

Company Number: SC322717

The Companies Act 2006

Company Limited by Guarantee and not having a Share Capital

Articles of Association

of

The Mountaineering Council of Scotland, trading as Mountaineering Scotland (the "Company")

1 PRELIMINARY

1.1 In these Articles:

"**Act**" means the Companies Act 2006 as amended and every statutory modification or re-enactment thereof for the time being in force;

"**Active Members**" means in relation to each Club Member, those individuals who are members of such Club Member, whose details are included in the Club Return and for whom such Club Member has paid the appropriate subscription fee to the Company so that such individuals can participate in Mountaineering;

"**AGM**" has the meaning given in Article 6.2;

"**Articles**" means these Articles of Association as amended from time to time;

"**Associate Member**" means a member of the Company who has been admitted in accordance with Article 3.4 and "**Associate Members**" means all such members;

"**Board**" means the Board of Directors of the Company;

"**Business Day**" means any day (other than a Saturday, Sunday or public holiday) on which clearing banks in Edinburgh are generally open for business;

"**Chairperson**" has the meaning given in Article 6.9;

"**Club**" has the meaning given in Article 3.2.3;

"**Club Member**" means a member of the Company that has been admitted in accordance with Article 3.3 and "**Club Members**" means all such members;

"**Club Return**" has the meaning given in Article 3.3.4;

"**Company Secretary**" a company secretary of the Company appointed in accordance with Article 8.4;

"**Conflict**" means a situation in which a Director has or can have, a direct or indirect interest that conflicts or possibly may conflict, with the interests of the Company;

"**Director**" means a director of the Company, and includes any person occupying the position of director, by whatever name called including the President and Treasurer;

"**Eligible Director**" means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding in relation to the authorisation of a Conflict pursuant to Article 12, any Director whose vote is not to be counted in respect of the particular matter);

"**Excluded Period**" means an 11 month period commencing on the next Business Day following any Officer standing down from office, vacating their office in accordance with Article 10 or resigning or being removed from office;

"**General Meeting**" has the meaning given in Article 6.1;

"**Honorary Member**" means a member of the Company who has been admitted in accordance with Article 3.5 and "**Honorary Members**" means all such members;

"**Individual Member**" means a member of the Company who has been admitted in accordance with Article 3.2 and "**Individual Members**" means all such members;

"**Interested Director**" has the meaning given in Article 12.1;

"**Mountaineering**" means the activities of climbing, mountaineering and hill walking (including, but not limited to, bouldering, scrambling, ski-mountaineering, ice climbing and indoor climbing and bouldering);

"**Mountaineers**" mean those individuals carrying out any of the activities of Mountaineering;

"**Officer**" in relation to the Company, includes any Director or the Company Secretary;

"**Policy**" means any policy adopted at a General Meeting after appropriate consultation and "**Policies**" means all of such policies from time to time;

"**Registered Supporters**" has the meaning given in Article 3.6;

"**Special Resolution**" shall have the meaning given in section 283 of the Act;

"**Staff**" means the employees from time to time of the Company (whether full-time or part-time);

"**The Scottish Mountaineer**" means the magazine of that name for so long as it may be published by or on behalf of the Company;

the singular includes the plural and vice versa, the masculine includes the feminine, and bodies includes corporate and unincorporated; and

any words or expressions defined in the Act, if not inconsistent with the subject or context, bear the same meaning in these Articles.

2 THE COMPANY'S OBJECTS AND POWERS

2.1 The Company's objects are:

- (a) to act as the national representative body for Mountaineering in Scotland to all appropriate authorities, organisations and associations in the interests of Mountaineers engaged in any of the activities of Mountaineering in Scotland;
- (b) to foster, encourage, promote and develop relevant knowledge, safety practices, skills and standards amongst those who participate in or afford support for Mountaineering;
- (c) to affiliate, assist and co-operate with and support national and international organisations having objects with elements in common with those of the Company whether in Scotland or elsewhere;
- (d) to facilitate and act as a forum for the discussion of Mountaineering issues;
- (e) to foster, encourage, represent and promote the interests of Clubs in Scotland;
- (f) to act as an advisory body on all matters appertaining to Mountaineering in Scotland through liaison with statutory and voluntary bodies, news media, land managers and other relevant parties;
- (g) to protect the Mountaineering ethos in Scotland and to encourage protection of the Scottish mountain environment;
- (h) to protect and promote access to cliffs and crags, mountains and hills of all descriptions in Scotland for all Mountaineers, in accordance with the Land Reform (Scotland) Act 2003 and the Scottish Outdoor Access Code made thereunder, or any subsequent statute substantially to the same effect;
- (i) to encourage, promote, develop and undertake works and techniques to safeguard and conserve the environment of cliffs, crags, mountains and hills of all descriptions in Scotland that are or may be of interest for Mountaineering;
- (j) to encourage and promote climbing competitions and where appropriate to provide national recognition for climbing competitions in Scotland including coordinating with other Mountaineering bodies to provide recognition for United Kingdom and International competitions held in Scotland;
- (k) generally to advance and safeguard the interests of Mountaineering in Scotland and to do all such things as may from time to time be deemed necessary or expedient for or in connection with Mountaineering in Scotland.

