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DALKEITH AND DISTRICT CITIZENS ADVICE BUREAU

Company No. SC 332676


Charity No. SC 000593

Articles of Association

Adopted 8 March 2023

These are the Articles of Association adopted
by the Company by Special Resolution passed
on 8 March 2023.

Certified a true copy



Morag Radcliffe
Director and Company Secretary

THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

of

DALKEITH AND DISTRICT CITIZENS ADVICE BUREAU

Company Number SC332676

Scottish Charity Number SC000593

(adopted by special resolution passed on 8 March 2023)

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Constitution of company

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

Defined terms

- 2 In these articles of association, unless the context requires otherwise:-
 - 2.1 **“Act”** means the Companies Act 2006; any reference in these articles to a provision of the Act shall be deemed to include any statutory modification or re-enactment of that provision for the time being in force;
 - 2.2 **“Bureau”** means the Citizens Advice Bureau operated by the company;
 - 2.3 **“Operating Area”** means Midlothian;
 - 2.4 **“Charity”** means a body which is either a “Scottish charity” within the meaning of section 13 of the Charities and Trustee Investment (Scotland) Act 2005 or a “charity” within the meaning of section 1 of the Charities Act 2011, providing (in either case) that its objects are limited to charitable purposes;
 - 2.5 **“Charitable purpose”** means a charitable purpose under section 7 of the Charities and Trustee Investment (Scotland) Act 2005;
 - 2.6 **“Electronic form”** has the meaning given in section 1168 of the Act;
 - 2.7 **“Electronic communications”** has the same meaning as is assigned to that expression in the Electronics Communication Act 2000;
 - 2.8 **“OSCR”** means the Office of the Scottish Charity Regulator;
 - 2.9 **“Property”** means any property, heritable or moveable, real or personal, wherever situated; and
 - 2.10 **“Subsidiary”** has the meaning given in section 1159 of the Act.
- 3 Any reference to a provision of any legislation (including any statutory instrument) shall include any statutory modification or re-enactment of that provision in force from time to time.

Objects

- 4 The company’s objects are to promote any charitable purposes for the public benefit in Dalkeith and surrounding areas in Midlothian (“the area of local benefit”) and elsewhere, by:
 - 4.1 The advancement of education

by providing clients with information, clarification and understanding of legislation, regulation and services and their legal rights and responsibilities.
 - 4.2 The prevention or relief of poverty

by assessing clients’ entitlement to welfare benefits, by providing assistance in claiming benefits and by assisting them to appeal against refusal to benefits with a view to avoiding their suffering from poverty.
 - 4.3 The advancement of civil and human rights

By providing information and assistance to ensure that people do not suffer through ignorance of their civil and human rights and by taking such actions as are intended to redress the situation and redress wrongs and restore justice.
 - 4.4 The advancement of health

By providing a comprehensive advice service which deals with all aspects of clients' problems and alleviates the injury, stress and anxiety caused by unsolved problems.

4.5 The advancement of citizenship or community development

by recruiting, training and developing local citizens to be volunteers in and for the Citizens Advice Bureau who in turn assist members of the public in their community and in doing so contribute to the development of their community.

Where the objects are being promoted outwith the defined area of local benefit the company may work with organisations with similar aims but shall at all times adhere to the agreed principles for the operation of Citizens Advice Bureau set out from time to time by the Scottish Association of Citizens Advice Bureaux.

- 5** The company's objects are restricted to those set out in article 4 (but subject to article 6).
- 6** The company may (subject to first obtaining the consent of OSCR) add to, remove or alter the statement of the company's objects in article 4.

