

THE COMPANIES ACTS 1985, 1989 AND 2006

COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL

**EDINBURGH AND LOTHIANS
REGIONAL EQUALITY COUNCIL LTD**

ARTICLES OF ASSOCIATION

(AS AMENDED 13 OCTOBER 2010)

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Interpretation and definitions

1 In these Articles:

'ELREC' means *Edinburgh and Lothians Regional Equality Council Ltd*, the company which is regulated by these Articles;

'the Act' means the Companies Act 1985 including any statutory modification or re-enactment of the Act for the time being in force;

'the Articles' means these Articles of Association;

'the Memorandum' means the Memorandum of Association of ELREC;

'the Objects' means the Objects of ELREC as provided for in clauses 4 and 5 of the Memorandum;

'the Management Board' means the governing body of ELREC whose members shall be deemed to be the **'Directors'** of ELREC for the purposes of these Articles and of the Act and who shall be registered as such with the Registrar of Companies;

'member' unless the context admits or requires otherwise means a member of ELREC;

'person' means any individual (natural) person and any company or other form of corporate body;

'body' means any corporate body, unincorporated association, society, or aggregate of persons, voluntary or otherwise, including any local or public authority;

'the Office' means the registered office of the ELREC;

'the Secretary' means the Company Secretary of ELREC or any other person appointed to perform the duties of the Company Secretary of ELREC, including a joint, assistant or deputy Company Secretary;

'the Area of Benefit' means the area defined in clause 3 of the Memorandum;

'clear days' in relation to the period of a notice means the period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

'electronic communication' means the same as in the Electronic Communications Act 2000;

'the United Kingdom' means Great Britain and Northern Ireland.

2 Subject to Article 1, words or expressions contained in these Articles and in the Memorandum shall, unless the context requires otherwise, bear the same meaning

as in the Act but excluding any statutory modification not in force when these regulations become binding upon ELREC.

- 3 Words importing the single number only shall, unless the context requires otherwise, include the plural number and *vice versa*.
- 4 ‘Race’, ‘racial’, ‘ethnic’ and ‘discrimination’ shall have the meaning assigned to them by the Race Relations Act 1976.
- 5 References to local authorities shall have the meaning assigned to them by the Local Government (Scotland) Act 1994.

Classes of membership

- 6 The subscribers to the Memorandum and such other persons or bodies as are admitted to membership in accordance with these Articles shall be members of ELREC.
- 7 There shall be no limit to the number of persons who may be admitted to any class of membership of ELREC.
- 8 There shall be two classes of membership of ELREC as follows: Full Membership and Associate Membership.
- 9 **Full Membership** shall be open to:
 - 9.1 Subject to Article 12, any individual person aged 16 (sixteen) years or over whose usual residential address is within the Area of Benefit and who supports the Objects (for the purpose of these Articles referred to as an ‘Individual Full Member’); and
 - 9.2 subject to Articles 26 and 27, any non-statutory company or incorporated body established for charitable or non-profit making purposes operating within the Area of Benefit, which supports the Objects and which, at the time of its initial application, has been incorporated for at least 6 (six) months (for the purpose of these Articles referred to as a ‘Corporate Full Member’); and
 - 9.3 subject to Articles 28 and 29, the individual nominee of any non-statutory unincorporated association, society or trust established for charitable or non-profit making purposes operating within the Area of Benefit, which supports the Objects and which, at the time of its initial application, has been established for at least 6 (six) months (for the purpose of these Articles referred to as a ‘Nominee Full Member’).

- 10 **Associate Membership** shall be open to:

- 10.1 Subject to Article 12, any individual person aged 16 (sixteen) years or over who supports the Objects but whose usual residential address is outwith the

Area of Benefit (for the purpose of these Articles referred to as an 'Individual Associate Member'); and

- 10.2 subject to Articles 26 and 27, any company or incorporated body which supports the Objects but which, in the opinion of the Management Board, does not meet the conditions for Full Membership (for the purpose of these Articles referred to as a 'Corporate Associate Member') and
- 10.3 subject to Articles 28 and 29, the individual nominee of any unincorporated association, society or trust which supports the Objects but which, in the opinion of the Management Board, does not meet the conditions for Full Membership (for the purpose of these Articles referred to as a 'Nominee Associate Member').
- 11 Any person or body may apply for and be admitted into Associate Membership notwithstanding that she, he or it meets the conditions for Full Membership.

Employees and secondees not to be members

- 12 No employee of ELREC and no person seconded to or otherwise placed with ELREC as if she or he were an employee shall be eligible to be a member of ELREC. A member of ELREC who becomes an employee of ELREC or who is seconded to or otherwise placed with ELREC as if she or he were an employee shall cease to be a member of ELREC with immediate effect.

Application for membership

- 13 No person or body shall be admitted to be a member of ELREC unless and until her, his or its application for membership is approved by the Management Board or by any Membership Panel established by the Management Board in furtherance of Article 16.
- 14 Any person or body wishing to become a member of ELREC shall lodge with the Secretary a written application for membership in such form as the Management Board shall from time to time decide, signed by her or him or, in the case of a corporate body by one of its authorised officers; in the case of an application by a nominee of an unincorporated association, society or trust the application shall also be signed by one of the authorised officers of the unincorporated association, society or trust which is nominating her or him for membership.
- 15 All applicants for membership of ELREC shall provide the Secretary with such other evidence in support of their application as the Management Board may require or in accordance with any rules of membership made under Article 193.1.

Membership panel

- 16 The Management Board may, at its discretion, establish and determine the composition of a Membership Panel for the purposes of receiving, giving consideration of and making recommendations to the Management Board on applications for membership of ELREC and generally for performing or supervising any other matter relating to the promotion and organisation of membership and communication with members.
- 16.1 The membership panel shall consist of a Board member (Chair) and three (3) non-elected Members (NOT serving on the Board). The membership panel, at its discretion, can call applicant for interview.
- 17 Any delegation of powers or duties by the Management Board under Article 16 shall be subject to such terms of reference as the Management Board may decide and the Management Board shall retain the power:
- 17.1 to revoke or impose limits upon any specific authority or power granted to the Membership Panel under such terms; and
- 17.2 to transfer at any time any function or responsibility of the Membership Panel to another sub-committee or to its direct control; and
- 17.3 to suspend or dissolve the Membership Panel and to re-instate or re-convene it in the same or different form and subject to the same or different terms of reference as it thinks fit.
- 18 Subject to any condition imposed in pursuance of Article 17, the proceedings of the Membership Panel shall be governed by the Articles regulating the proceedings of meetings of the Management Board insofar as they are capable of applying.

Admission to membership

- 19 Each application for membership and (where applicable) other supporting evidence shall be considered by the Membership Panel (if any) or Management Board at its first meeting after its receipt.
- 20 If the Membership Panel or Management Board decide at any meeting to admit an applicant to membership, it shall notify the applicant in writing accordingly within a period of 14 (fourteen) days after the meeting and such notification shall include:
- 20.1 details of the class of membership to which the applicant has been assigned; and
- 20.2 where applicable, a request for payment of any annual subscription fee applicable to the class of membership for the time being in force as provided for in Articles 53 to 57.

- 21 Any decision by the Membership Panel or Management Board to admit an applicant to membership shall be deemed conditional upon the payment by the applicant of the full amount of any annual membership subscription for the time being in force, as provided for in Articles 53 to 57.

