

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL
MEMORANDUM of ASSOCIATION OF
THE GLENDALE TRUST

1. Name

The company's name is THE GLENDALE TRUST

2. Registered office

The company's registered office is to be situated in SCOTLAND.

3. Objectives

The company's objectives are the promotion for the public benefit of rural regeneration in areas of social and economic deprivation, and in particular within the area of Glendale, Isle of Skye, Highland, Scotland (postcodes IV55 8WJ-Y and 8ZS-Z):

- (a) To maintain and/or improve the provision of public amenities.
- (b) To maintain and/or improve buildings or sites of historic or architectural importance.
- (c) To protect and conserve the local environment through, for example, the encouragement of renewable energy sources, where and as appropriate.
- (d) To create training and employment opportunities by the provision of workspace, buildings and/or land for the use of locals.
- (e) To defend the interests and welfare of the people of Glendale.

In furtherance of the above objectives, the Glendale Trust will:

- (a) Identify the key developments in the area that will make Glendale an even better place in which to live.
- (b) Encourage tourism to the area.
- (c) Make use of public/private resources and external professional advice to achieve these objectives.
- (d) Secure the maximum amount of external funding to achieve some or all of our objectives, avoiding conflict with the traditional role of the Community Council.
- (e) Give written or oral advice and help, and where needed financial assistance to aid other organisations in Glendale such as the Moorings Association and Hall Committee complete their objectives.
- (f) Communicate clearly and regularly with members of the community.

4. Powers

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

- (a) To carry on any activities which further any of the above objectives.
- (b) To promote companies whose activities may further one or more of the above objectives, or may generate income to support the activities of the company, acquire and hold shares in such companies and carry out, in relation to any subsidiary of the company, all such functions as may be associated with a holding company.
- (c) To acquire and take over the whole or any part of the undertaking and liabilities of any body holding property or rights which are suitable for the company's activities.
- (d) To have the right to register an interest in land and to exercise the right to buy under the Land Reform (Scotland) Act 2003 including any statutory amendment or re-enactment thereof for the time being in force ("the Land Reform Act").

- (e) To purchase, take on lease, hire, or otherwise acquire, any property or rights which are suitable for the company's activities.
- (f) To improve, manage, develop, or otherwise deal with, all or any part of the property and rights of the company.
- (g) To sell, let, hire out, license, or otherwise dispose of, all or any part of the property and rights of the company.
- (h) To lend money and give credit (with or without security) and to grant guarantees and issue indemnities.
- (i) To borrow money, and to give security in support of any such borrowings, in support of any obligations undertaken, or in support of any guarantee issued, by the company.
- (j) To employ such staff as are considered appropriate for the proper conduct of the company's activities.
- (k) To engage such consultants and advisers as are considered appropriate from time to time.
- (l) To invest any funds which are not immediately required for the company's activities in such investments as may be considered appropriate (and to dispose of, and vary, such investments).

- (m) To liaise with other voluntary sector bodies, local authorities, UK or Scottish government departments and agencies, and other bodies, all with a view to furthering the company's objectives.
- (n) To establish and/or support any other charitable body, and to make donations for any charitable purpose falling within the company's objectives.
- (o) To take such steps as may be deemed appropriate for the purpose of raising funds for the company's activities.
- (p) To accept grants, donations and legacies of all kinds (and to accept any reasonable conditions attaching to them).
- (q) To oppose, or object to, any application or proceedings which may prejudice the company's interests.
- (r) To enter into any arrangement with any organisation, government or authority which may be advantageous for the company's purposes, and to enter into any arrangement for co-operation or mutual assistance with any charitable body.

5. Income and Property

- (a) The income and property of the company shall be applied solely towards promoting the company's objectives.
- (b) No part of the income or property of the company shall be paid or transferred (directly or indirectly) to the directors of the company, whether by way of dividend, bonus or otherwise.
- (c) No Director of the company shall be appointed as a paid employee of the company; no Director shall hold any office under the company for which a salary or fee is payable.
- (d) Any director who demits office shall be time barred from taking up paid employment with the trust for twelve months
- (e) No benefit (whether in money or in kind) shall be given by the company to any Director except repayment of out-of-pocket expenses or reasonable payment in return for particular services (not being of a management nature) actually rendered to the company.

6. Liability

The liability of the members is limited.

7. Winding-up

- (a) Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while he/she is a member, or within one year after he/she ceases to be a member, for payment of the company's debts and

liabilities contracted before he/she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

(b) If on the winding-up of the company, any property remains after satisfaction of all the company's debts and liabilities, such property shall be transferred to some other charitable body or bodies (whether incorporated or unincorporated) whose objects are similar (wholly or in part) to the objects of the company. The body or bodies to which property is transferred shall be determined by the members of the company at or before the time of dissolution or, failing such determination, by such court as may have jurisdiction at the time.

8. Accounting

Accounting records shall be kept in accordance with all applicable statutory requirements and shall contain entries from day to day of all sums of money received and expended by the company, a record of the item or purpose for which money was received or expended, and a record of the assets and liabilities of the company. Such accounting records shall be open to inspection at all times by any Director of the company.

9. Interpretation

Throughout this memorandum of association, 'property' means any property, heritable or moveable, real or personal wherever situated. 'The expression 'charitable purpose' shall mean a charitable purpose under section 7 of the Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the applications of the Taxes Acts.