2.2 The Company shall have without prejudice to the generality of the foregoing, power to do all such lawful things as will further the foregoing objects and in particular power:

- (a) to obtain, collect and receive money and funds by way of contributions, subscriptions, affiliation fees, donations, legacies, awards, grants, covenants or by organising functions or events or by any other lawful method, and to accept and receive gifts of property of any description (whether subject to any special trust or not);
- (b) to institute, establish, contribute towards and administer scholarships, bursaries, grants, awards and other benefactions appropriate to the objects of the Company;
- (c) to print, publish, issue, circulate and commission papers, periodicals, books, circulars, other literary works and any form of visual, audio or other aid in connection with Mountaineering;
- (d) to promote and encourage research, and to collect, publish and procure the publication of the results thereof in any suitable medium;
- (e) to promote the teaching of skills and knowledge applicable to Mountaineering and to encourage the training and accreditation of leaders and trainers;
- (f) to promote, advise or assist in the development, equipment and maintenance of facilities or accommodation (whether vested in the Company or not) to be used for training, instruction or education in Mountaineering;
- (g) to purchase, lease or by any other means acquire interests in or take options over any property whatever, and any rights or privileges of any kind over or in respect of any property;
- (h) to improve, manage, construct, repair, develop, exchange, lease, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with, all or any part of the property and rights of the Company;
- (i) to apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere, any patents, patent rights, licences, trade marks, designs, protections, concessions and generally intellectual property or rights, and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same;
- (j) to invest and deal with the monies of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made;

- (k) to give credit on any terms with or without security to any person, firm or company, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation undertaken by the Company;
- (l) to borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing or the performance of any obligation undertaken by the Company by floating charge, standard security or other security upon the whole or any part of the Company's property or assets (whether present or future);
- (m) to draw, make, accept, endorse, discount, negotiate, execute and issue cheques, warrants, debentures, and other negotiable or transferable instruments;
- (n) to apply for, promote, and obtain any Act of Parliament, order or licence of the Department for Business, Innovation and Skills or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests;
- (o) to enter into any arrangements with any government or authority (national, municipal, local, or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any advantageous rights, privileges, and concessions, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests;
- (p) to subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of, shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business, and debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority (national, municipal, local or otherwise);
- (q) to control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies, and to make any arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies;
- (r) to promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may

appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid;

- (s) to remunerate any person, firm or company rendering services to the Company either by cash payment or otherwise as may be thought expedient; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been employed by, or who are serving or have served the Company; to make payments towards insurance; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons;
- (t) to adopt such means of making known and advertising the objects and activities of the Company as may seem appropriate;
- (u) to establish, support and subscribe to any charitable or public object and to support and subscribe to any institution, society or club, which may be for the benefit of the Company or its members;
- (v) to do all or any of the things or matters aforesaid and either as principals, agents, contractors or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others; and
- (w) to do all such other things as may be incidental or conducive to the attainment of the Company's objects or any of them,

and so that: (a) none of the powers set forth in any sub-article shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other powers set forth in such sub-article, or by reference to or inference from the terms of any other sub-articles of this Article, or by reference to or inference from the name of the Company; (b) none of the sub-articles of this Article and none of the powers therein specified shall be deemed subsidiary or ancillary to any of the powers specified in any other such sub-article, and the Company shall have as full a power to exercise each and every one of the powers specified in each sub-articles of this Article as though each such sub-article contained the powers of a separate company; and (c) the word "company" in this Article, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.

- 2.3 The income and the property of the Company shall be applied solely towards the promotion of the objects set forth in the Articles. No portion of the income or property of the Company shall be paid or transferred directly or indirectly by way of dividend, bonus or profit share to any member of the Company.

3 MEMBERSHIP

3.1 The members of the Company shall be the subscribers to the Memorandum of Association on incorporation of the Company and such bodies or individuals as may be admitted to membership in accordance with the Articles, but excluding those who have ceased to be members under Article 3.8 below. There shall be four categories of membership, namely Individual Member, Club Member, Associate Member and Honorary Member.

3.2 INDIVIDUAL MEMBER

3.2.1 An individual shall be eligible to become an Individual Member if such individual is aged sixteen or over and:

- (a) the individual has an interest in Mountaineering and resides and/or is domiciled in Scotland; or
- (b) the individual although not eligible under (a) above undertakes Mountaineering activities in Scotland; or
- (c) in the opinion of the Board, the individual's admission as an Individual Member would be in the best interests of the Company notwithstanding that such individual fails to meet one or more of the foregoing criteria.

