

FILE COPY



**CERTIFICATE OF INCORPORATION
OF A PRIVATE LIMITED COMPANY**

Company No. 312442

The Registrar of Companies for Scotland hereby certifies that

THE INSTITUTE FOR STATECRAFT AND GOVERNANCE

is this day incorporated under the Companies Act 1985 as a private company and that the company is limited.

Given at Companies House, Edinburgh, the 23rd November 2006



NSC3124427



Companies House

— for the record —

Declaration on application for registration

Please complete in typescript,
or in bold black capitals.

CHFP010

Company Name in full

312442

THE INSTITUTE FOR STATECRAFT AND GOVERNANCE

I, PETER ALEXANDER LAWSON

of 50 LOTHIAN ROAD, FESTIVAL SQUARE, EDINBURGH, EH3 9WJ

do solemnly and sincerely declare that I am a † [Solicitor engaged in the formation of the company] ~~[person named as director or secretary of the company in the statement delivered to the Registrar under section 10 of the Companies Act 1985]~~ and that all the requirements of the Companies Act 1985 in respect of the registration of the above company and of matters precedent and incidental to it have been complied with

And I make this solemn Declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1835

Declarant's signature

P. Lawson

Declared at EDINBURGH

on 22 11 2006

† Please delete as appropriate

Ⓛ before me

WALTER JAMES CLARK

Signed

Walter Clark

Date

22/11/06

A Commissioner for Oaths or Notary Public or Justice of the Peace or Solicitor

Please give the name, address, telephone number and, if available, a DX number and Exchange of the person Companies House should contact if there is any query

GARY GRAY, BURNES LLP, 50 LOTHIAN ROAD, EDINBURGH

EH3 9WJ

Tel 0131 473 6000

DX number ED 73

DX exchange EDINBURGH

When you have completed and signed the form please send it to the Registrar of Companies at

Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff

for companies registered in England and Wales

or

Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB

for companies registered in Scotland

DX 235 Edinburgh



SNW5BKR2

SCT 23/11/2006 196

COMPANIES HOUSE

SNX3PKQE

SCT 22/11/2006 956

COMPANIES HOUSE

WEDNESDAY
THURSDAY



30(5)(a)

Declaration on application for registration of a company exempt from the requirement to use the word "limited" or "cyfyngedig"

Please complete in typescript, or in bold black capitals.

CHFP010

Company Name in full

[Empty box]

THE INSTITUTE FOR STATECRAFT AND GOVERNANCE

[Empty box]

I,

PETER ALEXANDER LAWSON

of

50 LOTHIAN ROAD, FESTIVAL SQUARE, EDINBURGH, EH3 9WJ

a † [Solicitor engaged in the formation of the company] ~~[person named as director or secretary of the company in the statement delivered under section 10 of the Companies Act 1985]~~ do solemnly and sincerely declare that the company complies with the requirements of section 30(3) of the Companies Act 1985

† Please delete as appropriate

And I make this solemn Declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1835

Declarant's signature

P. Lawson

Declared at

EDINBURGH

Day Month Year

on

22 11 2006

● Please print name

before me ●

WALTER JAMES CLARK

Signed

Walter Clark

Date

22/11/06

A Commissioner for Oaths or Notary Public or Justice of the Peace or Solicitor

Please give the name, address, telephone number and, if available, a DX number and Exchange of the person Companies House should contact if there is any query

GARY GRAY, BURNESSE LLP, 50 LOTHIAN ROAD, FESTIVAL SQ	
EDINBURGH	
EH3 9WJ	Tel 0131 473 6000
DX number ED73	DX exchange EDINBURGH

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for companies registered in England and Wales
or
Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB
for companies registered in Scotland DX 235 Edinburgh

THURSDAY

SNW5CKR3
SCT 23/11/2006 195
COMPANIES HOUSE

WED

SNX3QKQF
SCT 22/11/2006 955
COMPANIES HOUSE

PRV LTD
SHEET. 30 of



Please complete in typescript,
or in bold black capitals

CHFP025

Notes on completion appear on final page

First directors and secretary and intended situation of registered office

[Empty box]

