

THE COMPANIES ACT 2006

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

ARTICLES OF ASSOCIATION

of

PENNYPIT COMMUNITY DEVELOPMENT TRUST

TURCAN CONNELL

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As amended by Special Resolution dated 18th August and 15th September 2011

INTERPRETATION

1. The regulations contained in The Companies (Model Articles) Regulations 2008 or any statutory modification or re-enactment thereof shall not apply.

In these presents, if not inconsistent with the subject or context, the words set out in the first column of the table below shall bear the meanings set opposite to them respectively in the second column thereof.

WORDS	MEANINGS
The Act	The Companies Act 2006 and every other Act for the time being in force concerning companies and affecting the Trust.
These presents	These Articles of Association, as originally framed, or as from time to time altered by Special Resolution.
Seal	The Common Seal of the Trust.
The United Kingdom	Great Britain and Northern Ireland.
Month	Calendar month.
Year	Calendar year.
In writing	Written or produced by any substitute for writing, including by electronic means, or

	partly one and partly another.
Secretary	Any person appointed in accordance with these presents.
Trustees	the Directors.

Any words importing the singular number only shall include the plural number and vice versa.

Words importing the masculine gender only shall include the feminine gender and words importing persons shall include corporations.

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these presents.

References to any Act include references to any statutory modification or re-enactment thereof and any subordinate legislation made under it.

COMPANY NAME

2. The Company's name is "Pennypit Community Development Trust" (hereinafter "the Trust").

REGISTERED OFFICE

3. The Trust's Registered Office is to be situated in Scotland.

OBJECTS AND POWERS OF THE TRUST

- 4.1 The objects of the Trust are:-

- (a) to provide recreational facilities or organise recreational activities with the object of improving the conditions of life and improving the health and education (particularly physical education) of the inhabitants of the town of Prestonpans and the surrounding localities through the development,

improvement and management of, or assisting in the development, improvement and management of the Pennypit Park, Prestonpans, East Lothian and the provision of facilities or activities in Prestonpans and the surrounding localities, declaring that no act of the Trust shall be outwith the scope of these objects by reason only that persons who are not inhabitants of Prestonpans and the surrounding localities may or do benefit by such act; and

- (b) to promote such similar charitable purposes, objects or institutions and in such proportions and manner as the Trustees shall think fit. The expressions 'charitable purpose' or 'charitable object' 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 the Taxes Acts and a 'charitable institution' shall mean a body on the Scottish Charity Register which is also regarded as a charity in relation to the application of the Taxes Acts or a charity within the meaning of section 1 of the Charities Act 2006 or section 1 of the Charities Act (Northern Ireland) 2008 provided that its objects are limited to charitable purposes.

4.2 The Trust shall have the following powers exercisable in furtherance of its said objects but not otherwise, namely:-

- 4.2.1 to maintain, improve and manage Pennypit Park and to organise or in any way facilitate activities either at the Park or in the surrounding areas which are in furtherance of the Trust's objects;
- 4.2.2 to accept, whether or not subject to any trust purposes or conditions, subscriptions, donations, legacies and bequests of any heritable or moveable, real or personal property;
- 4.2.3 to invest and deal with the monies of the Trust not immediately required upon such investments, securities or property in such manner as may from time to time be determined;
- 4.2.4 to establish and administer such funds as the Trust may require;
- 4.2.5 to acquire, hire, hold, dispose of or let property of any kind;
- 4.2.6 to borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Trust's property or assets (whether present or future), and also by a mortgage, charge, standard security,

lien or security to secure and guarantee the performance by the Trust of any obligation or liability it may undertake or which may become binding on it; power also to lend and advance money or to give credit on any terms and with or without security;