Refusal of membership

- 22 The Management Board or the Membership Panel (if so granted the power to do so by the Management Board) may at its discretion refuse to admit any person or body into membership or into any class of membership, notwithstanding that the person or body in question fulfilled the conditions for membership or for the class of membership applied for, in such cases where it considers there are reasonable grounds to do so.
- 23 Any person or body whose application for membership or to any class of membership is subject to refusal shall have the right to be heard (either in person or by her, his or its representative) by the Management Board before a final decision is taken, subject to the limitation of Article 25.
- 24 If the Management Board or Membership Panel decide at any meeting to refuse admission of an applicant to membership or to any class of membership it shall notify the applicant in writing accordingly within a period of 14 (fourteen) days after the meeting at which its decision was made and such notification shall include:
- 24.1 the reasons why the decision to refuse admission to membership or to any class of membership was made; and
- 24.2 details of the applicant's right to be heard as provided for in Article 23 but subject to Article 25.
- 25 The Management Board or Membership Panel shall be bound to refuse to admit an applicant to membership or to any class of membership in cases where she, he or it does not meet the conditions of membership applicable as provided for in Articles 9 and 10 and in such cases the applicant shall be notified of the reasons for her, his or its refusal but shall have no right to be heard by the Management Board.

Representation of corporate members

- 26 Subject to Article 27 a company or other corporate body admitted into membership under Articles 9.2 or 10.2 may appoint and authorise any person aged 16 (sixteen) years or over it thinks fit to act as its representative at a general meeting of ELREC. A person so authorised shall be entitled to exercise the same powers on behalf of the company or corporate body as she or he could have exercised had she or he been an individual member.
- 27 No company or corporate body admitted to membership under Articles 9.2 or 10.2 shall have the right to be represented by an employee of ELREC at any general

meeting of ELREC and the Management Board shall have the right to refuse to accept representation of the corporate member by any person who:

- 27.1 is already entered as an individual member (Full or Associate) of ELREC in the Register of Members; or
- 27.2 is already representing another corporate member (Full or Associate) of ELREC under Article 27; or
- 27.3 is already entered as a nominee member (Full or Associate) of ELREC in the Register of Members on behalf of an unincorporated association, society or trust under Article 28; or
- 27.4 has previously had her or his application as an individual member (Full or Associate) of ELREC refused by the Management Board under Article 22 or has had her or his individual membership (Full or Associate) suspended by the Management Board under Article 51 or who has been removed from membership by resolution of ELREC under Article 44.

Nominees of unincorporated associations, societies and trusts

- 28 Subject to Article 29, in the case of an unincorporated association, society or trust of the nature referred to under Articles 9.3 and 10.3, the party admitted to membership shall be an individual person aged 16 (sixteen) years or over nominated from time to time by that body. Such a body may withdraw or replace its nominee at any time by written notice ELREC, but such that no more than 1 (one) nominee of each such body may be entered in the Register of Members as a current member at any given time. A person whose nomination is withdrawn by a body under this Article shall automatically cease to be a member of ELREC.
- 29 The Management Board shall have the right to refuse to accept and to request the substitution of any person nominated into membership by an unincorporated association, society or trust who:
 - 29.1 is already entered as an individual member (Full or Associate) of ELREC in the Register of Members; or
 - 29.2 is representing a corporate member (Full or Associate) of ELREC under Article 27; or
 - 29.3 is already entered as a nominee member (Full or Associate) of ELREC in the Register of Members on behalf of another unincorporated association, society or trust in membership under Article 28; or
 - 29.4 has previously had her or his application as an individual member (Full or Associate) of ELREC refused by the Management Board under Article 22 or has had her or his individual membership (Full or Associate) suspended by the Management Board under Article 51 or who has been removed from membership by resolution of ELREC under Article 44.

Register of members

- 30 The Management Board shall keep a Register of Members. Pursuant to section 352 of the Act, there shall be entered on the Register:
- 30.1 the full name and address of each member: and
 - 30.2 the date on which she, he or it was admitted to membership; and
 - 30.3 the date on which she, he or it ceased to be a member (where applicable):
and
 - 30.4 the class of membership to which she, he or it has been admitted; and
 - 30.5 in the case of a nominee member, particulars of the unincorporated association, society or trust which nominated her or him.
- 31 The Management Board may at any time, by notice in writing, request any member to provide ELREC with such evidence and particulars as are necessary and reasonable for the purpose of making up the Register.
- 32 Pursuant to section 353 of the Act, the Register of Members shall be kept at the Office unless ELREC arranges for the work of making up the Register to be done by another person on behalf of ELREC, in which case it may be kept at the office where the work is done, provided that such office shall be within Scotland.

Transfer between classes of membership

- 33 Any individual person in membership of ELREC who changes her or his usual residential address such that she or he becomes eligible for or, if previously so, ceases to be eligible for Full Individual Membership may, at the discretion of the Management Board, be transferred to the appropriate class of membership, without the need for her or him to make a new application.
- 34 Any company or other incorporated body in membership of ELREC which changes its purposes or its area of operation such that it becomes eligible for or, if previously so, ceases to be eligible for Full Corporate Membership may, at the discretion of the Management Board, be transferred to the appropriate class of membership, without the need for it to make a new application.
- 35 The individual nominee of any unincorporated association, society or trust in membership which changes its purposes or its area of operation such that she or he becomes eligible for or, if previously so, ceases to be eligible for Full Nominee Membership may, at the discretion of the Management Board, be transferred to the appropriate class of membership, without the need for the body nominating her or him to make a new application.

- 36 In the event of any member being transferred from one class of membership to another under Articles 33 to 35 the Management Board shall give written notice of the transfer to the member in question within fourteen (14) days of the decision being made. Such notice shall advise the member of the rights of membership applicable to the class of membership to which she, her or it has been assigned. In the case of notice being given to a nominee of an unincorporated body under Article 35, similar notice shall be given to the nominating body.

Termination of membership

- 37 Membership of ELREC shall not be transferable and shall cease upon:
- 37.1 the death of an individual member, the dissolution of a corporate member or, in the case of a nominee member, if the body which nominated her or him is dissolved or withdraws its nomination; or
 - 37.2 the voluntary withdrawal from membership of a member as provided for by Article 38; or
 - 37.3 the lapse of membership by default due to the failure of a member to renew her, his or its membership under Article 41; or
 - 37.4 the removal of a member by resolution of ELREC under Article 44; or
 - 37.5 the lapse of membership due to the failure of a member to pay any annual subscription for the time being in force under Article 58.

Withdrawal from membership

- 38 Any person or body wishing to withdraw from membership shall lodge with the Secretary a written notice of withdrawal in such form as the Management Board shall from time to time decide, signed by her or him or, in the case of a body, by one of its authorised officers. Upon receipt of such notice by ELREC she, he or it shall cease to be a member of ELREC; provided that after such retirement the number of members remaining is not fewer than 2 (two).

Annually renewable membership

- 39 Whether or not any subscription for membership is in force, membership of ELREC shall be subject to renewal annually on the accounting reference date of ELREC.
- 40 The Secretary shall give to all members not less than 14 (fourteen) clear days' notice of the accounting reference date. Each notice shall:
- 40.1 advise the member that her, his or its membership falls due for renewal on the accounting reference date; and

- 40.2 contain particulars of the member currently held on the Register of Members; and
- 40.3 where applicable, specify the amount of membership subscription due under Article 55, and
- 40.4 request from the member confirmation of her, his or its wish to renew membership, the accuracy and currency of the particulars held on the Register of Members and, where applicable, payment of her, his or its subscription; and
- 40.5 state the possible consequences of failure to renew membership under Article 41.