Powers

- 7** In pursuance of the objects listed in article 4 (but not otherwise), the company shall have the following powers:-
 - 7.1** To provide public benefit by furthering the objects.
 - 7.2** To carry out any other activities in furtherance of the objects.
 - 7.3** To promote companies whose activities may further one or more of the above objects, or may generate income to support the activities of the company, acquire and hold shares in such companies and carry out, in relation to any such company which is a subsidiary of the company, all such functions as may be associated with a holding company.
 - 7.4** To acquire and take over the whole or any part of the undertaking and liabilities of any body holding property or rights which are suitable for the company's activities.
 - 7.5** To purchase, take on lease, hire, or otherwise acquire, any property or rights which are suitable for the company's activities.
 - 7.6** To improve, manage, develop, or otherwise deal with, all or any part of the property and rights of the company.
 - 7.7** To sell, let, hire out, license, or otherwise dispose of, all or any part of the property and rights of the company.
 - 7.8** To lend money and give credit (with or without security) and to grant guarantees and issue indemnities.
 - 7.9** To borrow money, and to give security in support of any such borrowings by the company, in support of any obligations undertaken by the company or in support of any guarantee issued by the company.
 - 7.10** To employ and remunerate such staff as are considered appropriate for the proper conduct of the company's activities, to make reasonable provision for the payment of pension and/or other benefits for members of staff, ex-members of staff and their dependants, and to reimburse paid and unpaid staff for out-of-pocket expenses.
 - 7.11** To engage such consultants and advisers as are considered appropriate from time to time.
 - 7.12** To effect insurance of all kinds (which may include officers' liability insurance).

- 7.13** To invest any funds which are not immediately required for the company's activities in such investments as may be considered appropriate (and to dispose of, and vary, such investments).
- 7.14** To liaise with other voluntary sector bodies, local authorities, UK or Scottish government departments and agencies, and other bodies, all with a view to furthering the company's objects.
- 7.15** To establish and/or support any other charity, and to make donations for any charitable purpose falling within the company's objects.
- 7.16** To take such steps as may be deemed appropriate for the purpose of raising funds for the company's activities.
- 7.17** To accept grants, donations and legacies of all kinds (and to accept any reasonable conditions attaching to them).
- 7.18** To oppose, or object to, any application or proceedings which may prejudice the company's interests.
- 7.19** To enter into any arrangement with any organisation, government or authority which may be advantageous for the purposes of the activities of the company, and to enter into any arrangement for co-operation or mutual assistance with any charity.
- 7.20** To amalgamate with any charitable body having objects altogether or in part similar to those of the company and transfer all or any part of the undertaking, property and rights of the company to any body, incorporated or unincorporated, with which the company is authorised to amalgamate.
- 7.21** To do anything which may be incidental or conducive to the furtherance of any of the company's objects.

Restrictions on use of the company's assets

- 8** The income and property of the company shall be applied solely towards promoting the company's objects.
- 9** No part of the income or property of the company shall be paid or transferred (directly or indirectly) to the members of the company, whether by way of dividend, bonus or otherwise.
- 10** No director of the company shall be appointed as a paid employee of the company; no director shall hold any office under the company for which a salary or fee is payable.
- 11** No benefit (whether in money or in kind) shall be given by the company to any director except (a) repayment of out-of-pocket expenses or (b) reasonable payment in return for particular services (not being of a management nature) actually rendered to the company.

Liability of members

- 12** Each member undertakes that if the company is wound up while they are a member (or within one year after they cease to be a member), they will contribute - up to a maximum of £1 - to the assets of the company, to be applied towards:
 - 12.1** Payment of the company's debts and liabilities contracted before they cease to be a member;
 - 12.2** Payment of the costs, charges and expenses of winding up; and
 - 12.3** Adjustment of the rights of the contributories among themselves.

General structure

13 The structure of the company consists of:-

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

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

Membership: eligibility

14 All Directors of the company who live or work in, or otherwise have a relevant interest in or connection to, the Operating Area, and such other persons as are admitted to membership in accordance with the articles of association of the company in force from time to time, shall be the members of the company.

15 Membership shall be open to any individual (if aged 18 or over) who lives or works in, or otherwise has a relevant interest in or connection to, the Operating Area, who supports the objects and activities of the company.

16 Employees of the company shall not be eligible for membership; a person who becomes an employee of the company after admission to membership shall automatically cease to be a member.

Admission of members

17 Any individual eligible for membership under article 15 who wishes to become a member shall lodge with the company a written application for membership.

18 Anyone applying for membership shall submit to the company such evidence in support of their application as the directors may reasonably require.