- 4.2.7 to draw, accept, endorse, and issue cheques and to operate bank accounts;
- 4.2.8 to employ or otherwise engage such officers and staff as may be thought fit and to pay reasonable remuneration to such staff and any technical and professional advisers;
- 4.2.9 to issue appeals, hold public meetings and take such other steps as may be required for the purpose of procuring contributions to the funds of the Trust in the shape of donations, subscriptions or otherwise;
- 4.2.10 to advertise the Trust and undertake any other marketing or fundraising strategies that may seem appropriate;
- 4.2.11 to gather, produce and distribute information and to carry out research;
- 4.2.12 to make any charitable donation either in cash or assets for the furtherance of the objects of the Trust;
- 4.2.13 to undertake and execute charitable trusts and to support, administer or set up other charities;
- 4.2.14 to subscribe to, become a member of, amalgamate or co-operate with takeover or otherwise acquire into any arrangement with, any other charitable organisation, institution, society or body not formed or established for the purposes of profit (whether incorporated or not) in the United Kingdom whose objects are wholly or in part similar to those of the Trust and which by its constitution prohibits or restricts the distribution of its income and property amongst its members to an extent at least as great as is imposed on the Trust;
- 4.2.15 to establish or acquire subsidiary companies;
- 4.2.16 to establish and support or aid in the establishment and support of any charitable trust, association or institution and to donate, subscribe or guarantee money for charitable purposes in any way connected with or calculated to further any of the objects of the Trust;
- 4.2.17 to receive, allocate and administer grants, gifts or bequests made available to the Trust for any or all of its objects whether from public funds or from private

sources under the terms and conditions referable to such grants, gifts or bequests;

- 4.2.18 to insure and arrange insurance cover against any or all losses, damages, risks and liabilities which may affect the Trust or its business, and to indemnify any of its office bearers, members, employees, voluntary workers and all others acting within the authority of the Trust against all such risks as the Trust shall think fit and which are incurred in the course of the performance of official duties;
- 4.2.19 subject to the provisions of Article 63 hereof, to pay reasonable annual sums or premiums for or towards the provision of pensions for such employees for the time being of the Trust or their dependants as may be so nominated and as may from time to time be determined;
- 4.2.20 to enter into any arrangements with any Government or authority that may seem conducive to the attainment of the Trust's objects or any of them and to obtain from any such Government or authority any charters, decrees, rights, privileges or concessions which the Trust may think desirable and to carry out, exercise and comply with any such charters, decrees, rights, privileges and concessions;
- 4.2.21 to enter into any arrangements with any organisation (supreme, national, municipal, local or otherwise) or any university, college, museum, society, corporation, company or any other body or person, and to enter into and carry out joint ventures, partnerships and similar agreements
- 4.2.22 to apply for or otherwise acquire any patent, trademark, copyright or other industrial property right;
- 4.2.23 to pay out of the funds of the Trust the costs, charges and expenses of and incidental to the formation and registration of the Trust;
- 4.2.24 to delegate the administration and management of the Trust or of any asset owned by the Trust or in which it has an interest and to arrange for any asset owned by the Trust to be held in the name of a nominee company;
- 4.2.25 to do all such other lawful things as are in the opinion of the Trustees necessary for or as shall further, directly or indirectly, the attainment of the objects of the Trust or any of them.

5. The income and property of the Trust shall be applied solely towards the promotion of its objects as set out in these presents and no part of such income and property shall be paid or transferred directly or indirectly, by way of dividend, bonus or otherwise by way of profit to Members of the Trust. Any Trustee appointed to any office of the Trust paid by salary or fees or receiving any remuneration or other benefit in money or money's worth from the Trust shall do so only in accordance with the provisions of the Charities and Trustee Investment (Scotland) Act 2005.

MEMBERS

6. Each member of the Trust shall be known as a Member. The number of Members of the Trust shall not be less than two and not more than seven. The Trustees shall keep a register of Members, setting out the full name and address of each Member, the date on which he was admitted to membership, and the date on which he ceases to be a Member.
7.
 - (a) The subscribers to the Memorandum of Association of the Trust and such persons as are appointed as Nominated Trustees of the Trust in accordance with Article 30.5 of these presents shall be Members of the Trust. A person shall not be admitted as a Member of the Trust unless permitted by these presents.
 - (b) Membership of the Trust, other than the initial subscribers, shall consist of only the Nominated Trustees of the Trust.
 - (c) A Nominated Trustee will be deemed to have been admitted as a Member with effect from the date on which he or she formally consents to his or her appointment as a Trustee of the Trust by signing Companies House Form AP01 (or its electronic equivalent or replacement for the time being in force).
 - (d) Each Member shall be a natural person. Institutions, organisations or other bodies shall not be eligible to become a Member of the Trust.
 - (e) Subject to these presents and the provisions of any Rules or Bylaws made pursuant to these presents Membership shall not be transferable and shall cease:-

- (i) when a Member resigns as a Trustee of the Trust in accordance with Article 34(a); or
- (ii) if a Member is removed as a Trustee by reason of any of the events listed in Article 34; or
- (iii) on death.