Lapse of membership due to failure to renew

- 41 Provided the requirements of Article 40 have been complied with, any membership in respect of which a renewal has not been received by the Secretary by the end of the 28th (twenty-eighth) day after the accounting reference date on which it fell due shall be deemed to have lapsed.
- 42 The Secretary shall, in the event of a membership lapsing under Article 41, give notice to the member concerned advising her, him or it of the fact and of the reasons.
- 43 A lapsed member in receipt of a notice under Article 42 may renew her, his or its membership within a further 28 (twenty eight) days from the date of the notice, after the expiry of which any attempt by the lapsed member to renew her, his or its membership shall be treated by the Management Board as a new application.

Removal from membership

- 44 ELREC may, by special resolution in general meeting, terminate the membership of any person or body in cases where:
 - 44.1 ELREC believes that the actions of the member in question have brought, or risk bringing ELREC into disrepute; or
 - 44.2 ELREC believes that the member in question has repeatedly or purposely breached any explicit rules of ELREC or other reasonable rules or standards of good order.
- 45 The Management Board shall investigate or cause to be investigated in a manner which it considers appropriate and necessary the conduct and actions of any member who is the subject of a complaint or proposal for removal from membership of ELREC. The Management Board shall put all such proposals to remove a member to the next general meeting of ELREC, which shall consider the proposal and resolve as it thinks fit. Any member who is the subject of a proposal for removal

from membership or whose conduct or actions are under investigation with a view to putting such a proposal shall have the right to address ELREC in general meeting (either in person or through her, his or its representative) before a final resolution is made.

- 46 Any member wishing to propose the removal of another members shall lodge with the Management Board a written notice of her, his or its intention to do so (identifying the member or members concerned and stating the grounds for the proposed removal) not less than 28 (twenty eight) days before the date of the next general meeting of ELREC.
- 47 The Management Board shall, on receipt of a notice under Article 46, send at the earliest possible time a copy of the notice to the member or members concerned who shall have the right to make written representations to the Management Board with regard to the notice. If the Management Board receives such representations (unless they are received too late for it to do so) the Management Board shall:
- 47.1 state the fact of the representations having been made in the notice convening the meeting at which the resolution is to be proposed; and
- 47.2 send a copy of the representations to every person or body to whom notice of the meeting was or is given.
- 48 Whether or not a copy of written representations has been given to each of the persons entitled to receive notice of the meeting under Article 47.2, a member in question shall have the right to be heard (either in person or by her, his or its representative) at the meeting before a final resolution is made.
- 49 Failure to follow correctly any of the provisions of Articles 44 to 48 shall render invalid any resolution for the removal of a person or body from membership.
- 50 A person or body whose membership is terminated under Articles 44 to 48 shall cease to be a member with effect from the time at which the resolution to remove her, him or it was passed.

Suspension of membership rights

- 51 The Management Board may, at its discretion and with good reason, agree to suspend any member whose conduct or actions are under investigation in accordance with Article 45 for all or any part of the period during which the investigation is being conducted. A person or body whose membership is suspended under this Article shall, for the duration of the suspension, forfeit all the rights of membership with the exception of the right to make representations to a general meeting of ELREC in connection with her, his or its proposed removal from membership as granted by Articles 47 and 48.
- 52 In the event that the Management Board agrees to suspend any member under the provisions of Article 51 it shall give written notice at the earliest possible time to the

member in question informing her, him or it of the fact and, if known, of the likely duration of the suspension.

Membership subscriptions

- 53 ELREC may, by ordinary resolution in general meeting, introduce an annual subscription for membership, and determine the amount of such a subscription and vary the amount from time to time and from one class of member to another.
- 54 Subject to Article 56 ELREC may authorise the Management Board to adopt whatever methods it thinks most expedient to collect payment of any subscription charge and to use its discretion to apply any reduction or waiver or to agree to receive payment by instalments in cases where it thinks fit.
- 55 Any annual subscription for the time being in force shall be due on each accounting reference date of ELREC and shall (subject to Articles 57 and 61) be deemed to relate to the period from one accounting reference date to the next.
- 56 In accordance with Article 40, where any annual subscription is in force, the Secretary shall give to all members from whom a subscription payment is due, not less than 14 (fourteen) days' notice of the accounting reference date. Such notice shall specify the amount of membership subscription due and shall state the possible consequence under Article 58 of failure to make payment.
- 57 In the case of a person or body admitted to membership of ELREC on a date other than the accounting reference date of ELREC, the Management Board may calculate the subscription to be paid by her, him or it in the first part-year of membership on a *pro rata* basis.

Lapse of membership due to failure to pay subscription

- 58 Provided the requirements of Articles 40 and 56 have been complied with and provided no waiver or arrangement to pay by instalments has been agreed under Article 54, any membership in respect of which any annual membership subscription for the time being in force has not been received by ELREC by the end of the 28th (twenty-eighth) day after the accounting reference date on which it fell due shall be deemed to have lapsed.
- 59 The Secretary shall, in the event of a membership lapsing under Article 58, give notice to the member concerned advising her, him of the fact and of the reasons.
- 60 A lapsed member in receipt of a notice under Article 59 may renew her, his or its membership by payment of the required annual subscription within a further 28 (twenty eight) days from the date of the notice, after the expiry of which any attempt by the lapsed member to renew her, his or its membership shall be treated by the Management Board as a new application.

Non-refundable subscription

- 61 Any person or body who ceases to be a member of ELREC for whatever reason shall not be entitled to any refund of all or any part of any annual subscription paid by her, him or it, whatever the period between the date on which the membership subscription was last paid and the date of ceasing to be a member.

Annual General Meeting

- 62 Subject to Article 63 and to the requirements under section 366 of the Act, ELREC shall hold an Annual General Meeting in each year at such time and place as the Management Board shall decide, in addition to any other general meetings.
- 63 Not more than 15 (fifteen) months shall elapse between one Annual General Meeting and the next; provided that so long as ELREC holds its first Annual General Meeting within 18 (eighteen) months of its incorporation, it need not hold it in the year of its incorporation or in the following year.

Extraordinary general meetings

- 64 All general meetings of the members of ELREC other than Annual General Meetings shall be called extraordinary general meetings.
- 65 The Management Board may call extraordinary general meetings at any time and shall proceed to convene an extraordinary general meeting:
- 65.1 pursuant to the provisions of section 368 of the Act, on the requisition of the members of ELREC representing not less than one-tenth of the voting rights of all the members at the date on which the requisition is made; or
 - 65.2 pursuant to the provisions of section 392A of the Act, on the requisition of a resigning auditor.
- 66 If there are not within the United Kingdom sufficient members of the Management Board to call an extraordinary general meeting, any member of the Management Board or any member of ELREC may call an extraordinary general meeting.

Notice of general meetings

- 67 An Annual General Meeting shall be called by at least 28 (twenty eight) clear days' notice. An extraordinary general meeting called for the passing of a special resolution shall be called by at least 21 (twenty one) clear days' notice. Except where special notice is required to be given under any provision of the Act all other extraordinary general meetings shall be called by at least 14 (fourteen) clear days' notice but a general meeting may be called by shorter notice if so agreed:

- 67.1 in the case of an Annual General Meeting, by all the members entitled to attend and vote; and
- 67.2 in the case of any other meeting by a majority in number of the members having a right to attend and vote, being a majority together holding not less than 95% (ninety five per cent) of the total voting rights at the meeting of all members.
- 68 The notice of all general meetings shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of the Annual General Meeting shall specify the meeting as such.
- 69 The notice of all general meetings shall be given to all members of ELREC and its Management Board and to the auditors of ELREC (if any).
- 70 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person or body entitled to receive notice shall not invalidate the proceedings at that meeting.