19 The directors shall be entitled to refuse to admit any individual to membership if, in their opinion, acting reasonably,

19.1 the individual has not, despite requests for them to submit appropriate evidence to the company, satisfied the directors that they fulfil the relevant qualification for membership under article 15, or;

19.2 the admission of that individual to membership would be likely to prejudice significantly the reputation and good standing of the company within the Operating Area or would be likely to lead to significant disruption to the efficient conduct of general meetings of the company.

20 The directors shall consider each application for membership at the first directors' meeting held after the receipt of the application. The directors shall, within a reasonable time after the meeting, notify the applicant of their decision on the application.

21 The directors, at their discretion, can set a minimum and/or maximum number of members for the company.

Membership subscription

22 No membership subscription shall be payable.

Re-registration of members

23 The directors may at any time issue written notifications to all the members, requiring them to re-register for membership if they wish to remain in membership; each such notification

shall be accompanied by a re-registration form, and shall refer to the possible consequences of failure to re-register, as referred to in article 24.

- 24 If a member fails to return their re-registration form within 28 days after the date on which they receive (or is deemed to receive) the notification under article 23, the directors may, by resolution passed by majority vote at a meeting of directors, expel them from membership.
- 25 For the avoidance of doubt, the directors shall have no power to refuse re-registration of any member if they have returned their re-registration form within the period allowed under article 24.

Register of members

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

Membership: cessation/withdrawal

- 27 Membership shall not be transferable and shall cease on death.
- 28 A member shall cease to be a member if they no longer meet the criteria for membership in articles 14 and 15.
- 29 An individual who wishes to withdraw from membership shall lodge with the company a written notice of retiral (in such form as the directors may reasonably require), signed by them. They shall cease to be a member with effect from the time at which the notice is received by the company.

Expulsion from membership

- 30 The company may, by special resolution, expel any individual from membership, for example if their actions are likely to prejudice significantly the reputation and good standing of the company within the Operating Area or would be likely to lead to significant disruption to the efficient conduct of general meetings of the company.”
- 31 Any member who wishes to propose a special resolution for the expulsion of any individual from membership shall lodge with the company written notice of their intention to do so (identifying the member concerned and specifying the grounds for the proposed expulsion) not less than four weeks before the date of the meeting. The company will circulate the written special resolution and statement to the membership, provided requirements of section 292-295 of the Act are met.
- 32 The member concerned shall have the opportunity to submit a written response to the special resolution at least 48 hours before the date and time of the member meeting at which the special resolution will be considered or the date by which a written special resolution must be passed.
- 33 An individual expelled from membership shall cease to be a member with effect from the time at which the relevant special resolution is passed.

General meetings

- 34 A general meeting shall be convened by the directors on requisition by members (under section 303 of the Act) or on requisition by a resigning auditor (under section 518 of the Act.)
- 35 Subject to article 34, the directors shall hold an annual general meeting and may convene general meetings whenever they think fit.

Notice of general meetings

- 36** At least 14 clear days' notice must be given of a general meeting or 21 clear days' notice if a special resolution is to be considered at the general meeting. Clear notice means excluding the day when the notice is given and the day of the meeting for which notice is given.
- 37** A notice calling a meeting shall specify the time and place of the meeting; it shall:
- 37.1** indicate the general nature of the business to be dealt with at the meeting; and
 - 37.2** if a special resolution (see articles 43-44,) is to be proposed, shall also state that fact, giving the exact terms of the resolution.
- 38** Notice of every general meeting shall be given to members:
- 38.1** in hard copy form; or
 - 38.2** in writing or (where the individual to whom notice is given has notified the company of an address to be used for the purpose of electronic communication) in electronic form; or
 - 38.3** by means of a website (subject to the company notifying members of the presence of the notice on the website, and complying with the other requirements of section 309 of the Act.)
- 39** If there are auditors or independent examiners of accounts in office at the time, notice should be given to the auditors or independent examiners.
- 40** The accidental omission to give notice of a meeting to, or the non-receipt of a notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 41** The directors shall be entitled, at their discretion, to allow any individual who is not a member of the company to remain in attendance at the annual general meeting following the commencement of the formal business; for the avoidance of doubt, no such individual shall be entitled to vote at the annual general meeting.
- 42** The directors shall allow a Development Officer or another representative of the Scottish Association of Citizens Advice Bureaux (Citizens Advice Scotland) to attend general meetings of the company; for the avoidance of doubt, the person shall not be entitled to vote at any such meeting.