GENERAL MEETINGS

8. An Annual General Meeting shall be held not more than eighteen months after the incorporation of the Trust and subsequently once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place in Scotland as may be determined by the Trustees. All other General Meetings shall be called General Meetings.
9. The Trustees may whenever they think fit, and shall on requisition in accordance with sections 303 and 518 of the Act, proceed to convene a General Meeting.
10. An Annual General Meeting and any General Meeting shall be called by fourteen days' notice in writing at the least, exclusive in every case of the day on which the notice is served or deemed to be served and of the day for which it is given. Provided that a General Meeting shall, notwithstanding that it is called by shorter notice than as aforesaid, be deemed to have been duly called if it is so agreed:-
 - (a) in the case of an Annual General Meeting, by all the Members entitled to attend and vote thereat; and
 - (b) in the case of a General Meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together representing not less than 90 per cent of the total voting rights at that meeting of all the Members.

The accidental omission to give notice to, or the non-receipt of notice by, any person entitled to receive notice shall not invalidate the proceedings at any General Meeting.

11. Every notice calling a General Meeting shall specify the place and the day and hour of the meeting and in the case of an Annual General Meeting shall also specify the meeting as such. If other than routine business is to be transacted, the notice shall specify the general nature of such business and, if any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect giving the terms of the proposed Special Resolution. The notice must also contain a statement setting out the right of Members to appoint a proxy under Section 324 of the Act and Articles 24 to 29 inclusive of these presents.

12. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:-
 - (a) considering and adopting the balance sheet and income and expenditure account and reports of the Trustees and the Auditors or Independent Examiners, as appropriate, and other related documents;
 - (b) appointing Auditors or Independent Examiners, as appropriate;
 - (c) appointing Trustees in the place of those retiring.

PROCEEDINGS AT GENERAL MEETINGS

13. No business shall be transacted at any General Meeting unless a quorum is present in person or by proxy when the meeting proceeds to business and remains present throughout the meeting; save as herein otherwise provided five in number of the Members entitled to receive notice of and vote at meetings present in person or by proxy shall be a quorum.

14. If within half an hour from the time appointed for the meeting a quorum is not present or if, during the meeting, a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Trustees may determine, and if

at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Members present shall be a quorum.

15. The Chairman of the Trust shall preside as Chairman at every General Meeting but, if there is no such Chairman of the Trust or if at any meeting such Chairman shall not be present within fifteen minutes after the time appointed for holding the meeting, the Trustees present shall choose one of their number to preside. If at any meeting no Trustee is willing to act as Chairman or if no Trustee is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall choose one of their number to be Chairman of the meeting.
16. The Chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. It shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting (except where the meeting has been adjourned for 30 days or more when notice of the adjourned meeting shall be given as in the case of an original meeting).
17. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:-
 - (a) the Chairman; or
 - (b) not less than two Members present in person or by proxy having the right to vote at the meeting; or
 - (c) any Member or Members present in person or by proxy representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting.

A demand for a poll may be withdrawn. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the Chairman that a resolution has been carried, or carried unanimously, or by a particular majority or lost, or not carried by a particular majority, and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.

18. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the resolution unless it be pointed out at the same meeting, or at any adjournment thereof, and not in that case unless it shall in the opinion of the Chairman be of sufficient magnitude to vitiate the resolution.
19. If a poll is duly demanded (and the demand is not withdrawn) it shall be taken in such manner as the Chairman may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman may appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.
20. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall not in any circumstances be entitled to a second or casting vote.
21. A poll demanded on the election of a Chairman or on the question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such time and place as the Chairman of the meeting directs, and any business other than that upon which the poll has been demanded may be proceeded with pending the taking of the poll. No notice need be given of a poll not taken immediately.
22. Subject to the provisions of the Act, a written resolution shall be as valid and effective as if the same had been passed at a General Meeting duly convened and held. Any resolution that may be passed validly at a General Meeting may be passed as a written resolution except:

- (a) a resolution to remove a Trustee before his period of office expires; and
 - (b) a resolution to remove an auditor before his period of office expires.
23. A written resolution may be sent out in more than one document and is passed when:-
- (a) a copy of the proposed resolution has been sent to every eligible Member; and
 - (b) in the case of an Ordinary Resolution, a simple majority of the Members eligible to vote have signified their agreement to the resolution in an authenticated document which has been received at the Registered Office within 28 days from the circulation date; or
 - (c) in the case of a Special Resolution, at least 75% of the Members eligible to vote have signified their agreement to the resolution in an authenticated document which has been received at the Registered Office within 28 days from the circulation date.