Company Name in full

THE INSTITUTE FOR STATECRAFT AND GOVERNANCE

Proposed Registered Office

(PO Box numbers only, are not acceptable)

50 LOTHIAN ROAD

FESTIVAL SQUARE

Post town EDINBURGH

County / Region MIDLOTHIAN

Postcode EH3 9WJ

If the memorandum is delivered by an agent for the subscriber(s) of the memorandum mark the box opposite and give the agent's name and address

Agent's Name BURNESSE LLP

Address 242 WEST GEORGE STREET

[Empty box]

Post town GLASGOW

County / Region LANARKSHIRE

Postcode G2 4QY

Number of continuation sheets attached

0

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Burness LLP
242 West George Street
Glasgow
G2 4QY
LAF/6/3 750512 Tel 0141 248 4933
DX number GW154 DX exchange Glasgow

When you have completed and signed the form please send it to the Registrar of Companies at

Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff
for companies registered in England and Wales or
Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB
for companies registered in Scotland **DX 235 Edinburgh**

WEDNESDAY
[Barcode]
SNX39KQY
SCT 22/11/2006 972
COMPANIES HOUSE

Company Secretary (see notes 1-5)

Company name

NAME *Style / Title

*Honours etc

* Voluntary details

Forename(s)

Surname

BURNES LLP

Previous forename(s)

Previous surname(s)

Address ††

50 LOTHIAN ROAD

Post town

EDINBURGH

County / Region

MIDLOTHIAN

Postcode

EH3 9WJ

Country

SCOTLAND

†† Tick this box if the address shown is a service address for the beneficiary of a Confidentiality Order granted under section 723B of the Companies Act 1985 otherwise, give your usual residential address. In the case of a corporation or Scottish firm, give the registered or principal office address

I consent to act as secretary of the company named on page 1

Consent signature

[Signature]
for and on behalf of Burnes LLP

Date

22 NOV 2006

Directors (see notes 1-5)

Please list directors in alphabetical order

NAME *Style / Title

*Honours etc

Forename(s)

DANIEL

Surname

LAFAYEEDNEY

Previous forename(s)

NONE

Previous surname(s)

NONE

Address ††

4 PARK TOWN

Post town

OXFORD

County / Region

OXON

Postcode

OX2 6SH

Country

ENGLAND

†† Tick this box if the address shown is a service address for the beneficiary of a Confidentiality Order granted under section 723B of the Companies Act 1985 otherwise, give your usual residential address. In the case of a corporation or Scottish firm, give the registered or principal office address

Day Month Year

Date of birth

1 9 1 2 1 9 4 6

Nationality

BRITISH

Business occupation

LAWYER

Other directorships

Cleveland Development Company Ltd, Cleveland London Investments

Ltd, Cleveland Commercial Ltd

Sassafras Ltd (former)

I consent to act as director of the company named on page 1

Consent signature

[Signature]


Date

10 November 2006

DATE 9 11 06

DRAFT NO 3

THE COMPANIES ACTS 1985 and 1989
COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL
MEMORANDUM AND
ARTICLES OF ASSOCIATION
of
THE INSTITUTE FOR STATECRAFT AND GOVERNANCE