Special, ordinary and written members' resolutions

- 43** For the purposes of these articles, a "special resolution" means a resolution passed by 75% or more of the votes of members cast on the resolution at a general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with articles 36-40; for the avoidance of doubt, the reference to a 75% majority relates only to the number of votes cast in favour of the resolution at a general meeting of members, as compared with the total number of votes cast in relation to the resolution, and accordingly no account shall be taken of abstentions or members absent from the meeting.
- 44** In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Act allow the company, by special resolution,
- 44.1** to alter its name; and
 - 44.2** to alter any provision of these articles or adopt new articles of association.
- 45** For the purposes of these articles, an "ordinary resolution" means a resolution passed by majority vote (taking account only of those votes cast in favour as compared with those

votes against), at a general meeting, providing proper notice of the meeting has been given in accordance with articles 36-40.

- 46** Special resolutions and ordinary resolutions can also be passed by a vote of eligible members through the means of a “written resolution”, in accordance with sections 228-289 of the Act.

Proceedings at general meetings

- 47** No business shall be dealt with at any general meeting unless a quorum is present, in person or by electronic means that allows members to attend, speak and vote; the quorum for a general meeting shall be 4 individuals entitled to vote (each being a member or a proxy for a member), and if at any time there are fewer than 4 members of the company, the quorum shall be all such members.
- 48** If the quorum required under article 47 is not present within 30 minutes of the time at which a general meeting was due to commence - or if, during a meeting, a quorum ceases to be present - the meeting shall stand adjourned to such time and place as may be fixed by the chairperson of the meeting.
- 49** The chair of the board of directors (or, in their absence, the vice chair) shall (if present and willing to act as chair) preside as chair of the meeting; if neither the chair or vice chair is present and willing to act as chair within 30 minutes of the time appointed for holding the meeting, the directors present shall elect one of their number to act as chair, or if there is only one director present and willing to act, they shall be chair.
- 50** If no director willing to act as chair is present within 30 minutes of the time appointed for holding the meeting, the members present shall elect one of their number to be chair of the meeting.
- 51** The chair of the meeting may, with the consent of the meeting at which a quorum is present, adjourn the meeting to another time and place.

Votes of members

- 52** Every member shall have one vote, which (whether on a show of hands or on a secret ballot) may be given either personally or by proxy.
- 53** Any member who wishes to appoint a proxy to vote on his/her behalf at any meeting (or adjourned meeting):
- 53.1** shall lodge with the company, at the company’s registered office, a written instrument of proxy (in such form as the directors require), signed by them; or
 - 53.2** shall send an instrument of proxy, (in such form as the directors require), by electronic means to the company, at such electronic address as may have been notified to the members by the company for that purpose.
 - 53.3** shall ensure the instrument of proxy is received by the company at the relevant address not less than 48 hours before the time for holding the meeting (or, as the case may be, adjourned meeting.)
- 54** An instrument of proxy which does not conform with the provisions of article 53, or which is not lodged or sent in accordance with such provisions, shall be invalid.
- 55** A member shall not be entitled to appoint more than one proxy to attend on the same occasion.
- 56** A proxy appointed to attend and vote at any meeting instead of a member shall have the same right as the member who appointed them to speak at the meeting and need not be a member of the company.