VOTES OF MEMBERS

24. Where in Scotland or elsewhere a curator bonis, guardian, trustee or receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any Member on the ground (however formulated) of mental disorder, or incapacity the Trustees may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Trustees may require, permit such curator bonis, guardian, trustee or receiver or other person on behalf of such Member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by Membership in relation to meetings of the Trust.
25. On a poll votes may be given either personally or by proxy. A proxy appointed to attend and vote at any meeting in place of a Member shall have the same right as the Member who appointed him to speak at the meeting and need not be a Member of the Trust himself. A person who is entitled to attend, speak or vote at a General Meeting remains so entitled in respect of that meeting or any adjournment of it, even

though a valid proxy notice has been delivered to the Trust by or on behalf of that person.

26. An instrument appointing a proxy shall be in writing and shall be signed by the appointor or his attorney. The Trustees may, but shall not be bound to, require evidence of the authority of any such attorney.
27. An instrument appointing a proxy must be left at the Registered Office or such other place (if any) as is specified for that purpose in the notice convening the meeting not less than forty-eight hours before the time for holding the meeting or adjourned meeting (or, in the case of a poll, before the time appointed for the taking of the poll) at which it is to be used and in default shall not be treated as valid.
28. An instrument appointing a proxy may be in the usual common form, or in such other form as the Trustees may accept, and shall be deemed to confer authority to demand or join in demanding a poll. An instrument appointing a proxy may specify how the proxy is to vote (or that the proxy is to abstain from voting) on one or more resolutions, and unless it indicates otherwise, it must be treated as allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting. It need not be witnessed and shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
29. A vote given by proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the instrument of proxy was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Trust at the Registered Office before the commencement of the meeting or adjourned meeting or poll at which the vote is given.

APPOINTMENT AND RETIREMENT OF TRUSTEES

30. During the period commencing on the date of incorporation of the Trust and terminating on such date in 2017 as is selected for the ordinary election of Councillors in Scotland in accordance with the Scottish Local Government (Elections) Act 2009 (such period to be known as “the Transitional Period”), the appointment and retirement of Trustees shall be governed by transitional provisions (“Transitional Provisions”) and shall be governed by these presents only to the extent that they are not inconsistent with the Transitional Provisions.
- 31.1 Subject as hereinafter provided, the minimum number of Trustees shall be seven, of whom at least one shall be resident in Scotland. The maximum number of Trustees shall be ten. The Trust may by Ordinary Resolution from time to time increase or reduce the number of Trustees.
- 31.2 Subject to these presents and subject in particular to the terms of the Transitional Provisions and Article 31.3 below, Trustees shall be appointed for a term of four years (a “Term”) and shall be eligible for re-appointment for one further Term. Trustees shall then stand down for a period of at least one year but may then be appointed as a Trustee subject to the terms of this Article.
- 31.3 Notwithstanding the terms of Article 31.2:-
- (i) For the purpose of Article 31.2 only, a year shall mean the period between one Annual General Meeting and the Annual General Meeting immediately following it in the next calendar year.
 - (ii) Subject to the terms of the Transitional Provisions, where a Trustee is appointed under Article 31.4(ii), he shall be appointed until such date as is the next date selected for the ordinary election of Councillors in Scotland, which period shall be a Term for such Trustees.
 - (iii) Where a Trustee (other than a Trustee appointed under Article 31.4(iii)) is appointed as a Nominated Trustee or Appointed Trustee other than at an Annual General Meeting under Article 12(c), his period of office shall terminate

at the fourth Annual General Meeting following his appointment, which period shall be a Term for such Trustees.

- (iv) Where a Trustee is required to retire at an Annual General Meeting by a provision of these presents, the retirement shall take effect upon the conclusion of the meeting.

31.4 Subject to the provisions of Articles 31.5 and 34(h), the Board of Trustees shall at all times comprise:-

- (i) two Trustees nominated by Preston Lodge Rugby Club;
- (ii) two Trustees nominated by Preston Athletic Football Club;
- (iii) two Trustees nominated by East Lothian Council and being Councillors of East Lothian Council; and
- (iv) one Trustee nominated by Prestonpans Community Council and being a Community Councillor of Prestonpans Community Council;

which Trustees shall together be known as the “Nominated Trustees” and which organisations having the right of nomination shall together be known as the “Nominating Organisations”; and

- (v) up to a maximum of three Trustees appointed by the Members and appointed from, and representative of, Prestonpans and the surrounding localities, or with skills to assist the Trust in carrying out its objects, who shall together be known as the “Appointed Trustees”.