3.2.2 An Individual Member shall be entitled to attend, speak and vote at any General Meeting of the Company and shall be bound by the provisions of Article 3.10.2.

3.2.3 Any individual wishing to become an Individual Member of the Company shall be required to complete an application form in the format provided by the Company, as determined and published by the Board from time to time and pay the appropriate subscription fee when submitting their application form. In submitting the application form and subscription fee to the Company, the applicant agrees to:

- (a) be bound by the terms of the Articles, including the provisions of Article 3.10.2;
- (b) be bound by the terms of the Policies; and
- (c) pay any future subscription fees applicable to Individual Members.

3.3 CLUB MEMBER

3.3.1 A club, society or other association (hereinafter referred to as a "**Club**") shall be eligible to become a Club Member if either:

- (a) its principal object is Mountaineering; it is controlled by its own members; and it is based in Scotland or its Mountaineering activities take place predominantly in Scotland; or

- (b) in the opinion of the Board its admission as a Club Member would be in the best interests of the Company notwithstanding that it fails to meet one or more of the foregoing criteria.
- 3.3.2 A Club Member shall be entitled to attend, speak and vote at any General Meeting of the Company and shall be bound by the provisions of Article 3.10.2.
- 3.3.3 Any applicant wishing to become a Club Member of the Company shall be required to complete an application form in the format provided by the Company, as determined and published by the Board from time to time. Such applications for membership shall require to be signed or completed by a duly authorised senior member or an office bearer of that Club and shall be accompanied by (i) a copy of the Club's constitution; (ii) a list of its office bearers; (iii) a list of the names and addresses of its Active Members; and (iv) payment of the appropriate subscription fee calculated by reference to the number of its Active Members included in its list. In submitting the application form to the Company together with the documentation and subscription fee referred to in this Article 3.3.3, the applicant agrees (and where appropriate all the members of the Club shall be deemed to be agree) to:
 - (a) be bound by the terms of the Articles, including the provisions of Article 3.10.2;
 - (b) be bound by the terms of the Policies; and
 - (c) pay any future membership fees applicable to that class of membership.
- 3.3.4 A Club Member is required to submit annually to the Company a list giving the names and addresses of all of its Active Members (the "**Club Return**"). A Club Member may at any time submit a supplementary Club Return, giving the names and addresses of new Active Members of the Club and identifying any members of the Club who have ceased to be Active Members since the previous Club Return was sent to the Company.
- 3.4 ASSOCIATE MEMBER
 - 3.4.1 Any company, organisation, Club, association or business wishing to be affiliated to the Company but that is not being eligible to be a Club Member may apply for admission as an Associate Member.
 - 3.4.2 An Associate Member shall be:
 - (a) entitled to attend any General Meeting of the Company, but shall not have the right to speak or vote at such General Meetings; and
 - (b) shall be bound by the provisions of Article 3.10.2.

3.4.3 Any applicant wishing to become an Associate Member of the Company shall be required to complete an application form in the format provided by the Company, as determined and published by the Board from time to time. Such application for membership shall require to be signed or completed by a duly authorised representative and shall be accompanied by payment of the appropriate subscription fee. In submitting the application form to the Company, the applicant agrees to:

- (a) be bound by the terms of the Articles, including the provisions of Article 3.10.2;
- (b) be bound by the terms of the Policies; and
- (c) pay any future membership fees applicable to that class of membership

3.5 HONORARY MEMBER

3.5.1 If so recommended by the Board, the Company in General Meeting may honour any person who in their opinion has given distinguished service to Mountaineering in Scotland or elsewhere, by making that individual an Honorary Member of the Company.

3.5.2 An Honorary Member shall be entitled to attend General Meetings of the Company, but shall not have the right to speak or vote at such General Meetings. An Honorary Member shall not be bound by the provisions of Article 3.10.2.

3.6 REGISTERED SUPPORTERS

3.6.1 Any:

- (a) individual who is not an Individual Member or Honorary Member;
- (b) Club that is not a Club Member or Associate Member; or
- (c) other company, organisation, business or other entity that is not an Associate Member,

may register annually with the Company as a supporter of Mountaineering (the "**Registered Supporters**") in accordance with the Company's Policies.

3.6.2 A Registered Supporter is not a member of the Company and shall not be entitled to attend, speak at and vote at General Meetings of the Company in their capacity as a Registered Supporter, but this provision shall not prejudice a Registered Supporter's entitlement to attend, speak at and vote at General Meetings of the Company in any other capacity in accordance with these Articles. A Registered Supporter shall not be bound by the provisions of Article 3.10.2.