Quorum at general meetings

- 71 No business shall be transacted at any general meeting of ELREC unless a quorum is present. 10 (ten) persons entitled to vote upon the business to be transacted, each being a Full Member, a duly authorised representative of a Corporate Full Member or a proxy for a Full Member, or one tenth of the total number of such persons for the time being, whichever is the greater, shall constitute a quorum.
- 72 In the event that the total Full Membership of ELREC becomes fewer than 10 (ten) there shall be a quorum when every Full Member entitled to vote upon the business to be transacted is present (in person or by proxy) at a general meeting.
- 73 If the quorum required under Articles 71 or 72 is not present within half an hour from the time appointed for the commencement of the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to such time and place as may be determined by the chairperson of the meeting.

Presiding at general meetings

- 74 Subject to Article 171, the Chairperson of the Management Board (or in her or his absence the Vice-Chairperson) shall, if present, preside over general meetings. If neither the Chairperson nor the Vice-Chairperson is present or willing to act within half an hour from the time appointed for the commencement of the meeting the members of the Management Board present shall appoint one of their number to preside over the meeting or, if only one member of the Management Board is present and willing to act, she or he shall preside over the meeting.

- 75 If no member of the Management Board willing to preside is present within half an hour from the time appointed for the commencement of the meeting, the members present shall appoint one of their number to preside over the meeting.

Adjournment of general meetings

- 76 The chairperson may, with the consent of a 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; provided that no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had an adjournment not taken place.
- 77 When a meeting is adjourned for 28 (twenty eight) days or more, at least 7 (seven) clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

Resolutions at general meetings

- 78 To be passed, an **ordinary resolution** shall require a simple majority of the votes cast (either in person or by proxy) in favour of the resolution.
- 79 To be passed, a **special resolution** shall require a majority of not less than three-quarters of the votes cast (either in person or by proxy) in favour of the resolution.
- 80 To be passed, an **elective resolution** shall require all of the votes cast (either in person or by proxy) in favour of the resolution.
- 81 A resolution put to the vote of a meeting shall be decided upon by a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded by:
- 81.1 the chairperson of the meeting; or
 - 81.2 at least 2 (two) members (or proxies for members) having the right to vote at the meeting.
- 82 Unless a poll is demanded in accordance with Article 81, a declaration by the chairperson 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 minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against the resolution.
- 83 The demand for a poll may be withdrawn before the poll is taken, but only with the consent of the chairperson. The withdrawal of a demand for a poll shall not invalidate the result of a show of hands declared before the demand for a poll was made.

- 84 If a poll is demanded in accordance with Article 81 it shall be taken at once by means of a secret ballot of all the persons present and entitled to vote (whether as Full Members, duly authorised representatives of Corporate Full Members or proxies for Full Members) and shall be conducted in such a manner as the chairperson shall direct. The chairperson may appoint scrutineers (who need not be members) and may fix the time and place for declaring the results of the poll.
- 85 The result of a poll shall be deemed to be the resolution of the meeting at which the poll is demanded and taken.
- 86 If the chairperson directs that the result of a poll is not to be declared immediately this shall not prevent the continuance of a meeting for the transaction of any other business other than the question on which the poll was taken.
- 87 In the case of an equality of votes, whether on a show of hands or on a poll, the chairperson shall be entitled to a second or casting vote.

Written resolutions

- 88 A resolution in writing signed by all the members entitled to attend and vote at a general meeting shall be as effectual as if it had been passed at a general meeting. Such a resolution may consist of several documents in the same form, each signed by one or more members or, in the case of a corporate member, by its authorised representative or one of its authorised officers.

Votes of members

- 89 Subject to Articles 87, 90 and 91 every Full Member of ELREC shall have one vote at general meetings of ELREC, exercisable in person or in the case of a Corporate Full Member, by its duly authorised representative or by proxy.
- 90 No Full Member of ELREC shall be entitled to vote at any general meeting unless all monies then payable by her, him or it to ELREC in the form of subscriptions or otherwise have been paid in full, except in circumstances where the Management Board has agreed to reduce or waive any such payment or permit payment to be made by instalments under Article 54.
- 91 No Full Member shall be entitled to vote at any general meeting during a period in which her, his or its membership is suspended by decision of the Management Board under Article 51.
- 92 Associate Members shall have the right to receive notice of, to attend and speak at any general meeting of ELREC but not to vote.
- 93 No objection shall be raised to the validity of any vote or the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection

made in due time shall be referred to the chairperson of the meeting whose decision shall be final and conclusive.

Appointment of proxy

- 94 A Full Member (but not an Associate Member) shall have the right to appoint a proxy to vote on her, his or its behalf at any general meeting or adjourned meeting. A Full Member may appoint as proxy any person aged 16 (sixteen) years or over, who shall not be another Full Member of ELREC or an employee of ELREC, provided that no person may act as a proxy for more than one member at the same meeting.
- 95 A Full Member wishing to appoint a proxy under Article 94 shall lodge with the chairperson of the meeting not less than 48 (forty eight) hours prior to its commencement an instrument of proxy in writing or by means of electronic communication in such form as the Management Board may decide, subject to Article 96, signed by her or him or, in the case of a Corporate Full Member, by its authorised representative or one of its authorised officers
- 96 An instrument appointing a proxy under Article 95 may, for each resolution on which a vote is to be taken at the meeting, either:
- 96.1 instruct the proxy to cast her or his vote in favour or against the resolution or to abstain from voting; or
- 96.2 indicate that the proxy may exercise her or his own judgement in deciding how to cast her or his vote.
- 97 A Full Member shall not be entitled to appoint more than 1 (one) proxy to attend and vote on her, his or its behalf at the same general meeting.
- 98 A proxy properly appointed to attend and vote at any general meeting in place of a Full Member shall have the same right as the member she or he is replacing to speak and vote, including the right to vote by show of hands, to vote on any amendment to a resolution and to demand a poll. No proxy shall have the right to vote if she or he is replacing a Full Member who is not eligible to vote under Articles 90 and 91.

Management Board

- 99 The business of ELREC shall be managed and administered by a Management Board whose members shall be regarded as the Directors of ELREC for the purposes of the Act and who shall be registered as directors with the Registrar of Companies.
- 100 There shall be a maximum of 15 (fifteen) and a minimum of 3 (three) Directors as follows:

- 100.1 subject to Article 101, a maximum of 12 (twelve) and a minimum of 3 (three) members of ELREC proposed prior to and appointed at an Annual General Meeting as provided for by Articles 105 to 113 or appointed to fill vacancies by the Management Board under Articles 115 to 117 (for the purposes of these Articles referred to as the **Elected Directors**); and
- 100.2 a maximum of 3 (three) other persons aged 16 (sixteen) years or over, who need not be members of ELREC, co-opted by the Elected Directors as provided for by Articles 118 to 120 (for the purposes of these Articles referred to as the **Co-opted Directors**).
- 101 At least one third of the Elected Directors of the Management Board shall be of each gender.
- 102 The first Directors shall be those persons named in the statement delivered pursuant to section 10(2) of the Act, who shall be deemed to have been appointed under the Articles. Future Directors shall be appointed as provided for subsequently in these Articles.