Nominated Trustees and Appointed Trustees shall for all other purposes be subject to these presents as if references to the Trustees included a reference to both the Nominated Trustees and the Appointed Trustees, unless the context requires otherwise.

31.5 Notwithstanding the terms of Article 31.4, the Trustees may act notwithstanding that at any time and for any reason the requisite number of Nominated Trustees is not met, provided that all reasonable efforts are made to secure the necessary Nominated Trustees.

- 31.6 Where an individual is nominated by a Nominating Organisation in accordance with that organisation's procedures, the nomination must be notified to the Chairman of the Trust in writing. The nomination shall be considered by the Members then acting at the next Annual General Meeting of the Trust or at the next Trustees' Meeting, whichever is the first, and at that meeting the Members or Nominated Trustees (as applicable) shall, unless they have good and proper reasons for refusing an individual duly nominated, appoint the nominee as a Nominated Trustee.
- 31.7 An individual shall not be precluded from serving as a Nominated Trustee in one of the categories set out in Article 31.4 solely because he would also qualify in another category, nor shall he be precluded from serving as an Appointed Trustee.
32. The Members may by Ordinary Resolution, for which special notice shall not be required, remove an Appointed Trustee at any time and may by a like resolution appoint another person in his place. The Members may also by Ordinary Resolution appoint any person to be an Appointed Trustee for a Term under Article 31.3(iii) either to fill a vacancy should one arise for any reason or as an additional Trustee but so that the maximum number of Trustees fixed by or in accordance with these presents is at no time exceeded. For the avoidance of doubt, the provisions of this Article do not apply to Nominated Trustees.

ALTERNATE TRUSTEES

33. (a) Any Nominated Trustee may appoint any other Trustee, or any other person approved by resolution of the Trustees and willing to act or any other member of the Nominating Organisation to be an Alternate Trustee and may remove from office an Alternate Trustee so appointed by him.
- (b) An Alternate Trustee shall be entitled to receive notice of all meetings of the Trustees and of all meetings of committees of Trustees of which his appointor is a member, to attend and vote at any such meeting at which the Trustee appointing him is not personally present, and generally to perform all the functions of his appointor as a Trustee in his absence but shall not be entitled

to receive any remuneration from the Trust for his services as an Alternate Trustee. However, it shall not be necessary to give notice of such a meeting to an Alternate Trustee who is absent from the United Kingdom.

- (c) An Alternate Trustee shall cease to be an Alternate Trustee if his appointor ceases to be a Trustee, save that if a Trustee vacates office but is re-appointed at or immediately following the meeting at which he vacates office, any appointment of an Alternate Trustee made by him which was in force immediately prior to vacating office shall continue after his re-appointment.
- (d) Any appointment or removal of an Alternate Trustee shall be by notice to the Trust signed by the Trustee making or revoking the appointment or in any other manner approved by the Trustees. The notice may state that the powers of the Alternate Trustee shall be limited to attending, speaking and voting at a Trustees' meeting at which the Trustee who appointed him will not be present but, in the absence of a statement of that kind, the appointment shall be deemed to extend to performing all the functions of his appointor as a Trustee in his absence.
- (e) A person acting as an Alternate Trustee, shall, if the Trustee who appointed him is not present, be counted in the quorum. A Trustee who is also an Alternate Trustee shall be entitled, in the absence of the Trustee who appointed him, to a separate vote on behalf of his appointor in addition to his own vote. A personal interest held by a Trustee who has appointed an Alternate Trustee shall be treated as a personal interest of the Alternate Trustee.
- (f) Save as otherwise provided in these presents, an Alternate Trustee shall be deemed for all purposes (other than in calculating the maximum number of Trustees permissible under these presents) to be a Trustee and shall alone be responsible for his own acts and defaults and shall not be deemed to be the agent of the Trustee appointing him.

