permitted in terms of the Charities and Trustee Investment (Scotland) Act 2005.

Interpretation

76. In these articles the following terms and expressions shall have the following meanings:-

Act	means the Companies Act 2006 and any reference in these articles to a provision of the Act shall be taken to include any statutory modification or re-enactment of that provision which is in force at the time;
Activities	shall have the meaning given to it in Article 2;
charity	shall mean a body on the Scottish Charity Register which is also regarded as a charity in relation to the application of the Taxes Acts;
charitable purpose	shall mean a purpose which constitutes 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 Act;
electronic communication	shall have the same meaning as is assigned to that expression in the Electronic Communications Act 2000;
Model Articles	means the model articles for private companies limited by Guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the date of adoption of these Articles;
Objects	shall have the meaning given to it in Article 1;
OSCR	shall mean the Office of the Scottish Charity Regulator, 2nd Floor, Quadrant House, 9 Riverside Drive, Dundee, DD1 4NY;
person	means any individual, organisation or body including any authorised representative of any organisation or body; and

Scottish Charity Register	means the register held by OSCR;

77. Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles. Unless the context requires otherwise, words or expressions used in these articles bear the same meaning as in the Act (as said Act is in force at the date of adoption of these articles). For the avoidance of doubt:-

(a) headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

(b) unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:

i. any subordinate legislation from time to time made under it; and

ii. any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

(c) reference in these articles to the singular shall be deemed to include the plural.

(d) any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

(e) the Model Articles shall apply to the company, except in so far as they are modified or excluded by these Articles. Regulations 2, 3, 21, 22, 24, 38, 39 of the Model Articles shall not apply to the company.