Burness 

242 West George Street, Glasgow G2 4QY

Telephone 0141 248 4933 FAS 8859

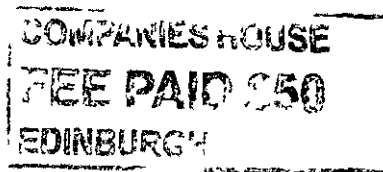
www.burness.co.uk

THE COMPANIES ACTS 1985 and 1989

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE
CAPITAL

MEMORANDUM of ASSOCIATION

of

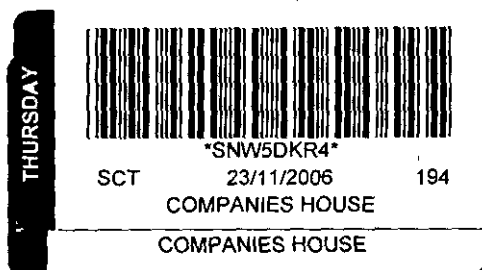


THE INSTITUTE FOR STATECRAFT AND GOVERNANCE

- 1 The company's name is "The Institute for Statecraft and Governance"
- 2 The company's registered office is to be situated in Scotland
- 3 The company's objects are
 - (1) To advance education in the fields of governance and statecraft, and in particular focussing on the leadership, direction, management and administration of public and private institutions, major organisations and other bodies (whether incorporated or otherwise), and the skills needed by those in authority within such institutions, organisations or bodies to enable them to deal effectively with current and future challenges particularly in respect of security
 - (2) To advance human rights, conflict resolution and/or reconciliation and religious/racial/ethnic harmony, to promote equality and diversity, citizenship and community development, and to advance national and international security, and in particular through assisting governments (including emerging democracies and countries in transition) and other institutions, organisations or bodies (whether in the UK or abroad) to respond to the challenges posed by new developments in the world (whether social, political, economic or technological) and to develop and embed structures and institutions that reflect principles of best practice in governance and statecraft

In pursuance of those aims, but not otherwise, the company shall have the following powers

- 3 1 To advise in relation to, prepare, organise, conduct and/or support courses, conferences and seminars, and educational activities and events of all kinds, and to make appropriate arrangements for the award of degrees or other forms of recognition in respect of any such educational courses
- 3 2 To commission, conduct and/or support research, studies and reports, and to disseminate the results of such research and studies or (as the case may be) the contents of such reports



- 3 3 To provide, or assist in relation to the provision of, information, consultancy and/or other forms of support to governments or other institutions, organisations or bodies
- 3 4 To liaise with higher education establishments, other academic or training institutions, government departments, major private sector organisations and others, all with a view to contributing to the furtherance of the company's aims
- 3 5 To design, prepare, publish and/or distribute information packs, leaflets, books, newsletters, magazines, posters and other publications, audio and video recordings, multimedia products and display materials, and to establish and maintain a website or websites
- 3 6 To carry on any other activity which may be appropriately conducted in connection with any of the objects of the company
- 3 7 To promote companies or other bodies 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 or other interests in such companies or other bodies and carry out, in relation to any such company or other body which is a subsidiary company or subsidiary undertaking of the company, all such functions as may be associated with a holding company
- 3 8 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
- 3 9 To purchase, take on lease, hire or otherwise acquire, any property or rights which are suitable for the company's activities
- 3 10 To improve, manage, develop, or otherwise deal with, all or any part of the property, rights and interests of the company.
- 3 11 To sell, let, hire out, license, or otherwise dispose of, all or any part of the property, rights and interests of the company
- 3 12 To lend money and give credit (with or without security) and to grant guarantees and issue indemnities
- 3 13 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
- 3 14 To employ such staff as are considered appropriate for the proper conduct of the company's activities, and to make reasonable provision for the payment of pension and/or other benefits for members of staff, ex members of staff and their dependants

- 3 15 To engage such consultants and advisers as are considered appropriate from time to time.
- 3 16 To effect insurance of all kinds (which may include officers' liability insurance)
- 3 17 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)
- 3 18 To establish and/or support any other charity, and to make donations for any charitable purpose falling within the company's objects
- 3 19 To take such steps as may be deemed appropriate for the purpose of raising funds for the company's activities
- 3 20 To accept grants, donations and legacies of all kinds (and to accept any reasonable conditions attaching to them)
- 3 21 To oppose, or object to, any application or proceedings which may prejudice the company's interests
- 3 22 To enter into any arrangement with any organisation, government or authority, and to enter into any arrangement for co operation or mutual assistance with any charity, where the arrangement with the organisation, government, authority or charity may be advantageous for the purpose of the activities of the company
- 3 23 To do anything which may be incidental or conducive to the furtherance of any of the company's objects

And it is declared that

- (i) in this clause, "property" means any property, heritable or moveable, wherever situated
- (ii) in this clause, and throughout this memorandum of association,
 - (A) the expression "charity" shall mean 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 96 of the Charities Act 1993
 - (B) the expression "charitable purpose" shall mean 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 sections 505 and 506 of the Income and Corporation Taxes Act 1988,