Retirement by rotation of Elected Directors

- 103 At the conclusion of the first Annual General Meeting all Directors shall retire from office, and at the conclusion of every subsequent Annual General Meeting one third of the Elected Directors who are subject to retirement by rotation or, if their number is not 3 (three) or a multiple of 3 (three), the number nearest to one third shall retire from office; but if there is only 1 (one) Elected Director who is subject to retirement by rotation, she or he shall retire.
- 104 Subject to the provisions of the Act, the Elected Directors to retire by rotation shall be those who have been longest in office since their last appointment, but as between persons who became Elected Directors on the same day those to retire shall be agreed among themselves, or otherwise be determined by lot.

Proposal of Elected Directors

- 105 The notice of an Annual General Meeting shall be accompanied by an invitation to all Full Members (but not Associate Members) to propose, subject to Article 106, another member (either Full or Associate) for appointment as an Elected Director. To be valid, such proposal shall:
- 105.1 be in writing, in such form as the Management Board may from time to time decide and signed by the proposing member; and
- 105.2 be supported by the signature of a second Full Member; and
- 105.3 in the case of a proposal made on behalf of another member, include an indication of the willingness of the person proposed to hold office as an Elected Director; and

105.4 be received by the Secretary at least 21 (twenty one) days before the date of the Annual General Meeting.

106 A person proposed for appointment as an Elected Director may be either:

106.1 an individual member of ELREC (Full or Associate); or

106.2 a nominee member of ELREC (Full or Associate); or

106.3 a person who is, for the time being, the authorised representative of a corporate member of ELREC (Full or Associate).

Elected Directors' acceptance of proposals

107 The Secretary shall, on receipt of a valid proposal for appointment as an Elected Director made under Article 105, give written notice to the person proposed in such form as the Management Board may from time to time decide, inviting her or him to accept the proposal and provide a brief written personal statement in support of her or his appointment.

108 To be valid, a written acceptance of a proposal made under Article 107 shall be received by the Secretary not less than 7 (seven) days before the date of the Annual General Meeting.

Appointment of Elected Directors

109 At an Annual General Meeting ELREC may by ordinary resolution (subject to Article 113) appoint as an Elected Director any member in respect of whom a valid proposal has been received in compliance with Article 105 and accepted by the proposed member in compliance with Articles 107 and 108, provided that a member shall not be appointed:

109.1 if, as a result, the number of Elected Directors would exceed the maximum number of Elected Directors permitted under Article 100.1; or

109.2 if, as a result, the proportion of Elected Directors from either gender would fall below one third of the total number of Elected Directors for the time being as provided for by Article 101; or

109.3 who is disqualified from serving on the Management Board under the provisions of Article 123.

110 Particulars of each member in respect of whom a valid written proposal has been received and accepted, including any personal statement provided under Article 108, shall be given to all members, or proxies for members, present and entitled to vote at an Annual General Meeting.

- 111 In the event of the number of valid and accepted proposals lodged with the Secretary in compliance with Articles 105, 107 and 108 exceeding the number of vacancies, a secret ballot shall be held among the Full Members (but not Associate Members) present in person or represented by proxy at the Annual General Meeting. Those persons receiving the greatest number of votes in favour of their appointment, up to but not exceeding the maximum number of vacant places available, may by ordinary resolution (subject to Article 113) be appointed as Elected Directors, provided that:
- 111.1 a member shall not be appointed in this manner if, as a result, the proportion of Elected Directors from either gender would fall below one third of the total number of Elected Directors for the time being as provided for by Article 101; and
- 111.2 no member shall be appointed in this manner who is disqualified from serving on the Management Board under the provisions of Article 123.
- 112 An Elected Director who is due for retirement shall be eligible to be re-appointed to serve as an Elected Director for a further term without limits to the number of consecutive terms she or he may serve provided that:
- 112.1 she or he is proposed and accepts the proposal in compliance with Articles 105, 107 and 108; and
- 112.2 she or he continues to be a member of ELREC or the authorised representative of a corporate member of ELREC; and
- 112.3 she or he is not disqualified from continuing to serve on the Management Board under the provisions of Article 123.
- 113 The appointment at an Annual General Meeting of more than 1 (one) Elected Director shall take the form of a single ordinary resolution to appoint all proposed Elected Directors unless before, or at the time of, such resolution being put to the meeting, a request is made for each appointment to be voted on separately by either:
- 113.1 the chairperson of the meeting; or
- 113.2 at least 2 (two) persons having the right to vote at the meeting.
- 114 An Elected Director may continue to serve for the remainder of her or his term of office notwithstanding that she or he ceases to be the authorised representative of a corporate member of ELREC or ceases to be the nominee member on behalf of an unincorporated association, society or trust during her or his term of office, but upon retirement she or he shall not be eligible to be reappointed for a further term.

Vacancies among Elected Directors

- 115 The Management Board may appoint any member of ELREC or any authorised representative of a corporate member of ELREC to fill any vacancy among the

number of Elected Directors up to, but not exceeding the maximum number of Elected Directors permitted under Article 100.1, provided that:

- 115.1 a member shall not be appointed in this manner if, as a result, the proportion of Elected Directors from either gender would fall below one third of the total number of Elected Directors for the time being as provided for by Article 101; and
 - 115.2 no member shall be appointed in this manner who is disqualified from serving on the Management Board under the provisions of Article 123.
- 116 An Elected Director appointed by the Management Board under Article 115 shall hold office only until the conclusion of the next Annual General Meeting at which time she or he shall retire and shall not form part of the body of Elected Directors subject to retirement by rotation.
- 117 An Elected Director retiring under Article 116 shall be eligible for immediate re-appointment as an Elected Director provided that:
- 117.1 she or he is proposed and accepts the proposal in compliance with Articles 105, 107 and 108; and
 - 117.2 she or he continues to be a member of ELREC or the authorised representative of a corporate member of ELREC; and
 - 117.3 she or he is not disqualified from continuing to serve on the Management Board under the provisions of Article 123.

Co-opted Directors

- 118 The Management Board may at any time co-opt any person aged 16 (sixteen) years or over, who need not be a member of ELREC, to be a Co-opted Director in cases where it considers the person in question has knowledge, skills or experience which would assist it in the performance of its duties, provided that no person shall be co-opted under this Article if:
- 118.1 as a result, the number of Co-opted Directors would exceed the maximum number provided for in Article 100.2; or
 - 118.2 she or he is disqualified from serving on the Management Board under the provisions of Article 123.
- 119 A Co-opted Director shall hold office only until the conclusion of the next Annual General Meeting at which time she or he shall retire and shall not form part of the body of Directors subject to retirement by rotation.
- 120 A Co-opted Director retiring under Article 119 may, at the discretion of the Management Board, be co-opted to serve for a further term (subject to Articles 118.1 and 118.2) without limit to the number of consecutive terms she or he may serve.

Register of Directors

- 121 Pursuant to sections 288 and 289 of the Act the Management Board shall maintain and keep at the Office a Register of Directors containing for each Director her or his:
- 121.1 present full name and former names by which she or he has been known since the age of 18 (eighteen) and within the past 20 (twenty) years (except any name by which a woman was known before marriage); and
 - 121.2 usual residential address; and
 - 121.3 nationality; and
 - 121.4 date of birth; and
 - 121.5 business occupation (if any); and
 - 121.6 directorships of other companies held currently or during the period of the past 5 (five) years (except of a company which is currently dormant or grouped with ELREC or was dormant or grouped with ELREC during the whole of that period); and
 - 121.7 the date of appointment and (if applicable) the date of retirement as a Director.
- 122 Pursuant to section 288 of the Act the Management Board shall give notice to the Registrar of Companies in the prescribed form of any change to the particulars of its Register of Directors within 14 (fourteen) days of the date on which the change occurred.