- 57 A vote given, or ballot demanded, by proxy shall be valid notwithstanding that the authority of the person voting or demanding a ballot had terminated prior to the giving of such vote or demanding of such ballot, unless notice of such termination was received by the company at the company's registered office (or, where sent by electronic means, was received by the company at the address notified by the company to the members for the purpose of electronic communications) before the commencement of the meeting or adjourned meeting at which the vote was given or the ballot demanded.
- 58 If there are an equal number of votes for and against any resolution, the chair of the meeting shall not be entitled to a casting vote.
- 59 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 chair (or by at least two persons present in person at the meeting and entitled to vote (whether as members or proxies for members)); a secret ballot may be demanded either before the show of hands takes place, or immediately after the result of the show of hands is declared.
- 60 If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such a manner as the chairperson may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded.
- 61 No objection may be raised as to the validity of any vote cast at a general meeting except at the meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any such objection shall be referred to the chair of the meeting whose decision shall be final and conclusive.

Appointment of Directors

- 62 At each annual general meeting, the members may elect any member, who is so willing, to act as a director, subject to article 65.
- 63 At an annual general meeting, the members may decide to restrict the time any director or directors may continuously serve.

Maximum/minimum number of directors

- 64 The maximum number of directors shall be 12 and minimum number of directors shall be 3.

Volunteer directors

- 65 At any given time, no more than 25% of directors in office may be volunteers working for the Bureau.

Co-option, election, retiral and re-election of directors

- 66 The directors may (subject to article 65) at any time appoint as a director (a "Co-opted Director") any individual whom the directors reasonably consider appropriate, providing they are willing so to act.
- 67 Co-opted directors shall vacate office at the first annual general meeting following their appointment. They are then eligible for election.
- 68 At each annual general meeting, one-third (to the nearest round number) of the directors not elected under article 67 shall retire from office.
- 69 The directors who retire under article 68 shall be those who have been longest in office since they were last elected or re-elected.
- 70 As between persons who were last elected/re-elected on the same date, the question of which of them is to retire shall be determined by some random method.
- 71 A director who retires from the board under article 68 shall be eligible for re-election.

Disqualification and removal of directors

- 72** A director shall automatically vacate office if:-
- 72.1** They cease to be a director by virtue of any provision of the Act or become prohibited by law from being a director,
 - 72.2** They are sequestered,
 - 72.3** They become incapable for medical reasons of fulfilling the duties of their office and such incapacity is expected to continue for a period of more than six months.
 - 72.4** They become an employee of the company,
 - 72.5** If they are disqualified from acting as a charity trustee under the Act.
 - 72.6** They resign office by notice to the company, or
 - 72.7** They are absent for a period of more than six months (without permission of the directors) from meetings of directors held during that period and the directors resolve to remove them from office.
 - 72.8** They are removed from office by resolution of the directors on the grounds that they are considered to have committed a material breach of the code of conduct for directors in force from time to time.
 - 72.9** They are removed from office by resolution of the directors on the grounds that they are considered to have been in serious or persistent breach of their duties under sub-sections 66 (1) or (2) of the Act, or
 - 72.10** They are removed from office by ordinary resolution (special notice having been given) in pursuance of section 168 of the Act.
- 73** A resolution under articles 72.7-72.10 shall be valid only if:-
- 73.1** The director who is the subject of the resolution is given reasonable prior written notice by the directors of the grounds upon which the resolution for his/her removal is to be proposed;
 - 73.2** The director concerned is given the opportunity to give written representation to the meeting of directors at which the resolution is proposed, prior to the resolution being put to the vote; and
 - 73.3** At least two thirds (to the nearest round number) of the directors then in office vote in favour of the resolution.

Register of directors

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

Charity Trustees

- 75** The directors of the company shall be the charity trustees for the purposes of the Charities and Trustee Investment (Scotland) Act 2005.

Appointment of office-bearers

- 76** Directors shall appoint, or re-confirm, from among themselves a chair, vice chair, and/or such other office-bearers they consider appropriate, at a meeting of directors soon as it is reasonably practicable after each annual general meeting.

- 77 All of the office bearers shall cease to hold office at the conclusion of each annual meeting, but shall then be eligible for reappointment, as set out in Article 76.
- 78 The period a director may serve as chair may be restricted to five consecutive years, or such other period as the directors shall resolve.
- 79 A director shall not be eligible for appointment as chair, vice chair or treasurer if they are a volunteer worker with in the CAB.
- 80 A person elected to any office shall cease to hold that office if they cease to be a director, or if they resign from that office by written notice to that effect.
- 81 If the appointment of any office-bearer terminates under the preceding article, the directors shall, as soon as reasonably practicable, appoint another director to hold such office.