- 3.6.3 All applicants wishing to become a Registered Supporter shall be required to complete an application form in the format provided by the Company, as determined and published by the Board from time to time, provide any relevant information in support of such application, pay such subscription fees as may be due in accordance with the Policies and agree to be bound by the Policies.

3.7 OPENNESS OF THE COMPANY

- 3.7.1 Membership of the Company and registration as a Registered Supporter is open to all who meet the criteria in Articles 3.2 to 3.3 and 3.6. No applications will be refused on other than reasonable grounds and there will be no discrimination on grounds of any of the protected characteristics set out in section 4 of the Equality Act 2010. The Company will respect the rights, dignity and worth of every member and supporter.
- 3.7.2 The Board may delegate responsibility for day to day decisions on the acceptance of applications for membership and participation to a sub-committee of the Board constituted for that purpose and/or the employees of the Company having responsibility for membership and/or participation.

3.8 CESSATION OF MEMBERSHIP

- 3.8.1 Any Individual Member or Honorary Member shall cease to be a member of the Company: upon death; if such individual intimates in writing their resignation from the Company; or their membership is terminated in accordance with the provisions of Article 14, and, in the case of an Individual Member, failure to pay any subscription fee within six weeks of the due date.
- 3.8.2 Any Club Member or Associate Member shall cease to be to be a member of the Company if: notice of any resolution to wind up or otherwise dissolve that Club Member or Associate Member is passed; if such Club Member or Associate Member intimates in writing its resignation from the Company; if such Club Member or Associate Member fails to pay its subscription fee by the due date given in Article 4.2; or if such Club Member or Associate Member's membership is terminated in accordance with the provisions of Article 14.
- 3.8.3 The rights and privileges of membership are not transferable and shall cease on any member ceasing to be a member for whatever reason.

3.9 CESSATION AS A REGISTERED SUPPORTER

- 3.9.1 Any Registered Supporter who is an individual shall cease to be a Registered Supporter upon death; if such individual intimates in writing their resignation; or for failure to pay any subscription fee within six weeks of the due date.

- 3.9.2 Any Registered Supporter that is a Club, company, organisation, business or other entity shall cease to be to be a Registered Supporter if: notice of any resolution to wind up or otherwise dissolve that Registered Supporter is passed; if such Registered Supporter intimates in writing its resignation; or if such Registered Supporter fails to pay its subscription fee by the due date;.
- 3.9.3 The rights and privileges of a Registered Supporter are not transferable and shall cease on any Registered Supporter ceasing to be a Registered Supporter for whatever reason.

3.10 GUARANTEE

3.10.1 The liability of the members is limited.

3.10.2 Every Individual Member, Club Member and Associate Member undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets if the Company should be wound up while an individual or entity is a member, or within one year after such individual or entity ceases to be a member, for payment of the Company's debts and liabilities contracted before such individual or entity ceases to be a member, and of the costs, charges and expenses of winding up.

4 ANNUAL SUBSCRIPTIONS

4.1 The Company shall be entitled to fund its operations, so far as they cannot be funded by other means, by levying annual subscriptions on members. The subscription year shall be the financial year used by the Company for accounting purposes. The rates of each year's subscription shall be fixed at the AGM prior to the financial year at amounts no more than proposed by the Board.

4.2 The annual subscriptions of Individual Members shall be due and payable on or before the anniversary of the member joining at the rate fixed at the previous AGM. The annual subscriptions of Club and Associate Members and Registered Supporters shall be due and payable within 9 months of the start of the financial year.

5 THE ARTICLES OF ASSOCIATION.

No amendment to the Company's Articles shall be made unless by means of a Special Resolution at a General Meeting called, inter alia, for the purpose of approving the new articles of association and for which due notice has been given.

6 GENERAL MEETINGS

6.1 The Board may convene a general meeting of the Company ("**General Meeting**") whenever they think fit and shall convene one upon receipt of a written requisition of not less than 5% of the paid-up number of voting members in accordance with section 303 of the Act. A General Meeting convened in accordance with section 303 of the Act shall be notified to the members within 21 days of the receipt of the requisition, with the meeting held within 42 days of the receipt of the requisition.

6.2 The Company shall within every calendar year hold a General Meeting as its Annual General Meeting ("**AGM**"). The interval between successive AGMs shall not be more than 15 months.

6.3 The standard business of the AGM shall be:

(a) roll call and appointment of tellers;

- (b) the approval of the minutes of the previous AGM and of any subsequent General Meeting;
- (c) the receipt of such reports as the Board may consider appropriate to bring before the AGM for approval or information;
- (d) the receipt of the Company's annual accounts and reports;
- (e) the fixing of members' annual subscriptions;
- (f) the election of the President, Treasurer and Board members;
- (g) the consideration of and taking of decisions on any duly notified proposals for the adoption of any new Policies or the amendment or revocation of any existing Policies; and
- (h) any other competent business where notice has been given as specified immediately below.