Disqualification from serving on the Management Board

- 123 A person shall not be appointed or reappointed to serve as a Director (whether Elected or Co-opted) and a serving Director shall cease to hold office with immediate effect if she or he:
- 123.1 is below the age of 16 (sixteen) years; or
 - 123.2 is the subject of a disqualification order issued by any court of law under the Company Directors Disqualification Act 1986; or
 - 123.3 is disqualified from acting as a company director by virtue of any provision of the Act or from acting as a trustee of a Scottish charity under section 69 of the Charities and Trustee Investment (Scotland) Act 2005 (or any statutory re-enactment or modification of this Act); or

- 123.4 is or becomes an employee of ELREC or is seconded to or otherwise placed with ELREC as if she or he were an employee of ELREC; or
- 123.5 becomes incapable for any medical or other reason of managing her or his own affairs and such condition is expected to persist for at least 6 (six) months.

Resignation of Directors

- 124 A Director may resign from her or his office by giving written notice to the Management Board, but only if at least 3 (three) Elected Directors will remain in office when the notice of resignation is to take effect.

Removal of a Director by the Directors

- 125 The Director may agree, by a majority of not less than two-thirds of their number at a Director's meeting at which a quorum is present, to remove from office any Director who:
- 125.1 is absent without good reason, in the opinion of the Directors, from 3(three) consecutive meetings of the Directors; or
- 125.2 have breached any explicit rules of the Company or code of conduct to which the Directors have agreed or is in breach of his or her or his general duties under sections 170 to 177 of the Act or section 66 of the Charities and Trustee Investment (Scotland) Act 2005 or other reasonable standards of behaviours and, in the opinion of the Directors, such breach is sufficiently serious or persistent to warrant her or his removal as a Director.
- 126 Subject to Articles 127 to 130 (inclusive) and to the requirements under sections 303 and 304 of the Act, ELREC may by ordinary resolution in general meeting remove a Director before the expiration of her or his period of office notwithstanding any agreement she or he may have with ELREC.
- 127 A meeting at which a resolution is to be put to remove one or more Directors under Article 126 shall be called by special notice; that will involve at least 28 (twenty eight) days' notice being given to ELREC of the member's intention to propose the resolution, and ELREC giving at least 21 (twenty one) days' notice of the general meeting at which the resolution is to be put. On receipt of a notice by a member of her, his or its intention to propose such a resolution a copy shall be sent to the Director or Directors concerned.
- 128 A Director who is the subject of a resolution for her or his removal under Article 126 shall have the right:
- 128.1 to attend and to be heard (either in person or through her or his representative) at the meeting at which the resolution is put; and

128.2 to make written representations to the Management Board prior to the meeting and to request their notification to members of ELREC.

- 129 The Management Board shall, on receipt of written representations made under Article 128.2, unless the representations are received too late for it to do so, send a copy of the representations to every member of ELREC to whom notice of the meeting is or was sent.
- 130 If written representations made under Article 128.2 are not sent to the members of ELREC, for whatever reason, a Director making the representations may require that they shall be read out at the meeting.
- 131 Failure to follow correctly any of the procedures provided for in Articles 127 to 130 (inclusive) shall render invalid any resolution for the removal of a Director.

Powers of the Management Board

- 132 Subject to the provisions of the Act, the Memorandum of Association, these Articles and to any directions given by special resolution, the business of ELREC shall be managed by the Management Board who may exercise all the powers of ELREC.
- 133 No alteration to the Memorandum or the Articles and no direction by special resolution shall invalidate any prior act of the Management Board which would have been valid if that alteration had not been made or that direction had not been given.

Directors' remuneration and expenses

- 134 Subject to Article 135 and to clauses 9 and 10 of the Memorandum no Director shall be entitled to any remuneration, whether in respect of her or his serving on the Management Board or as a holder of any executive office under ELREC.
- 135 A Director may be paid all reasonable travel, subsistence and other expenses incurred by her or him in connection with her or his attendance at meetings of the Management Board, general meetings of ELREC or otherwise in connection with the discharge of her or his duties.

Management Board appointments to executive office

- 136 Subject to the provisions of the Act, the Management Board shall appoint from among its number a Chairperson, Vice-Chairperson and Treasurer and may appoint any other such executive officer as it considers appropriate, provided that only an Elected Director shall hold the office of Chairperson.
- 137 Appointments to executive office under Article 136 shall, subject to Article 141, be made at a meeting of the Management Board held as soon as reasonably practicable after the incorporation of ELREC and thereafter at a meeting of the

Management Board held as soon as reasonably practicable after each Annual General Meeting.

- 138 Subject to Article 140 a Director shall hold an executive office until the conclusion of the Annual General Meeting which next follows her or his appointment at which time she or he shall retire.
- 139 An executive officer whose term of office expires under Article 138 may be re-appointed to such office or to any other executive office without limit to the number of consecutive terms of office she or he may hold, provided that she or he is willing to act and continues to be a Director and, in the case of the Chairperson, provided that she or he continues to be an Elected Director.
- 140 The appointment of any executive officer shall terminate if she or he ceases, for whatever reason, to be a Director or if she or he resigns from such executive office by written notice to the Management Board or if she or he is removed from such executive office for whatever reason by resolution of the Management Board.
- 141 In the event that the appointment of any Director to any executive office terminates under Article 140, the Management Board shall, at a meeting held as soon as reasonably practicable after such termination, appoint another of its number to hold such office in her or his place, unless the executive office is such that the Management Board may, at its discretion, resolve not to appoint a replacement. Any executive officer appointed under this Article shall hold such office until the conclusion of the next Annual General Meeting which follows her or his appointment.

Proceedings of the Management Board

- 142 Except where specifically provided for by these Articles, the Management Board may regulate its proceedings as it thinks fit.
- 143 Any Director may, and the Secretary if requested by a Director shall call a meeting of the Management Board at a reasonable time and giving a reasonable period of notice provided that there shall be no fewer than 6 (six) meetings of the Management Board in each calendar year.
- 144 It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom.
- 145 The Management Board may decide upon a quorum for the transaction of business at its meetings, provided that they shall not fix a number which is less than one third of their number or 3 (three) Directors, whichever is the greater, of whom at least 1 (one) shall be an Elected Director.
- 146 The Management Board may act notwithstanding any vacancies in its number, but if the number of remaining Directors is less than the number fixed as a quorum, or if the number of remaining Elected Directors is less than the minimum provided for in Article 100.1 the continuing Director or Directors may act only for the purpose of filling vacancies or of calling a general meeting.

- 147 The Chairperson shall chair meetings of the Management Board, but if the Chairperson is not present within 15 (fifteen) minutes after the time appointed for the commencement of the meeting, or if she or he is unwilling to act, the Vice-Chairperson shall chair the meeting. If the Vice-Chairperson is also not present within 15 (fifteen) minutes of the time appointed for the commencement of the meeting, or if she or he is also unwilling to act, the Directors present may appoint another among their number to chair the meeting.