DISQUALIFICATION OF TRUSTEES

34. The office of a Trustee shall be vacated in any of the following events, namely:-
- (a) if he resigns by notice in writing to the Trust at the Registered Office unless after the resignation there would be less than two Trustees remaining in office;
or
 - (b) if he shall enter into an arrangement with his creditors or become apparently insolvent; or
 - (c) if in Scotland or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a curator bonis or guardian or a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs; or
 - (d) if he is prohibited by law from being a Trustee or ceases to be a Trustee by virtue of any provision of the Act, or if he is disqualified from acting as a charity trustee in terms of the Charities and Trustee Investment (Scotland) Act 2005 or in any other circumstances under which the Office of the Scottish Charity Regulator requires his removal from office;
 - (e) if he shall for more than six months have been absent without permission of the Trustees from meetings of the Trustees held during that period and the Trustees resolve that his office be vacated; or
 - (f) if in the sole opinion of the other Trustees he shall have acted in such a way as would bring the Trust into disrepute and that in all the circumstances his removal from office is justified to preserve the reputation of the Trust; or
 - (g) if he is a Nominated Trustee and he is removed from office by the Members in accordance with section 168 of the Act, or if he is an Appointed Trustee and he

is removed from office by the Members in accordance with Article 32 of these presents or in accordance with section 168 of the Act; or

- (h) if he is a Trustee nominated by Preston Lodge Rugby Club or Preston Athletic Football Club under Article 31.4(i) or (ii) respectively and the Nominating Organisation gives notice in writing to the Trust that it wishes to withdraw its nomination of that individual; or if he is a Councillor or Community Councillor nominated as a Trustee under Article 31.4(iii) or (iv) respectively and he ceases for any reason to be a Councillor or Community Councillor as applicable;

PROCEEDINGS OF THE TRUSTEES

- 35. The Trustees may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Unless otherwise so determined, the Trustees shall meet at least three times in each calendar year and not more than five months shall elapse between the date of one meeting and that of the next. Questions arising at any meeting shall be determined by a majority of votes, and in the case of an equality of votes the Chairman shall have a second or casting vote. Any member of the board of Trustees may, and the Secretary (if one is appointed) on the requisition of a Trustee shall, at any time summon a meeting of the Trustees. It shall not be necessary to give notice of a meeting of the board of Trustees to any member thereof for the time being absent from the United Kingdom.
- 36. The quorum necessary for the transaction of the business of the Trustees may be fixed by the Trustees and unless so fixed at any other number shall be five Trustees. A Trustee shall not be counted in the quorum when any decision is made about a matter upon which that Trustee is not entitled to vote. A meeting of the Trustees at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Trustees for as long as a quorum remains present.
- 37. The continuing Trustees may act notwithstanding any vacancies, but, if and so long as the number of Trustees is reduced below the minimum number fixed by or in

accordance with these presents, the continuing Trustee or Trustees may act for the purpose of filling up such vacancies or of summoning General Meetings of the Trust, but for no other purpose. If there be no Trustee or Trustees able or willing to act, then any two Members of the Trust may summon a General Meeting for the purpose of appointing Trustees.

38. The Trustees will elect a Chairman of the board of Trustees, who shall not be a Councillor, and such other office bearers (if any) as they consider appropriate and may at any time revoke such appointment or appointments. A person elected to any office shall automatically cease to hold that office if he ceases to be a director or if he resigns from that office by written notice to that effect. Such Chairman shall be known as the Chairman of the Trust. If no Chairman of the Trust shall have been appointed, or if at any meeting the Chairman shall not be present within fifteen minutes after the time appointed for holding the same, the Trustees present may choose one of their number to be Chairman of the meeting.
39. A resolution in writing or in electronic form agreed by a majority of the Trustees entitled to receive notice of a meeting of the Trustees or, as the case may be, of a meeting of a committee of Trustees and to vote upon the resolution shall be as effective as a resolution passed at a meeting of the Trustees or, as the case may be, a committee of the Trustees, duly convened and held, provided that a copy of the resolution is sent to all Trustees eligible to vote and a simple majority of Trustees has signified its agreement in an authenticated document or documents which are received at the Registered Office within 28 days of the circulation date. The resolution may consist of several documents in the like form, to each of which one or more of the Trustees has signified their agreement.
40. The Trustees may delegate any of their powers to a committee consisting of such number of Trustees, Members and/or of such other persons (if any) as the Trustees shall at a meeting of Trustees think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the Trustees. Any regulations imposed under this Article may be revoked or altered.