Any resolution on topics out with the standard business of an AGM (items (a) to (g) inclusive) shall be competent business only if the intention to move it is notified by a Club Member or Individual Member to the Company Secretary at least 70 days before the AGM. Nominations for the filling of vacancies on the Board at the AGM shall be competent only if made in writing by a Club Member or Individual Member to the Company Secretary at least 70 days before the AGM or if endorsed by the outgoing Board.

- 6.4 Twenty voting members present in person or by proxy shall be a quorum at a General Meeting. If such a quorum is not present within half an hour from the time appointed for the General Meeting, or if during the General Meeting a quorum ceases to be present, the General Meeting shall stand adjourned to a date and reasonable time not more than 21 nor less than 10 days later, at the same place or the Company's registered office, as determined by the Board. Notice of the adjourned General Meeting shall be given not less than 6 days before the adjourned General Meeting, with such notification competently given by publication on the Company's website, and provided the agenda includes no new business, the number of members present at the adjourned General Meeting will constitute a quorum.
- 6.5 Subject to Articles 6.6, 6.7 and 6.9 below, the AGM shall elect a President, a Treasurer and eight other members of the Board to serve until the following AGM. The Directors of the Company shall be the President, Treasurer and Board members. Not more than two members of the Board shall be members of the same Club Member. In the absence of a timeous competing nomination, a President, Treasurer or member of the Board appointed at a previous AGM and willing and eligible to continue to serve in the same role shall continue until the next AGM without the need for a vote.
- 6.6 A President, Treasurer or other member of the Board shall not be eligible to continue to serve in the same role or in any other of those roles or as a member of the Board

once such individual has served for four (five for the Treasurer) successive years (from AGM to AGM), except that a Board member or Treasurer may become President

6.7 An Officer may not stand again for election to the Board until the first AGM held after the expiry of the Excluded Period.

6.8 At an AGM at which all Board members are eligible to continue in office, at least one member of the Board shall retire or stand for re-election, the Directors if necessary determining by lot before the notice calling the AGM which of them shall stand for re-election.

6.9 At General Meetings the President shall preside as chairperson of the General Meeting and in the absence of the President the Board shall choose one of their number to take the chair (the "**Chairperson**").

6.10 VOTING

6.10.1 Each Individual Member shall be entitled to one vote.

6.10.2 Each Club Member shall have such number of votes as is determined by the number of its Active Members listed on that Club Member's most recent Club Return submitted in accordance with Article 3.3.4. so that:

- (a) Club Members with less than 12 members shall be entitled to 2 votes;
- (b) Club Members with 12 to 30 members shall be entitled to 5 votes;
- (c) Club Members with 31 to 60 members shall be entitled to 10 votes;
- (d) Club Members with 61 to 120 members shall be entitled to 20 votes;
- (e) Club Members with 121 to 240 members shall be entitled to 30 votes; and
- (f) Club Members with more than 240 members shall be entitled to 40 votes.

On a poll taken at a General Meeting, a Club Member entitled to more than one vote need not use all their votes or cast all the votes it chooses to cast in the same way.

6.10.3 Associate Members and Honorary Members shall have no vote in that capacity provided that an Honorary Member who is also an Individual Member shall be entitled to vote in their capacity as an Individual Member.

6.10.4 A Club Member may exercise its voting rights at a General Meeting through up to two nominated representatives provided that the maximum number

of votes that may be cast by or on behalf of a Club Member at a General Meeting may not exceed the number of votes that it is entitled to cast in accordance with Article 6.10.

- 6.10.5 Individual Members who do not intend to be present at a General Meeting may, subject to the provisions of the Act, appoint a proxy. Club Members who do not intend to be represented by a nominated representative at a General Meeting may, subject to the provisions of the Act, appoint one or more duly appointed proxies. A nominated representative attending a General Meeting of the Company on behalf of a Club Member shall produce to the Company at the relevant meeting an original or certified copy of the resolution of that Club Member, or a letter on the Club Member's letterhead, confirming the appointment of the representative for such meeting, such board resolution or letter having been signed by an senior member or an office bearer of such Club Member.
- 6.10.6 All matters requiring a vote at a General Meeting, other than any requiring a Special Resolution, shall be decided by a simple majority vote. The vote shall be taken by a show of hands unless: (i) the Chairperson; (ii) not less than five voting members having the right to vote on such resolution; or (iii) a voting member or voting members representing not less than 10% of the total voting rights of all the members having the right to vote on such resolution, call for a poll. In the case of a poll account shall be taken of the voting provisions of Article 6.10.1 and 6.10.2. The result of a show of hands shall be immediately declared by the Chairperson and the Chairperson's declaration shall be final. The result of a poll shall be declared within the course of the General Meeting if possible or intimated as soon afterwards as is practicable.