Directors to act in a personal capacity

- 148 There shall be no provision for the appointment of alternate Directors and no Director shall have the right to be represented at a meeting of the Management Board by any other person or to request another Director to cast a vote on her or his behalf.

Votes of Directors

- 149 Questions arising at a meeting of the Management Board shall be decided by consensus or by a majority of votes cast. Subject to Article 151 all Directors (whether Elected or Co-opted) shall have one vote, but in the case of an equality of votes the Chairperson or whoever is chairing the meeting shall have a casting vote.
- 150 All acts done and all decisions made by the Management Board, or by a sub-committee of the Management Board shall be valid, notwithstanding that it afterwards be discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office or were not entitled to vote.
- 151 Except as otherwise provided for in these Articles, a Director shall not vote at a meeting of the Management Board or at a sub-committee of the Management Board on any resolution concerning a matter in which she or he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of ELREC unless her or his interest or duty arises only because the case falls within either or both of the following:
- 151.1 the resolution relates to giving her or him a guarantee, security or indemnity in respect of money lent to, or any obligation incurred by her or him for the benefit of ELREC or any of its subsidiaries;
- 151.2 the resolution relates to the giving to a third party of a guarantee, security or indemnity in respect of an obligation of ELREC or any of its subsidiaries for which the Director has assumed responsibility in whole or part (and whether alone or jointly with others) under a guarantee or by the giving of security.
- 152 For the purpose of Article 151, an interest of a person who is, for any purpose of the Act (excluding and statutory modification not in force at the date of incorporation of ELREC), connected with a Director shall be treated as an interest of the said

Director. A connected person shall be defined as provided for by section 346 of the Act.

- 153 ELREC may by special resolution suspend or relax to any extent either generally or in respect of any particular matter, any provision of the Articles prohibiting a Director from voting at a meeting of the Management Board or at a sub-committee.
- 154 A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which she or he is prohibited from voting under the provisions of Article 151.
- 155 If a question arises at a meeting of the Management Board or at a sub-committee as to the right of any Director to vote, the question may be referred, before the conclusion of the meeting, to the Chairperson or whoever is chairing the meeting, whose decision in relation to any Director other than herself or himself shall be final and conclusive.
- 156 A Director may not vote on any resolution to appoint or remove herself or himself from any executive office of the Management Board made under Articles 136,139 or 141. Where proposals are under consideration for the appointment to or removal from executive office of 2 (two) or more Directors, the proposals may be divided and considered in relation to each Director separately. Provided she or he is not prohibited from voting for another reason each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning her or his own appointment.

Written resolutions of the Management Board

- 157 A resolution in writing, signed by all the Directors, shall be as valid and effective as if it had been passed at a meeting of the Management Board. Such a resolution may consist of several documents in the same form, each signed by 1 (one) or more of the Directors.

Management Board: attendance of observers and advisors

- 158 The Management Board may invite or request the attendance at any of its meetings of any person or representative of any body for the purposes of giving advice, submitting information or evidence or otherwise assisting it in the conduct of its business. The attendance of such persons shall be in a non-voting capacity at the discretion of the Management Board and may be for the whole or any part of any meeting or for more than 1 (one) meeting.

Management Board: attendance of ELREC employees

- 159 The senior employee of ELREC (if any) shall be deemed to have a standing invitation to attend all meetings of the Management Board, but it shall have the right

to request her or his withdrawal from the whole or any part of a meeting when it considers there are reasonable grounds for so doing.

- 160 The Management Board shall comply with its obligations under any recognition agreement with a trade union or other representative body of employees of ELREC to which it has signed agreement with regard to the attendance of representatives from such a body or bodies at its meetings.

Delegation to sub-committees or to executive officers

- 161 Subject to Article 166 the Management Board may appoint 1 (one) or more sub-committees for the purpose of making any inquiry or supervising or performing any function or duty which in its opinion would be more conveniently undertaken or carried out by a sub-committee provided that all acts and proceedings of any such sub-committees shall be fully and promptly reported to the Management Board.
- 162 The Management Board shall determine the membership of any sub-committee provided that a sub-committee shall include at least 1 (one) Elected Director.
- 163 The Management Board may delegate to the Chairperson or to any other executive officer such powers and duties as it considers desirable or appropriate to be delegated to her or him provided that all actions taken by the Chairperson or other executive officer under this provision shall be fully and promptly reported to the Management Board.
- 164 Any delegation of powers or duties by the Management Board under Articles 161 and 163 shall be subject to such terms of reference as the Management Board may decide and the Management Board shall retain the power:
- 164.1 to revoke or impose limits upon any specific authority or power granted to any sub-committee under such terms; and
 - 164.2 to transfer any function or responsibility of any sub-committee to another sub-committee or to its direct control at any time; and
 - 164.3 to suspend or dissolve any sub-committee and to re-instate or re-convene any sub-committee at any time in the same or different form and subject to the same or different terms of reference as it thinks fit.
- 165 Subject to any condition imposed in pursuance of Article 164, the proceedings of a sub-committee shall be governed by the Articles regulating the proceedings of meetings of the Management Board insofar as they are capable of applying.
- 166 The following matters shall be excluded from delegation to any sub-committee or executive officer:
- 166.1 any introduction of a new policy or change in policy which is rightly or legally the responsibility of the Management Board or which would conflict with the declared policy of the Management Board or of ELREC; and

166.2 any action or decision involving expenditure that is not in accordance with the financial regulations of ELREC.

- 167 All contracts with third parties in connection with the discharge of the functions of a sub-committee shall be entered into by the chairperson of the sub-committee or, in her or his absence, by some other Director of ELREC. No other member of a sub-committee shall contract or hold herself or himself out as contracting on behalf of ELREC.
- 168 All acts done by a sub-committee shall be valid, notwithstanding that it is afterwards discovered that there was a defect in the appointment of any member of the sub-committee or that any member of the sub-committee was not qualified to act as such.
- 169 A resolution in writing signed by all the members of a sub-committee shall be as valid and effectual as if it had been passed at a meeting of the sub-committee duly convened and held. Such a resolution may consist of several documents in the same form each signed by 1 (one) or more members of the sub-committee.

Honorary appointments

- 170 ELREC may, by ordinary resolution in general meeting, appoint 1 (one) or more honorary Patrons, an honorary President and any number of honorary Vice-presidents, who shall be *ex officio* Associate Members of ELREC. Any appointment to honorary office made under this Article may be for life or for such other period as may be specified at the time of appointment.
- 171 The Management Board may, at its discretion, invite any honorary officer of ELREC to preside over any general meeting of ELREC. An honorary officer presiding in this manner shall have all the powers of the chairperson of a general meeting as provided for by Articles 76, 81-84, 86-87, 93 and 94-96 (inclusive).

Company Secretary

- 172 Subject to the provisions of the Act, the Company Secretary and any joint or assistant Company Secretary shall be appointed by the Management Board for such term, at such remuneration (if not a Director) and upon such conditions as it thinks fit, and any Company Secretary or joint or assistant Company Secretary so appointed may be removed and replaced by the Management Board.
- 173 The Management Board may delegate to the Company Secretary such powers and duties as it considers desirable or appropriate to be delegated to her, him or it provided that all actions taken by the Company Secretary under this provision shall be fully and promptly reported to the Management Board.

174 Pursuant to sections 288 and 290 of the Act, the Management Board shall maintain and keep at the Office a Register of Secretaries containing:

174.1 for each individual Company Secretary, her or his present full name and former names by which she or he has been known since the age of 18 (eighteen) and within the past 20 (twenty) years (except any name by which a woman was known before marriage) and her or his usual residential address; and

174.2 for each corporate Company Secretary, its company name and its registered or principal address.