- (ii) any reference in this memorandum of association to a provision of any legislation shall include any statutory modification or re-enactment of that provision in force from time to time
- 4 1 The income and property of the company shall be applied solely towards promoting the company's objects (as set out in clause 3 of this memorandum of association)
- 4 2 No part of the income or property of the company shall (except as permitted under clause 4 5) be paid or transferred (directly or indirectly) to the members of the company, whether by way of dividend, bonus or otherwise
- 4 3 No director of the company shall (except as permitted under clause 4 5) be appointed as a paid employee of the company, no director shall (except as permitted under clause 4 5) hold any office under the company for which a salary or fee is payable
- 4 4 No benefit (whether in money or in kind) shall (except as permitted under clause 4 5) be given by the company to any director except (i) repayment of out of pocket expenses or (ii) reasonable payment in return for particular services (not being of a management nature) actually rendered to the company
- 4 5 The company may pay reasonable remuneration, and provide reasonable pension and/or other benefits, to a director who is an employee of the company, but subject to the proviso that at any given time, a majority of the directors must be individuals who do not receive remuneration from the company either under clause 4 4 or this clause 4 5
- 4 6 For the purposes of clause 4 5 a director shall be deemed to receive remuneration from the company if a party who/which is connected with him/her within the meaning of section 68 of the Charities and Trustee Investment (Scotland) Act 2005 receives remuneration from the company
- 5 The liability of the members is limited
- 6 Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while he/she is a member or within one year after he/she ceases to be a member, for payment of the company's debts and liabilities contracted before he/she 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 among themselves
- 7 1 If on the winding up of the company any property remains after satisfaction of the company's debts and liabilities, such property shall not be paid to or distributed among the members of the company, that property shall instead be transferred to some other charity or charities (whether incorporated or unincorporated) whose objects are similar (wholly or in part) to the objects of the company

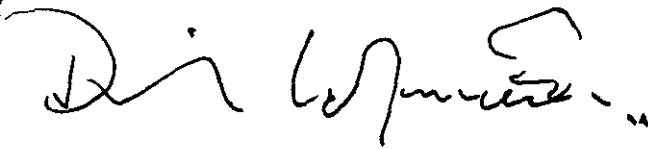
- 7.2 The charity or charities to which property is transferred under clause 7.1 shall be determined by the members of the company at or before the time of dissolution or, failing such determination, by such court as may have jurisdiction at that time
- 7.3 To the extent that effect cannot be given to the provisions of clauses 7.1 and 7.2, the relevant property shall be applied to some other charitable purpose or purposes.
- 8 Accounting records shall be kept in accordance with all applicable statutory requirements and such accounting records shall, in particular, contain entries from day to day of all sums of money received and expended by the company and the matters in respect of which such receipt and expenditure take place and a record of the assets and liabilities of the company, such accounting records shall be open to inspection at all times by any director of the company

We the subscribers to this memorandum of association, wish to be formed as a company pursuant to this memorandum

Names and addresses of subscribers

1

DANIEL LAFAYEEDNEY
4 Park Town
Oxford
Oxon OX2 6SH



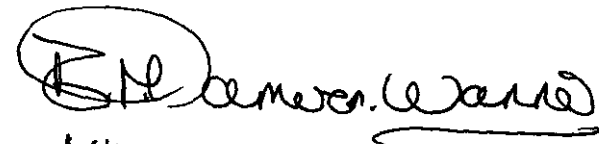
2

CHRISTOPEHER NIGEL DONNELLY
High Hundhowe
Bowston
Burneside
Kendal
Cumbria LA8 9AB



Dated 11 Nov 2006

Witness to the above signatures



NATO HQ
BFPO 49
BRUSSELS
BELGIUM

ROSEMARY
CAMERON - WANNER

THE COMPANIES ACTS 1985 and 1989

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES of ASSOCIATION

of

THE INSTITUTE FOR STATECRAFT AND GOVERNANCE

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General structure

- 1 The structure of the company consists of
- (a) the 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 Acts, in particular, the members take decisions in relation to changes to the articles themselves
 - (b) the 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.