Directors' remuneration and expenses

- 82 No director shall be entitled to any remuneration, whether in respect of their office as a director or as an office-bearer under the company.
- 83 Directors may be paid for all travel or other expenses properly incurred by them in connection with their attendance at meetings of directors, general meetings and meetings of committees of directors or otherwise in connection with the discharge of their duties.

Powers of directors

- 84 Subject to the provisions of the Act, and these articles, and subject to any directions given by special resolution, the company and its assets and undertaking shall be managed by the directors, who may exercise all the powers of the company.
- 85 No alteration of the memorandum or articles of association and no direction given by special resolution shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given.
- 86 A meeting of the directors at which a quorum is present, in person or by electronic means, may exercise all powers exercisable by the directors.
- 87 The directors may, by power of attorney or otherwise, appoint any person to be the agent of the company for such purpose and on such conditions as they may determine, including authority for the agent to delegate all or any of their powers.

Directors' interests

- 88 A director who has a personal interest in any transaction or other arrangement which the company is proposing to enter into, must declare that interest at a meeting of the directors. They will not be eligible (in terms of article 106) to vote on the question of whether or not the company should enter into that arrangement.
- 89 For the purposes of the preceding article, a director shall be deemed to have a personal interest in an arrangement if any partner or other close relative of theirs or any firm of which they are a partner or any limited company of which they are a substantial shareholder or director or any limited liability partnership of which they are a member or any Scottish charitable incorporated organisation of which they are a charity trustee or any registered society or unincorporated association of which they are a management committee member (or any other party who/which is deemed to be connected with them for the purposes of the Act), has a personal interest in that arrangement.
- 90 Provided:
- 90.1 they have declared their interest;

90.2 they have not voted on the question of whether or not the company should enter into the relevant arrangement; and

90.3 the requirements of article 88 are complied with,

a director will not be debarred from entering into an arrangement with the company in which they have a personal interest (or is deemed to have a personal interest under article 89) and may retain any personal benefit which they gain from their participation in that arrangement.

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

92 For the avoidance of doubt, the provisions of section 175 of the Act and article 91 do not apply to a conflict of interest relating to a transaction or arrangement with the company; conflicts of that kind are regulated by the provisions of articles 88-90 and articles 105-108.

93 No director may be a paid employee (full time or part time) of the company, and no director may be given any remuneration by the company for carrying out their duties as a director.

94 Where a director provides services to the company or might benefit from any remuneration paid to a connected party for such services, then:

94.1 The maximum amount of the remuneration must be specified in a written agreement and must be reasonable;

94.2 The directors must be satisfied that it would be in the interests of the company to enter into the arrangement (taking account of that maximum amount); and

94.3 Less than half of the directors must be receiving remuneration from the company (or benefit from remuneration of that nature).

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

Proceedings of directors

96 Any director may call a meeting of the directors or request the Company Secretary to call a meeting of the directors. No notice of a meeting of directors need be given to a director who is absent from the United Kingdom.

97 Questions arising at a meeting of the directors shall be decided by a majority of votes; if an equality of votes arises, the chair of the meeting shall have a second or casting vote.

98 No business shall be dealt with at a meeting of the directors unless a quorum is present; in person or by electronic means that allows members to attend, speak and vote; the quorum for meetings of the directors shall be 3, or such other figure as the directors shall determine from time to time. If at any time the number of directors present falls below the number fixed as the quorum, the remaining director(s) may act only for the purpose of filling vacancies or of calling a general meeting.

99 The directors may, at their discretion, allow any person who they reasonably consider appropriate, to attend and speak at any meeting of the directors. For the avoidance of doubt, any such person shall not be entitled to vote.

100 The directors may allow two individuals representing the volunteer workers of the Bureau to attend at any meeting of the directors during discussions relating to volunteering, and to

participate in these discussions. They are not entitled to vote nor have any powers of a director.