Minutes

175 The Management Board shall keep minutes in books kept for the purpose of:

175.1 all proceedings at general meetings of ELREC and at meetings of the Management Board and at any sub-committees, including the names of the Directors and of any other persons present at each meeting; and

175.2 all appointments of executive officers made by the Management Board.

Finances and accounts

176 Any bank, building society or similar account in which any part of the assets of ELREC is deposited shall be operated by the Management Board and shall indicate the name of ELREC. All cheques and orders for the drawing of money from such an account shall be signed by at least 2 (two) signatories who have been authorised by the Management Board to act in this capacity in accordance with the financial regulations of ELREC.

177 Pursuant to section 221 of the Act, the Management Board shall cause accounting records to be kept which are sufficient to show and explain ELREC's transactions and which disclose with reasonable accuracy, at any time, the financial position of ELREC at that time.

178 The accounting records of ELREC shall be kept at the Office of ELREC or, subject to section 222 of the Act, at such other place as the Management Board thinks fit, and shall at all times be open to inspection by the officers of ELREC.

179 The accounting records of ELREC kept in accordance with Article 177 shall be preserved for a minimum period of 3 (three) years from the date on which they are made.

180 The financial year of ELREC shall run from 1 April in each year to 31 March of the following year and the accounting reference date of ELREC, for the purpose of making up accounts and for inviting membership renewals and subscriptions (if any) shall be 31 March.

- 181 Pursuant to section 233 of the Act the annual accounts of ELREC shall be approved by the Management Board and the balance sheet of ELREC shall be signed on behalf of the Management Board by 1 (one) of its number who shall be an Elected Director.
- 182 The Management Board shall cause to be prepared and laid before the members of ELREC in general meeting such approved and signed accounts, balance sheets and financial reports as are required by the Act. A copy of every balance sheet which is to be laid before ELREC in general meeting, together with a copy of the auditor's report (if any) and ELREC's annual report shall be sent to all members of ELREC.

Appointment of auditors and auditing of accounts

- 183 Except in such circumstances as render ELREC exempt from so doing under the provisions of section 249A of the Act, ELREC shall appoint auditors and regulate the duties of such auditors in accordance with Chapter V Part XI of the Act.

Directors' report

- 184 Pursuant to section 234 of the Act the Management Board shall for each financial year of ELREC prepare a Directors' Report which shall:
- 184.1 state the names of the persons who, at any time during the financial year, were Directors of ELREC; and
- 184.2 give a fair view of the principal activities and development of ELREC in furtherance of the Objects.
- 185 The Directors' Report shall be approved by the Management Board and shall be signed on its behalf by the Secretary or by 1 (one) among its number who shall be an Elected Director.
- 186 The Directors' Report shall be laid before the members of ELREC in general meeting and shall state the name of the person who signed it on behalf of the Management Board.

Delivery of accounts and reports to the Registrar

- 187 Pursuant to section 242 of the Act the Management Board shall, in respect of each financial year of ELREC, deliver to the Registrar of Companies a copy of the ELREC's annual accounts, together with a copy of the Directors' Report and a copy of the auditor's report (if any) as approved by the Management Board and signed on its behalf within 10 (ten) months after the end of the financial year to which they apply.

Notices

- 188 Subject to Article 190, any notice to be given to or by any person or body pursuant to these Articles shall be in writing. ELREC may give notice to a member or to a Director or other person entitled to receive such notice either personally or by sending it by post in a pre-paid envelope addressed to the person at her, his or its registered address or by leaving it at that address.
- 189 Proof that an envelope containing a notice was properly addressed, pre-paid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiry of 48 (forty eight) hours after the envelope containing it was posted.
- 190 ELREC may, by agreement with any person or body entitled to receive notice of a meeting, give notice to the said person or body by means of electronic communication to such address as may for the time being be notified by that person or body to ELREC for that purpose.
- 191 A member of ELREC or a Director or other person or body present in person or represented by proxy at any meeting of ELREC shall be deemed to have received notice of the meeting and, where necessary, of the purposes for which it was called.

Indemnity

- 192 Subject to the provisions of the Act every Director or other officer or auditor of ELREC shall be indemnified out of the assets of ELREC against any liability incurred by her or him in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in her or his favour or in which she or he is acquitted or in connection with any application in which relief is granted to her or him by the court from liability for negligence, breach of duty or breach of trust in relation to the affairs of ELREC.

Rules

- 193 Subject to Article 195 the Management Board may from time to time make such rules as it deems necessary or expedient or convenient for the proper management and conduct of ELREC, and in particular but without prejudice to the generality of the foregoing, it may by such rules regulate:
- 193.1 the admission and classification of members of ELREC and the rights and privileges of such members insofar as such matters are not regulated by these Articles or by the Act; and
- 193.2 the conduct of members of ELREC in relation to one another, and to ELREC's employees, volunteers, Management Board, officers, agents and servants; and

- 193.3 the setting aside of the whole or any part or parts of ELREC's premises at any particular time or times or for any particular purpose or purposes; and
- 193.4 the proceedings at general meetings and meetings of the Management Board and of sub-committees of the Management Board insofar as such proceedings are not regulated by these Articles or by the Act; and
- 193.5 generally, all such matters as are commonly the subject of company rules.
- 194 Subject to Article 195 ELREC in general meeting shall have power to alter, add to or repeal the rules made by the Management Board and the Management Board shall adopt such means as it thinks sufficient to bring to the notice of members of ELREC all such rules, which shall be binding on all members of ELREC.
- 195 No rule may be made by the Management Board or by ELREC in general meeting which would be inconsistent with the Act or with the Memorandum or Articles of ELREC and no resolution shall be made which would have the effect of repealing or making obsolete any provision contained within the Memorandum or Articles of ELREC.

Amendment of Objects

- 196 Subject to the provisions of sections 4 to 6 of the Act, ELREC may, by special resolution at a general meeting, amend its Objects, provided that:
- 196.1 no amendment shall be made to the Objects without the prior written consent of the Office of the Scottish Charity Regulator under section 16(a) of the Charities and Trustee Investment (Scotland) Act 2005 ; and
- 196.2 no amendment shall be made which would have the effect of ELREC ceasing to be a charity in law.
- 197 In addition to the requirements to deliver a copy of any amendment to the Memorandum to the Registrar of Companies under section 6 of the Act, the Management Board shall promptly send a copy of the said amendment to the Office of the Scottish Charity Regulator.

Amendment of Articles

- 198 Subject to the provisions of section 9 of the Act and to Article 199, ELREC may, by special resolution at a general meeting, amend these Articles. Any amendment so made shall be as valid as if originally contained in the Articles and shall remain subject to further amendment in a like manner.
- 199 No amendment shall be made under Article 198 which is inconsistent with the Act or with the Memorandum and no amendment shall be made which would have the effect of ELREC ceasing to be a charity in law or ceasing to be a company to which section 30 of the Act applies.

Disposal of assets upon dissolution

- 200 If, in the event of ELREC being wound up or dissolved and after all its debts and liabilities have been met, there remains any property it shall not be paid or distributed among the members of ELREC or of its Management Board or its employees, but shall be given or transferred to some other charity or charities having objects similar to the Objects chosen by the members of ELREC at or before the time of dissolution or, if that cannot be done, then to some other charitable object.