Membership: general

- 2 The members of the company shall consist of the subscribers to the memorandum of association and such other individuals as are admitted to membership under articles 5 to 8

Founder Members

- 3 For the purposes of these articles, "Founder Members" means (in each case, only for so long as he/she remains a member of the company) the subscribers to the memorandum of association, and such other members as the subscribers and the other Founder Members (if any) may determine should fall within this category
- 4 Any determination that a member (other than a subscriber to the memorandum of association) should fall within the category of "Founder Members" shall be valid only if made in writing, signed by all of the individuals who are Founder Members at the time, any such determination may consist of two or more documents in the same terms, each signed by a Founder Member or Founder Members

Qualifications for membership

- 5 Subject to article 7, membership shall be open to any individual having a special interest in the work of the company who has been nominated for membership by two directors of the company

Application for membership

- 6 Any individual who wishes to become a member must lodge a written application for membership with the company, the application must be signed by him/her and by the two directors nominating him/her for membership
- 7 The directors may, at their discretion, refuse to admit any individual to membership, an individual shall be admitted to membership only if at least two thirds (to the nearest round number) of the directors in office vote in favour of the resolution for his/her admission to membership
- 8 The directors shall consider each application for membership at the first directors' meeting which is held after receipt of the application, the directors shall, within a reasonable time after the meeting, notify the applicant of their decision on the application

Membership subscription

- 9 No membership subscription shall be payable

Register of members

- 10 The directors shall maintain a register of members, setting out the full name and address of each member, the category of membership into which he/she falls, the date on which he/she was admitted to membership, and the date on which any person ceased to be a member

Withdrawal from membership

- 11 Any person 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, he/she shall cease to be a member
- 12 A person shall automatically cease to be a member if he/she ceases (for whatever reason) to be a director of the company

Expulsion from membership

- 13 Subject to articles 14 and 15, the directors may expel any individual from membership by means of a resolution passed at a meeting of the directors in respect of which at least two thirds of the directors voted in favour
- 14 Any director who wishes to propose at any meeting of the directors a resolution for the expulsion of any individual from membership shall lodge with the directors written notice of his/her intention to do so (identifying the member concerned and specifying the grounds for the proposed expulsion) not less than three weeks before the date of the board meeting
- 15 The directors shall have no power to expel a Founder Member from membership

Termination/transfer

- 16 Membership shall cease on death
- 17 A member may not transfer his/her membership to any other person

General meetings (meetings of members)

- 18 The directors shall convene an annual general meeting in each year (but excluding the year in which the company is formed), the first annual general meeting shall be held not later than 18 months after the date of incorporation of the company.
- 19 Not more than 15 months shall elapse between one annual general meeting and the next
- 20 The business of each annual general meeting shall include
- (a) a report by the chair on the activities of the company

(b) consideration of the annual accounts of the company

- 21 The directors may convene an extraordinary general meeting at any time
- 22 The directors must convene an extraordinary general meeting if there is a valid requisition by members (under section 368 of the Act) or a requisition by a resigning auditor (under section 392A of the Act)

Notice of general meetings

- 23 At least 21 clear days' notice must be given of (a) an annual general meeting or (b) an extraordinary general meeting at which a special resolution (see article 28) or a resolution requiring special notice under the Act, is to be proposed, all other extraordinary general meetings shall be called by at least 14 clear days' notice
- 24 The reference to "clear days" in article 23 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
- 25 A notice calling a meeting shall specify the time and place of the meeting, it shall (a) indicate the general nature of the business to be dealt with at the meeting and (b) if a special resolution (see article 28) (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
- 26 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 an extraordinary general meeting
- 27 Notice of every general meeting shall be given (either in writing or, where the individual to which notice is given has notified the company of an address to be used for the purpose of electronic communication, by way of electronic communications) to all the members and directors, and (if there are auditors in office at the time) to the auditors.