7 COMMUNICATIONS

- 7.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company. Any notice, document or other information shall be deemed received by the intended recipient:
- (a) if properly addressed and sent by prepaid first-class post, 48 hours after it was posted;
 - (b) if properly addressed and delivered by hand, when given or left at the address;
 - (c) if printed as part of (or as an insert to) The Scottish Mountaineer, 72 hours after it was posted;
 - (d) if made available by means of a website, when the recipient receives (or is deemed to have received) notice of the address of the website, and of the

fact that the material is or is to be so available, or (if later) when the material is in fact made available on the website; or

- (e) where the document or information is properly addressed and sent or supplied by electronic means, (including, but not limited to email) one hour after the document or information was sent or supplied.

For the purpose of this Article, no account shall be taken of any part of a day that is not a Business Day. In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act.

7.2 The Company Secretary shall ensure that any resolution to amend the Articles shall be intimated to all members at least 42 days prior to the date for the General Meeting at which it is to be considered, unless such resolution is requisitioned by not less than 5% of the paid-up number of voting members in accordance with Article 6.2 and section 303 of the Act in which case such resolution shall be intimated to all members at least 35 days prior to the date for the General Meeting at which it is to be considered. Members wishing to move any counter-proposals or amendments to the resolution as intimated are required to intimate them to the Company Secretary in writing not less than 28 days prior to the date for that General Meeting.

7.3 The Company Secretary shall ensure that not less than 21 clear days' notice in writing is given of every AGM and that not less than 14 days clear notice in writing is given of every General Meeting and that such notice in either case specifies the date, place, and time of the General Meeting and in the case of special business the nature of that business, except where special notice of a General Meeting requires to be given in accordance with the terms of the Act.

7.4 The accidental omission to give intimation of an AGM or a General Meeting to or the non-receipt of such notice by any member entitled to receive notice thereof shall not invalidate any resolution passed at or any proceedings of any General Meeting. Any voting member present at any General Meeting of the Company shall be deemed to have received notice of that General Meeting and where appropriate of the purpose for which it was called.

7.5 All notices shall include a statement notifying each voting member of their right to appoint a proxy as laid down in the Act.

8 THE BOARD OF DIRECTORS

8.1 The affairs of the Company shall be under the management of the Board.

8.2 The Board shall elect one of their members to act as Chairperson of meetings of the Board.

8.3 In the event of a casual vacancy arising to a position on the Board, the Board may fill it by appointing a member who is willing to act as a Director but such Director shall hold office only to the next AGM at which time such Director shall, if they wish to

continue to serve, be required either to be: (i) nominated in writing by a voting member to the Company Secretary at least 70 days before the AGM; or (ii) if endorsed by the outgoing Board, in accordance with Article 6.3, and be elected at such AGM in accordance with Article 6.5. The period of time in which such Director filled such casual vacancy shall not be counted towards their continuous term of office for the purpose of Article 6.6.

8.4 The Company Secretary shall be appointed by the Board for such term and upon such conditions as the Directors may think fit and any Company Secretary so appointed may be removed by the Directors.

8.5 Any Director may call a Directors' meeting by giving not less than five Business Days' notice of the meeting (or such lesser notice as all the Directors may agree) to the Directors or by authorising the Company Secretary (if any) to give such notice. Notice of any Directors' meeting must be in writing and given to each Director and indicate the proposed date and time, where it is to take place and if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

8.6 The Board may invite such other persons as they deem fit to attend Board Meetings in a non-voting capacity.

8.7 Five Directors present (including the Chairperson) shall constitute a quorum of the Board. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to a date within the following fourteen days at the same time and place, when, provided there are no changes to the agenda, the Directors present will constitute a quorum. Subject to the Chairperson's possible casting vote, each Director has one vote and the general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision of the Eligible Directors at a meeting or a decision taken in accordance with Article 8.9.

8.8 A Director may participate in a meeting of the Board by means of video conferencing, conference telephone or similar communications equipment whereby all the members of the Board participating in the meeting can hear each other. Those so participating shall be deemed to be present in person at such meeting.

8.9 A unanimous decision of the Directors is taken in accordance with this Article when all Eligible Directors indicate to each other by any means that they share a common view on a matter. Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing. A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at such a meeting.