- 101** The employee in the most senior management role shall be allowed to attend and speak at directors' meetings, but shall not be entitled to vote or have the powers of directors.
- 102** At the request of the board, other employees may be allowed to attend and speak at directors' meetings during discussions pertaining to their roles, but shall not be entitled to vote or have the powers of directors.
- 103** The directors retain the right to ask the individuals referred to in articles 101-102 to leave the room and refrain from participating in any discussions or decisions relating to their remuneration or terms and conditions of employment.
- 104** The directors may allow representatives of local authorities and other bodies with which the company has contact to attend meetings of directors and shall allow the Development Officer or another representative of the Scottish Association of Citizens Advice Bureau (Citizens Advice Scotland) to attend meetings of directors.
- 105** For the avoidance of doubt, an individual allowed to attend meetings of directors under article 101 or 102 shall not be entitled to vote at such meetings nor have any of the powers of a director.
- 106** A director shall not vote at a directors' meeting (or at a meeting of a sub-committee) on any resolution concerning a matter in which they have a personal interest which conflicts (or may conflict) with the interests of the company; they must withdraw from the meeting while an item of that nature is being dealt with.
- 107** For the purposes of article 106, a person shall be deemed to have a personal interest in a particular matter if any partner or other close relative of theirs or any firm of which they are a partner or any limited company of which they are a substantial shareholder or director or any limited liability partnership of which they are a member or any Scottish charitable incorporated organisation of which they are a charity trustee or any registered society or unincorporated association of which they are a management committee member has a personal interest in that matter.
- 108** With reference to article 107, the partner or other close relative of a director includes the partner, children or step-children of the director or their partner, the director's parents, grandparents, grandchildren or siblings of the director and the partners of these persons. For the avoidance of doubt, a partner is a spouse, civil partner or other person with whom the person lives as a partner in an enduring family relationship.
- 109** Also, for the purposes of article 106, a director who also serves as a volunteer with the company in another capacity other than as a director shall not vote at a directors meeting (or at a meeting of a sub-committee) on any resolution concerning employment or remuneration of staff.
- 110** A director shall not be counted in the quorum present at a meeting in relation to a resolution on which they are not entitled to vote.
- 111** Unless they are unwilling to do so, the chair of the board shall preside as chair at every directors' meeting at which they are present; if the chair is unwilling to act as chair or is not present within 15 minutes after the time when the meeting was due to commence, the vice chair shall preside as chair of the meeting. If neither the chair or vice chair is present and willing to act within 15 minutes of the time when a meeting of directors is due to commence, the directors present may appoint one of their number to chair the meeting.
- 112** All acts done by a meeting of directors or by a meeting of a committee of directors or by a person acting as a director shall, notwithstanding that it is afterwards discovered that there was a defect in the appointment of any director or that any of them was disqualified from

holding office or had vacated office or was not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

- 113** A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) committee of directors duly convened and held; it may consist of several documents in the same form each signed by one or more directors.
- 114** The company may, by ordinary resolution, suspend or relax to any extent – either generally or in relation to any particular matter – the provisions of articles 106-110.

Conduct of directors

- 115** Each of the directors shall, in exercising their functions as a director of the company, act in the interests of the company; and, in particular, must:
- 115.1** seek, in good faith, to ensure that the company acts in a manner which is in accordance with its objects;
 - 115.2** act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;
 - 115.3** in circumstances giving rise to the possibility of a conflict of interest of interest between the company and any other party:
 - 115.3.1** put the interests of the company before that of the other party, in taking decisions as a director; or
 - 115.3.2** where any other duty prevents them from doing so, disclose the conflicting interest to the company and refrain from participating in any discussions or decisions involving the other directors with regard to the matter in question; and,
 - 115.4** ensure that the company complies with any direction, requirement, notice or duty imposed on it by the Charities and Trustee Investment (Scotland) Act 2005.
- 116** Each of the directors shall comply with the code of conduct (incorporating detailed rules on conflict of interest) prescribed by the board of directors from time to time.
- 117** For the avoidance of doubt, the code of conduct shall be supplemental to the provisions relating to the conduct of directors contained in these articles of association; and the relevant provisions of these articles shall be interpreted and applied in accordance with the provisions of the code of conduct in force from time to time.