Special resolutions and ordinary resolutions

- 28 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 extraordinary general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with articles 23 to 27; 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
- 29 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 memorandum of association with respect to the company's objects
- (c) to alter any provision of these articles or adopt new articles of association

30 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 articles 23 to 27

Procedure at general meetings

31 No business shall be dealt with at any general meeting unless a quorum is present, the quorum for a general meeting shall (subject to article 32) be three members, present in person or represented by proxy

32 A quorum shall not be deemed to be constituted at any meeting at which a resolution of the nature referred to in article 38 is to be proposed unless all of the Founder Members are present or represented at the meeting

33 If a quorum is not present within 15 minutes after the time at which a general meeting was due to commence or if, during a meeting, a quorum ceases to be present - the meeting shall stand adjourned to such time and place as may be fixed by the chairperson of the meeting

34 The Chair shall (if present and willing to act as chairperson) preside as chairperson of each general meeting, if the Chair is not present and willing to act as chairperson within 15 minutes after the time at which the meeting was due to commence, the directors present at the meeting shall elect from among themselves the person who will act as chairperson of that meeting

35 The chairperson of a general meeting may, with the consent of the meeting, adjourn the meeting to such time and place as the chairperson may determine

Voting at general meetings

36 Every member shall (subject to article 37) have one vote, which (whether on a show of hands or on a secret ballot) may be given either personally or by proxy

37 If at any general meeting a resolution of the nature referred to in article 38 is proposed, a Founder Member, if voting against the resolution, shall be entitled to cast 100 votes in respect of that resolution.

38 The provisions of article 37 shall apply in relation to

- (a) any resolution to alter the memorandum and articles of association (whether or not involving an alteration to article 37 or this article 38 (the adoption of new articles of association or the introduction of new provisions which would alter or affect the operation of any provision of the memorandum of association or the articles, being deemed to be an alteration for this purpose)
 - (b) any resolution to change the name of the company
 - (c) any resolution for the removal of any Founder Member from office as a director
 - (d) any resolution giving a direction to the board of directors
 - (e) any resolution for the winding up of the company
- 39 A member who wishes to appoint a proxy to vote on his/her behalf at any meeting
- (a) shall lodge with the company, at the company's registered office, not less than 48 hours before the time for holding the meeting, a written instrument of proxy (in such form as the directors require), signed by him/her, or
 - (b) shall send to the company at such address as may have been notified to the members by the company for that purpose, an electronic communication containing the appointment of a proxy, providing such electronic communication is received by the company at such address not less than 48 hours before the time for holding the meeting
- 40 An instrument of proxy, or electronic communication containing the appointment of a proxy which does not conform with the provisions of article 39, or which is not lodged or sent in accordance with such provisions, shall be invalid
- 41 A proxy need not be a member of the company
- 42 A member shall not be entitled to appoint more than one proxy to attend the same meeting
- 43 A proxy appointed to attend and vote at any meeting instead of a member shall have the same right as the member who appointed him/her to speak at the meeting
- 44 If there is an equal number of votes for and against any resolution, the chairperson of the meeting shall not be entitled to a casting vote
- 45 A resolution put to the vote at a general meeting shall be decided on a show of hands unless a secret ballot is demanded by the chairperson (or by at least two persons present at the meeting and entitled to vote whether as members or as 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

- 46 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.

Number of directors

- 47 The minimum number of directors shall be 5
- 48 The maximum number of directors shall be 7
- 49 The number of directors who are not employees of the company must at all times exceed the number of directors who are employees of the company

Appointment, retiral, re appointment

- 50 Subject to articles 48 and 49, each individual admitted to membership shall automatically constitute a director with effect from the time at which he/she becomes a member of the company
- 51 At each annual general meeting
- (a) any director who became a director under article 50 during the period since the preceding annual general meeting (or, in the case of the first annual general meeting, since the date of incorporation of the company) shall retire from office, and
 - (b) out of the remaining directors (excluding those who are Founder Members or employees of the company), one shall retire from office
- 52 The director to retire under paragraph (b) of article 51 shall be the director who has been longest in office since he/she was last appointed or re-appointed, as between directors who were last appointed/re appointed on the same date, the question of which of them is to retire shall be determined by some random method
- 53 The members may at any annual general meeting, by way of a resolution passed by at least two thirds (to the nearest round number) of the total membership at the time, re appoint any individual retiring at the meeting, if any individual retiring at the meeting is not so re appointed, he/she shall cease to be a director and member of the company with effect from the conclusion of the annual general meeting
- 54 A director who is a Founder Member or an employee of the company shall not be subject to periodic retiral/re appointment, articles 51 to 53 shall be deemed to be qualified accordingly