9 POWERS AND DUTIES OF THE BOARD

- 9.1 The Board shall govern the Company and shall be accountable to the members of the Company for the performance of the Company. The Board shall have overall responsibility and shall perform all statutory duties of the Company.
- 9.2 The Board shall be responsible for strategic functions, preparing the corporate plan and, annual operational plan, and monitoring progress. The Board may achieve this by establishing appropriate working groups and advisory groups.
- 9.3 The Board shall, as and when it is appropriate for the Company to have a policy on any topic, prepare a draft Policy, inform members of the draft, publish it so that all members have an opportunity to consider it and comment on it and, after considering all comments received and making any adjustments to the draft which it considers appropriate, refer the draft Policy to the next AGM. Any such draft Policy shall become a Policy of the Company if approved by the voting members at the AGM. Any such Policy of the Company may be amended or revoked by an equivalent process of consultation and approval. In the event of a conflict between the terms of the Articles and the terms of a Policy, the terms of the Articles shall prevail over the terms of the Policy.
- 9.4 The Board shall communicate and consult with the members by whatever means they deem appropriate, including, for the avoidance of doubt, the website.
- 9.5 The Board shall have the right to call for production of copies of the constitution or equivalent document of any Club Member.
- 9.6 Save as otherwise provided, the Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit but shall meet not less than four times in each year. Notice of meetings of the Board along with a full agenda of the business to be transacted and copies of all minutes to be submitted for approval shall be sent to each Board member respectively at least seven clear days prior to the meeting (except for urgent business where, with the prior approval of all Directors then in Scotland, a Board meeting may be held at shorter notice). The Board may at its discretion circulate reports of its meetings to third parties from time to time.
- 9.7 Members of the Board, working groups and advisory groups may be paid all reasonable travelling, overnight accommodation and other expenses necessarily incurred by them in connection with their attendance at meetings of the Board or otherwise in connection with the discharge of their duties.
- 9.8 The Board may appoint from within the membership of the Company such representatives to other bodies as it deems appropriate.
- 9.9 All acts done by any meeting of the Board shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any member or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office.

10 VACATION OF OFFICE OF BOARD MEMBERS

The office of Director shall be vacated if the holder:

- (a) becomes insolvent or makes any arrangement or composition with their creditors generally;
- (b) becomes prohibited from being a Director by reason of any order made under the Company Directors' Disqualification Act 1986 and every statutory modification and re-enactment thereof for the time being or in force;
- (c) becomes incapable for medical reasons of fulfilling the duties of office and such incapacity as certified (if necessary) by two medical practitioners is expected to continue for a period of more than six months from the date or later date of such certification;
- (d) by notice in writing to the Company Secretary resigns from office;
- (e) is directly interested in any contract with the Company and fails to declare the nature of their interest in the manner required by Article 12 and the Board resolves that such individual vacates that office;
- (f) fails to attend three consecutive Board meetings (without permission of the Board or with reasonable excuse) and the Directors resolve that that such individual vacates that office; or
- (g) is removed from office by an ordinary resolution passed by the voting members of the Company in accordance with section 168 of the Act.

11 WORKING GROUPS AND ADVISORY GROUPS

- 11.1 The Board may establish such working groups and advisory groups as it deems necessary to advise on and oversee the implementation and operation of policy and to deliver the Company's annual operational plan in line with the current strategic plan in conjunction with the Staff or to investigate and report on matters as set out in terms of reference drawn up by the Board.
- 11.2 The Board shall appoint the members and conveners of any such working groups and advisory groups from the elected members of the Board and from members of Clubs and Individual Members with the expertise, interest and availability to assist the working groups and advisory groups in their work programme. The Board may also appoint members who are not members of the Company but have special expertise or represent partnership bodies. In each case, the working groups and advisory groups will be supported by the Staff.

12 CONFLICTS OF INTEREST

- 12.1 The Directors may, in accordance with the requirements set out in this Article, authorise any Conflict proposed to them by any Director which would, if not

authorised, involve a Director (an "**Interested Director**") breaching their duty under section 175 of the Act to avoid conflicts of interest.

- 12.2 Any authorisation under this Article 12 shall be effective only if:
- 12.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
 - 12.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - 12.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 12.3 Any authorisation of a Conflict under this Article 12 may (whether at the time of giving the authorisation or subsequently):
- 12.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 12.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
 - 12.3.3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
 - 12.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
 - 12.3.5 provide that, where the Interested Director obtains, or has obtained (through their involvement in the Conflict and otherwise than through their position as a Director of the Company) information that is confidential to a third party, the Interested Director shall not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - 12.3.6 permit the Interested Director to absent them self from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 12.4 Where the Directors authorise a Conflict, the Interested Director shall be obliged to conduct them self in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.

