

**The Mountaineering Council of Scotland, trading as Mountaineering Scotland
(the "Company")
Proposed changes to the articles of association to be adopted by the Company
(the "New Articles")**

What are the changes to the Articles?

The changes are as follows:

- a) To remove the definition of "Excluded Period" and "Officer"
- b) That section 6.6 and 6.7 of the current articles of association are replaced with the following text:

6.6 *Subject to Article 6.7 and Article 10 below: -*

6.6.1 *the President shall be eligible to serve for four successive AGM Years from the date of the AGM at which they were elected as President and upon ceasing to be President a person may not become a Board member in any other capacity except in accordance with Article 6.7;*

6.6.2 *the Treasurer and other Board members shall be eligible to serve:*

6.6.2.1 *an initial term of four successive AGM Years from the AGM at which they were elected (the "Initial Term"); and*

6.6.2.2 *an additional two successive AGM Years if approved by ordinary resolution at the AGM at the end of their Initial Term; or*

6.6.2.3 *as President in accordance with Article 6.6.1 at any time before or immediately upon the expiry of their Initial Term,*

and in this Article 6.6 an "AGM Year" means each interval between consecutive AGMs.

6.7 *No Director or Company Secretary may stand again for election or be appointed to the Board until the first AGM held at least eleven months after the relevant person ceased to be a Director or Company Secretary for any reason.*

- c) That an additional point h) is added to clause 10

(h) retires from office or does not seek re-appointment in each case in accordance with article 6.6.

Why is the Board proposing to extend the Directors term of office?

In 2019, the Articles were substantively reviewed by the law firm, Harper Macleod LLP. A follow up light touch review was commissioned by the Board in 2021. This review was to standardise the current term of office for all voluntary members of the Board as the current Articles state the Treasurer shall serve 5 years and all other Directors 4 years. The Board also wished to bring the term of office into line with other organisations and offer the flexibility for Directors to serve an additional 2 years should they wish to do so, and with the approval of the members at the AGM.

Why are the definitions for "Excluded period" and "Officer" being removed and clause 10 h) being added?

A broader clause covering all Directors has now been incorporated into the new clause 6.7 and also the addition of point h) in clause 10 so these stand-alone definitions are no longer required.

Why has it been necessary to completely rewrite articles 6.6 and 6.7?

These changes were aimed at providing improved clarity in the articles as they relate to Directors terms of office. Also as the terms "officer" and "excluded period" in the definitions were only used once these can be included more directly into article 6.7

What is the second resolution for?

Should the first special resolution be passed, a secondary benefit of this change was the potential to provide stability within the Mountaineering Scotland leadership team as it emerges from the pandemic at an important time for the organisation. As a transitional arrangement, this resolution will provide the opportunity for two of the most experienced Directors who are stepping down at the AGM to continue in post for a further 2 years should they wish to do so. This will also ensure that appropriate succession planning can be undertaken and we are not left in the position that 4 senior Directors all stand down in the same year.

What will happen if the outgoing Directors don't want to continue?

The Board will meet following the EGM to discuss how the vacant posts will be filled either by the reappointment of an existing Director or by initiating an open recruitment exercise as would normally happen in the event of a vacancy arising. Any new appointment to the Board would be made under clause 8.3 of the Articles and would require to be approved by members at the AGM in 2022.