41. The meetings and proceedings of any committee shall be governed by the provisions of these presents regulating the meetings and proceedings of the Trustees so far as the same are applicable and are not superseded by any regulations made by the Trustees, save that the quorum necessary for the transaction of the business of any committee may be fixed by the Trustees and unless so fixed at any other number shall be three or the number nearest to one third of the total number of committee members, whichever is the greater. No resolution of any committee shall be effective unless a majority of the members of the committee at the meeting are Trustees or unless such resolution is approved by the Trustees. All proceedings of committees must be reported promptly to the Trustees.
42. All acts done by any meeting of the Trustees or any committee, or by any person acting as a Trustee or as a member of a committee, shall as regards all persons dealing in good faith with the Trust, notwithstanding that there was some defect in the appointment or continuance in office of any Trustee or member of a committee or person acting as such or that any such member or person was disqualified 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 Trustee or a member of a committee and had been entitled to vote.
43. The Trustees or any committee may agree to invite additional persons to attend their meetings for special purposes or to co-opt additional persons to be *de facto* members of any committee, but such additional persons shall not have the right to vote. The Trustees or any committee may seek advice from such persons as it or they shall think fit.
44. Any one or more (including without limitation, all) of the Trustees or any committee may participate in a meeting of the Trustees or such committee:-
 - (a) by means of a conference telephone or similar communications equipment or any other suitable electronic means allowing all persons participating in the meeting to communicate with all the other participants ; or

(b) by a succession of telephone calls to Trustees from the Chairman of the meeting following disclosure to them of all material points.

Participating by such means shall constitute presence in person at a meeting. Such meeting shall be deemed to have occurred either (i) at the place where most of the Trustees participating are present or (ii) at the place where the Chairman of the meeting is present.

CONFLICTS OF INTEREST

45. A Trustee must declare the nature and extent of any interest, direct or indirect, which he has in a proposed transaction or arrangement with the Trust or in any transaction or arrangement entered into by the Trust which has not previously been declared and must re-declare the nature and extent of any interest (direct or indirect) at a Trustees' or committee meeting at or before the time discussion begins on the matter. After providing any information requested, a Trustee must absent himself from any discussions of the Trustees in which it is possible that a conflict will arise between his duty to act solely in the interests of the Trust and any personal interest (including but not limited to any personal financial interest).
46. (1) If a conflict of interests arises for a Trustee and the conflict is not authorised by virtue of any other provision in these presents, the unconflicted Trustees, provided they form a quorum and are satisfied that it is in the best interests of the Trust to do so, may authorise such a conflict of interests where the following conditions apply:
- (a) Other than providing information, the conflicted Trustee takes no part in deliberations on any arrangement or transaction to which the conflict of interest relates;
 - (b) the conflicted Trustee does not vote on any such matter and is not to be counted when considering whether a quorum of Trustees is present at the meeting;
 - (c) the unconflicted Trustees consider it is in the interests of the Trust to authorise

the conflict of interests in the circumstances applying; and

- (d) the terms of Section 66 of the Charities and Trustee Investment (Scotland) Act 2005 are not thereby contravened.

(2) For the purposes of this Article, a Trustee shall be deemed to have an interest in an arrangement if there is a direct or indirect benefit of any nature to that Trustee or to a connected person as defined in section 252 of the Act.

47. Subject to Article 48, all acts done by a meeting of Trustees, or by a committee of Trustees, shall be valid notwithstanding the participation in any vote of a Trustee:

- (a) who was disqualified from holding office;
- (b) who had previously retired or who had been obliged by these presents to vacate office; or
- (c) who was not entitled to vote on the matter, whether by reason of a conflict of interests or otherwise;

if without:

- (d) the vote of that Trustee; and
- (e) that Trustee being counted in the quorum;

the decision has been made by a majority of the Trustees at a quorate meeting.

48. Article 47 does not permit a Trustee or a connected person to keep any benefit that may be conferred upon him by a resolution of the Trustees or of a committee of Trustees if, but for Article 47, the resolution would have been void, or if the Trustee has not complied with Article 45.

POWERS OF THE TRUSTEES

49. The business of the Trust shall be managed by the Trustees who may pay all expenses incurred in promoting and registering the Trust, and may exercise all such powers of the Trust as are not, by the Act or by these presents, required to be exercised by the Trust in general meeting, subject nevertheless to the provisions of the Act or these presents and to such regulation being not inconsistent with the aforesaid provisions as may be prescribed by the Trust in general meeting; but no regulation made by the Trust in general meeting shall invalidate any prior act of the Trustees which would have been valid if that regulation had not been made.
50. All cheques, and all receipts for moneys paid to the Trust, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Trustees shall from time to time by resolution determine.
51. The Trustees shall cause minutes to be made in books provided for the purpose:-
- (a) of all appointments of officers made by the Trustees;
 - (b) of the names of the Trustees present at each meeting of the Trustees and of any committee of the Trustees or established by the Trustees;
 - (c) of all resolutions and proceedings at all meetings of the Trust, and of the Trustees and of the committees of or established by the Trustees.