Termination of office

- 55 A director shall automatically vacate office if
- (a) he/she ceases to be a director through the operation of any provision of the Act or becomes prohibited by law from being a director
 - (b) he/she becomes debarred under any statutory provision from being a charity trustee
 - (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 ceases to be a member of the company
 - (e) he/she resigns office by notice to the company
 - (g) he/she is absent (without permission of the directors) from more than three consecutive meetings of the directors, and the directors resolve to remove him/her from office; or
 - (h) he/she is removed from office by ordinary resolution (special notice having been given) in pursuance of section 303 of the Act

Register of directors

- 56 The directors shall maintain a register of directors, setting out full details of each director, including the date on which he/she became a director, and also specifying the date on which any person ceased to hold office as a director

Office bearers

- 57 The directors shall elect from among themselves a Chair, and such other office bearers (if any) as they consider appropriate
- 58 A person elected to any office shall cease to hold that office if he/she ceases to be a director, or if he/she resigns from that office by written notice to that effect

Powers of directors

- 59 Subject to the provisions of the Act, the memorandum of association 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
- 60 A meeting of the directors at which a quorum is present may exercise all powers exercisable by the directors

Personal interests

- 61 Subject to articles 62 to 66, provided he/she has declared his/her interest and has not voted on the question of whether or not the company should enter into the relevant arrangement a director will not be debarred from entering into an arrangement with the company in which he/she has a personal interest (or is deemed to have a personal interest under article 76) and may retain any personal benefit which he/she gains from his/her participation in that arrangement

Directors' remuneration and expenses

- 62 Where a director provides services to the company or might benefit from any remuneration paid to a connected party for such services, then
- (a) the maximum amount of the remuneration must be specified in a written agreement and must be reasonable
 - (b) 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
 - (c) less than half of the directors must be receiving remuneration from the company
- 63 For the purposes of paragraph (c) of article 62, a director shall be deemed to receive remuneration from the company if a party who/which is connected with him/her within the meaning of the Charities and Trustee Investment (Scotland) Act 2005 receives remuneration from the company
- 64 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
- 65 A director who is an employee of the company shall be entitled to retain the remuneration, and pension and/or other benefits, paid or provided to him/her in his/her capacity as an employee of the company
- 66 Subject to article 62, a director may serve as an employee (full time or part time) of the company; but no director may be given any remuneration by the company for carrying out his/her ordinary duties as a director

Procedure at directors' meetings

- 67 Any director may call a meeting of the directors or request the secretary to call a meeting of the directors
- 68 Questions arising at a meeting of the directors shall be decided by a majority of votes, if an equality of votes arises, the chairperson of the meeting shall not have a casting vote
- 69 No business shall be dealt with at a meeting of the directors unless a quorum is present, the quorum for meetings of the directors shall (subject to article 70) be three directors, present in person

- 70 A quorum shall not be deemed to be constituted at any meeting of directors unless
- (a) the number of directors present who are not employees of the company (and who do not receive any other remuneration from the company) exceeds the number of directors present who are employees of the company (or receive other remuneration from the company), and
 - (b) all of the directors who are Founder Members are present at the meeting
- 71 A director may participate in a meeting of directors by way of a videoconferencing facility, a teleconferencing facility or other form of communications equipment whereby all of the directors participating in the meeting can hear each other, a director participating in this manner shall be counted in determining whether a quorum is constituted
- 72 If at any time the number of directors in office 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
- 73 Unless he/she is unwilling to do so, the Chair shall preside as chairperson at every directors' 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 directors present shall elect from among themselves the person who will act as chairperson of the meeting
- 74 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 who is invited to attend a directors' meeting shall not be entitled to vote
- 75 A director shall not vote at a directors' 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 company, he/she must withdraw from the meeting while an item of that nature is being dealt with
- 76 For the purposes of article 75, a person shall be deemed to have a personal interest in a particular matter 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 director, has a personal interest in that matter
- 77 For the avoidance of doubt, a director who is an employee of the company shall not be entitled to vote in relation to any matter connected with his/her terms and conditions of employment
- 78 A director 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