- 12.5 The Directors may revoke or vary such authorisation at any time, but this shall not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- 12.6 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which such Director derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in General Meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 12.7 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act, and provided a Director has declared the nature and extent of their interest in accordance with the requirements of the Act, such Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 12.7.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
 - 12.7.2 shall be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the existing or proposed transaction or arrangement;
 - 12.7.3 shall absent them self from the discussion of matters relating to the existing or proposed transaction or arrangement at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters;
 - 12.7.4 shall not be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which that Director is interested;
 - 12.7.5 may act as an individual or through their firm in a professional capacity for the Company (otherwise than as auditor) and that individual or their firm shall be entitled to remuneration for professional services as if that individual was not a Director;
 - 12.7.6 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
 - 12.7.7 shall not, save as such Director may otherwise agree, be accountable to the Company for any benefit which that Director (or a person connected with that Director (as defined in section 252 of the Act)) derives from any such

transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of that Director's duty under section 176 of the Act.

- 12.8 Any person being nominated for appointment to any working group or advisory group who has any financial interest in Mountaineering shall before accepting nomination state them fully in writing to the Company Secretary who shall inform any others concerned to know of them. No person having made such a statement of financial interest shall act as a member of any working group or advisory group until notified by the Company Secretary of the Board's acceptance of the disclosure. The above provisions shall apply *mutatis mutandis* to any person who subsequent to their nomination or appointment as the case may be acquires any financial interest in Mountaineering.
- 12.9 All Staff together with any working group or advisory group members shall have an obligation to declare any interest which might arise in respect of dealings with the Company by themselves and/or by parties with whom they are connected or associated and, where such interests do arise, to avoid conflicts of interest by way of such declaration either of a general nature to the Company Secretary on an annual basis or of a specific nature to the Chairperson of the meeting in question. Where a conflict, real or potential, arises in any meeting, the Chairperson of the meeting in question may determine:
- (a) whether the potential or real conflict only be minuted;
 - (b) whether in addition the working group or advisory group member in question, whilst being permitted to remain at the meeting, must not partake in discussions or decisions relating to such matter; or
 - (c) whether in addition the working group or advisory group member in question should be required to leave the meeting during the discussion on that particular matter (on the basis that the working group or advisory group member in question leaving will be disregarded in determining whether the meeting remains quorate).

13 FINANCE

- 13.1 The Board shall be responsible for the setting of budgets and the keeping of accounts and records showing a true and fair view of the financial affairs of the Company. The Board shall be responsible for overseeing the operation of the Company's banking arrangements for the collection of the annual subscriptions and all other revenue of the Company and for the oversight of any capital assets of the Company.
- 13.2 The Company's annual accounting date shall be 31 March or such other date as may from time to time be decided by the Board who shall inform those concerned to know of it. Copies of the statutory financial statements and reports shall be made

available to all members, in terms of the Act, before they are filed at Companies House.

14 **SUSPENSION OF MEMBERS**

If it is made to appear to the Board that any member has conducted themselves/itself in a manner detrimental to the reputation or interests of Mountaineering or the Company or has failed to observe the terms of these Articles and/or the Policies, they shall have power to suspend that member from the Company. Before so proceeding, the Board shall cause the evidence to be reduced to writing, and shall then intimate to the relevant member such evidence and their intention to proceed under this Article, inviting such member to a hearing, within twenty eight days, and to adduce any explanation or evidence which such member wishes to have considered by the Board in determining the matter. Any member so suspended has the right, by notice in writing to the Company Secretary within fourteen days of the decision being intimated to such member, to appeal against the Board's decision, to the next AGM, the decision whereof shall be final. After that AGM, a suspended member will cease to be a member unless such member has appealed and the AGM has allowed the appeal.

15 **INDEMNITY**

Subject to the provisions of Section 232 and 234 of the Act, the Directors or members of any working group or advisory group and all any other office bearers or Staff for the time being of the Company shall be indemnified out of the Company's funds against all loss, costs and charges which they may respectively incur or be put to on account of any contract, deed, act, matter or thing done, entered into, executed or permitted by them on behalf of the Company. Subject as aforesaid, no Director or any working group or advisory group member or any other office bearer or Staff or such individual's executors or administrators shall be liable for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired for or on behalf of the Company or for the insufficiency or deficiency of any obligation of security in or upon which any funds of the Company shall be invested or for any loss or damage arising from bankruptcy, insolvency or wrongful act of any person or body with whom any monies, securities or effects shall be deposited or for any loss, damage or misfortune whatsoever which shall happen in the execution of the duties of their office or in relation thereto unless the same shall happen through their own fraud, wilful neglect, default, breach of duty or breach of trust.

16 **DISSOLUTION**

If upon the winding up of the Company there remains after the satisfaction of all its debts and liabilities any surplus whatsoever, it shall be paid to or distributed among the members of the Company only if the members all have objects similar to the objects of the Company and restrictions in their constitutions on the distribution of

their income and property to members equivalent to the restriction under Article 2.3 hereof, and otherwise shall be distributed to some other body or charity based in Great Britain which has objects similar to the objects of the Company and which does have such a restriction, such other body to be determined by the voting members of the Company before the time of dissolution.