Delegation to sub-committees

- 118** The directors may delegate any of their powers to any sub-committee consisting of one or more directors and such other persons (if any) as the directors may determine; they may also delegate to the chair of the company (or the holder of any other post) such of their powers as they may consider appropriate.
- 119** Any delegation of powers under the preceding article may be made subject to such conditions as the directors may impose and may be revoked or altered.
- 120** The rules of procedure for any sub-committee shall be as prescribed by the directors.

Secretary

- 121** The directors may choose to (notwithstanding the provisions of the Act) appoint a company secretary, and on the basis that the term of the appointment, the remuneration (if any)

payable to the company secretary, and the such conditions of appointment shall be as determined by the directors; the company secretary may be removed by them at any time and cannot vote at meetings of members. Directors may choose to appoint a senior member of staff to be company secretary.

Minutes

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

Membership of the Scottish Association of Citizens Advice Bureaux

- 123** So long as the company constitutes a member of The Scottish Association of Citizens Advice Bureaux, the directors shall ensure that at all times an individual is authorised by them to attend, speak and vote on behalf of the company at meetings of The Scottish Association of Citizens Advice Bureaux; the directors may at any time revoke the authority of any such individual to exercise such powers and appoint some other individual in his/her place to exercise such powers.
- 124** The directors shall not have power to remove the company from membership of The Scottish Association of Citizens Advice Bureaux (Citizens Advice Scotland) without the prior sanction of a special resolution of the company.
- 125** The directors shall ensure that, so long as the company remains a member of The Scottish Association of Citizens Advice Bureaux (Citizens Advice Scotland), the company complies with the conditions of membership (including those relevant to the operation of the Bureau) in force from time to time.

Operation of bank accounts

- 126** The signatures (or verified electronic approval) of two out of the signatories appointed by the directors shall be required in relation to all operations (other than lodgement of funds) on the bank accounts held by the company. The directors shall determine procedures and requirements for the operation of the Bureau's bank and similar accounts and transactions, from time to time.

Accounting records and annual accounts

- 127** The directors shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements and shall prepare annual accounts, complying with all relevant statutory requirements; if an audit is required under any statutory provisions or if they otherwise think fit, they shall ensure that an audit of such accounts is carried out by a qualified auditor.
- 128** No member shall (unless they are a director) have any right of inspecting any accounting or other records, or any document of the company, except as conferred by statute or as authorised by the directors or as authorised by ordinary resolution of the company.

Notices

- 129** Any notice which requires to be given to a member under these articles shall be given either in writing or by electronic means; such a notice may be given personally to the member or be sent by post in a pre-paid envelope addressed to the member at the address last intimated by him/her to the company or (in the case of a member who has notified the

company of an address to be used for the purpose of electronic communications) may be given to the member by electronic means.

- 130** Any notice, if sent by post, shall be deemed to have been given at the expiry of 24 hours after posting; for the purpose of proving that any notice was given, it shall be sufficient to prove that the envelope containing the notice was properly addressed and posted.
- 131** Any notice sent by electronic means shall be deemed to have been given at the expiry of 24 hours after it is sent; for the purpose of proving that any notice sent by electronic means was indeed sent, it shall be sufficient to provide any of the evidence referred to in the relevant guidance issued from time to time by the Chartered Institute of Secretaries and Administrators.
- 132** A member present at any meeting of the company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

Winding-up

- 133** If on the winding-up of the company any property remains after satisfaction of all the company's debts and liabilities, such property shall be transferred to such body or bodies (whether incorporated or unincorporated) as may be determined by the members of the company at or before the time of dissolution (or, failing such determination, by such court as may have or acquire jurisdiction), to be used solely for a charitable purpose or charitable purposes.
- 134** To the extent that effect cannot be given to article 133, the relevant property shall be applied to some charitable purpose or purposes.

Indemnity

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