- 79 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 75 to 78

Conduct of directors

- 80 Each of the directors shall, in exercising his/her functions as a director of the company, act in the interests of the company, and, in particular, must
- (a) seek, in good faith, to ensure that the company acts in a manner which is in accordance with its objects (as set out in the memorandum of association)
 - (b) act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person
 - (c) in circumstances giving rise to the possibility of a conflict of interest between the company and any other party
 - (i) put the interests of the company before that of the other party, in taking decisions as a director
 - (ii) where any other duty prevents him/her from doing so, disclose the conflicting interest to the company and refrain from participating in any discussions or decisions involving the other directors with regard to the matter in question
 - (d) ensure that the company complies with any direction, requirement, notice or duty imposed on it by the Charities and Trustee Investment (Scotland) Act 2005

Delegation to sub committees

- 81 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 (or the holder of any other post) such of their powers as they may consider appropriate
- 82 Any delegation of powers under article 81 may be made subject to such conditions as the directors may impose and may be revoked or altered
- 83 The rules of procedure for any sub committee shall be as prescribed by the directors

Secretary

- 84 The company secretary shall be appointed by the directors for such term, at such remuneration (if any), and upon such conditions, as they may think fit; the company secretary may be removed by them at any time

Minutes

- 85 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 chairperson of the meeting

Accounting records and annual accounts

- 86 The directors shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements
- 87 The directors 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
- 88 No member shall (unless he/she is 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

- 89 Any notice which requires to be given to a member under these articles shall be given either in writing or by way of an electronic communication; 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 way of an electronic communication
- 90 Any notice, if sent by post, shall be deemed to have been given at the expiry of 48 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 duly addressed and posted
- 91 Any notice contained in an electronic communication shall be deemed to have been given at the expiry of 24 hours after it is sent, for the purpose of proving that any electronic communication was 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

Winding up

- 92 If the company is wound up, the liquidator shall give effect to the provisions of clause 7 of the memorandum of association

Indemnity

- 93 Every director or other officer or auditor of the company shall be indemnified (to the extent permitted by sections 309A, 309B and 310 of the Act) out of the assets of the company against any loss or liability which he/she 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 him/her in defending any proceedings (whether civil or criminal) in which judgement is given in his/her favour or in which he/she is acquitted or any liability in connection with an application in which relief is granted to him/her by the court from liability for negligence, default or breach of trust in relation to the affairs of the company

- 94 The company shall be entitled 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 execution of the duties of his/her office, and such insurance may extend to liabilities of the nature referred to in section 309A(1) of the Act (negligence etc of a director)

Interpretation

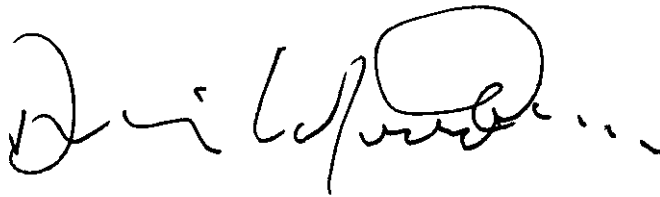
- 95 In these articles "the Act" means the Companies Act 1985, any reference in these articles to a provision of the Act shall be taken to include any statutory modification or re-enactment of that provision which is in force at the time
- 96 In these articles, "electronic communication" has the same meaning as is assigned to that expression in the Electronic Communications Act 2000

97 Reference in these articles to the singular shall be deemed to include the plural

Names and addresses of subscribers

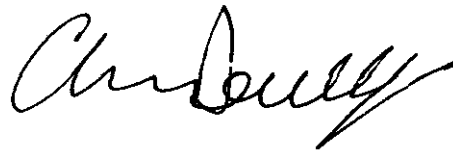
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DANIEL LAFAYEEDNEY
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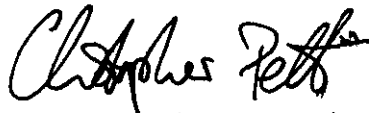
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Dated 11 Nov. 2006

Witness to the above signatures



CHRISTOPHER PETT

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