SECRETARY

52. If it is desired that a Secretary shall be appointed by the Trustees, the Secretary shall be so appointed for such term, at such remuneration and upon such conditions as they may think fit.
53. Any Secretary appointed may be removed by the Trustees.

THE SEAL

54. The Trust shall not have a Seal.

ACCOUNTS

55. Accounting records sufficient to show and explain the Trust's transactions and otherwise complying with the Act shall be kept at the Registered Office, or at such other place within Scotland as the Trustees think fit, and shall at all times be open to inspection by the Trustees. Subject as aforesaid no Member of the Trust or other person shall have any right of inspecting any account or book or document of the Trust except as conferred by statute or ordered by a court of competent jurisdiction or authorised by the Trustees.

AUDIT/INDEPENDENT EXAMINATION

56. Auditors or Independent Examiners, as appropriate, shall be appointed and their duties regulated in accordance with the provisions of the Act and of the Charities and Trustee Investment (Scotland) Act 2005.

NOTICES

57. Any notice or document may be served by the Trust on any Member either personally or by sending it through the post in a prepaid letter addressed to such Member at the registered address as appearing in the Register of Members or to such other address as he may supply to the Trust for the giving of notices to him, or may be sent by email to such Member, or may be sent or supplied in any way in which the Act provides for documents or information to be sent or supplied by the Trust including publication on the Trust's website in accordance with Section 309 of the Act, and any notice so served by post or by email or otherwise in accordance with the Act shall be deemed to have been duly served notwithstanding that such Member be then dead or bankrupt and whether or not the Trust have notice of his death or bankruptcy.

58. A Member whose address in the Register of Members is outside the United Kingdom and who has not supplied to the Trust either an address for service within the United Kingdom or an email address, shall not be entitled to receive any notice from the Trust.
59. Any notice or document served shall be deemed to have been served:-
- (a) at the expiration of 24 hours (or, where second class mail is employed, 48 hours) after the letter containing the same is posted, and in proving such service it shall be sufficient to show that the letter containing the notice or document was properly addressed, stamped and posted;
 - (b) at the expiration of 24 hours after being sent by email or posted on the Trust's website or delivered by hand to the relevant address, and in proving service of an email it shall be sufficient to show that the email containing the same has been sent, was properly addressed and sent;
 - (c) immediately on being handed to the recipient personally; or
 - (d) if earlier, as soon as the recipient acknowledges receipt.

In calculating a period of hours for the purposes of this clause, no account shall be taken of any part of a day that is not a working day. Where an individual is both a Trustee and Member of the Trust, any notice so served shall be deemed to have been duly served on him as both Trustee and Member of the Trust as required by the Act.

60. Subject to these presents, any notice or document to be sent or supplied to a Trustee in connection with the taking of decisions by Trustees may be sent or supplied by the means by which that Trustee has asked to be sent or supplied with such notices or documents for the time being.

INDEMNITY

61. Subject to the provisions of the Act and of these presents, a Trustee, Auditor, Independent Examiner, Secretary or other officer of the Trust shall be entitled to be indemnified by the Trust against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto.

LIABILITY OF MEMBERS

62. The liability of the Members is limited.
63. Every Member of the Trust undertakes to contribute to the assets of the Trust in the event of the same being wound up during the time that he is a Member, or within one year afterwards, for payment of the debts and liabilities of the Trust contracted before the time at which he ceases to be a Member, and of the costs, charges and expenses of winding up the same, and for the adjustment of the rights of contributories themselves, such amount as may be required, not exceeding £1.

WIND UP OR DISSOLUTION

64. If upon the winding up or dissolution of the Trust there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members of the Trust (except to a Member that is itself a charity), but shall be given or transferred to some other charitable institution or institutions in the Preston/Seton/Gosford ward of East Lothian Council having objects similar to the Trust and which shall prohibit the distribution of its or their income and property amongst its or their members to an extent at least as great as is imposed on the Trust under or by virtue of Article 5 hereof such institution or institutions to be determined by the Members of the Trust at or before the time of the dissolution, and if and so far as effect cannot be given to the foregoing provisions, then to some other charitable object.