10. Declaration

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

Names and addresses of subscribers:

1. Ian Blackford

Lon Ban

17 Lower Milovaig

Glendale

IV55 8WR

Signature.....

2. Ewan G. McLay

Kanandueg

7 Holmisdale

Glendale

Isle of Skye

IV55 8WS

Signature.....

3. Ocean Graham

6 Feriniquarrie

Glendale

IV55 8WN

Signature.....

Dated:

Witness to the above signatures:

ARTICLES OF ASSOCIATION

1. The Structure of the company consists of:

(a) the MEMBERS - who have the right to attend the annual general meeting (and any extraordinary general meeting) and have important powers under the articles of association and the Companies Acts. In particular, the members elect people to serve as Directors and take decisions in relation to changes to the articles themselves;

(b) the DIRECTORS - who hold regular meetings during the period between annual general meetings, and generally control and supervise the activities of the company. In particular, the Directors are responsible for monitoring the financial position of the company.

2. Qualifications for membership

(a) Membership of The Glendale trust will be open to all who live within the Glendale area as defined under the memorandum of association objectives as being postcode area IV55 8WJ-Y and IV55 8ZS-Z and who are on the electoral roll.

(b) Associate (non-voting membership) will be open to all who have an interest in Glendale.

3. Application for membership

(a) Any person who wishes to become a member must sign, and lodge with the company, a written application for membership.

4. Membership subscription

No membership subscription shall be payable.

5. Register of members

The Directors shall maintain a register of members, setting out the full name and address of each member, the date on which he/she was admitted to membership, and the date on which they ceased to be a member.

6. Withdrawal from membership

Any person who wishes to withdraw from membership shall sign, and lodge with the company, a written notice to that effect; on receipt of the notice by the company, he/she shall cease to be a member.

7. Expulsion from membership

He/She may be expelled from membership by special resolution, providing the following procedures have been observed:

(a) At least 21 days' notice of the intention, specifying the grounds for the proposed expulsion, must be given to the member or corporate body concerned;

(b) Any member concerned shall be entitled to be heard on the resolution at the general meeting at which it is proposed.

8. Termination/transfer

(a) Membership shall cease on death.

(b) A member may not transfer his/her membership to any other person.

9. General Meetings

(a) The Directors shall convene an annual general meeting in each year (but excluding the year in which the company is formed). The first AGM shall be held not later than 18 months after the date of incorporation of the company.

(b) Not more than 15 months shall elapse between one AGM and the next.

(c) The business of each AGM shall include:

- (i) a report by the Chairperson on the activities of the company;
- (ii) consideration of the annual accounts of the company;
- (iii) the election/re-election of Directors.

(d) The Directors may convene an extraordinary general meeting at any time; they must convene an EGM if there is a valid requisition by members (under the Companies Act) or a requisition by a resigning auditor (under the Companies Act). If a notice signed by ten or more members requesting an extraordinary general meeting is received by the company, the Directors must convene an EGM, and, on the basis that it must be held within six weeks from the date on which the notice was received, a notice under the preceding provisions must set out the business which is to be considered at the EGM.

10. Notice of general meetings

(a) Notice of every general meeting shall be given (either in writing or, where specified, by way of an electronic communication) to all the members and Directors, and (if there are auditors in office at the time) to the auditors. Any notice, if sent by post, shall be deemed to have been given at the expiry of 24 hours after posting. Any notice contained in an electronic communication shall be deemed to have been given at the expiry of 24 hours after it was sent.

(b) A notice shall specify whether the meeting is to be an annual general meeting; any other general meeting shall be called an extraordinary general meeting.

(c) At least 21 clear days' notice must be given of an AGM or an EGM at which a special resolution (or a resolution requiring special notice under the Companies Act) is to be proposed; all other EGMs shall be called by at least 14 clear days' notice.

(d) A notice calling a meeting shall specify the time and place, indicate the general nature of the business to be dealt with and, if a special resolution is to be proposed, shall state the exact terms of the resolution.

11. Special resolutions and ordinary resolutions

(a) A 'special resolution' has to be passed by 75% or more of the votes cast on it at an AGM or EGM. A 75% majority relates only to the number of votes cast in favour of the resolution as compared with the number of votes cast against, and accordingly no account shall be taken of abstentions or members absent from the meeting.

(b) In addition to the matters referred to elsewhere in these articles, the provisions of the Companies Act allow the company, by special resolution:

- (i) to alter its name;
- (ii) to alter its memorandum of association with respect to the company's objectives;
- (iii) to alter any provision of these articles or adopt new articles of association.

(c) An 'ordinary resolution' means a resolution passed by majority vote (taking account only of those votes cast in favour as compared with those votes against, and (as applicable) the Chairperson's casting vote), at an AGM or EGM.

12. Procedure at general meetings

(a) No business shall be dealt with at any general meeting unless a quorum is present. The quorum for a general meeting shall be a minimum of 20 members, present in person, or in the case of corporate bodies via their duly appointed representatives.

(b) If a quorum is not present within 15 minutes after the meeting start time, or if, during a meeting, a quorum ceases to be present, the meeting shall be adjourned to a time and place fixed by the Chairperson of the meeting.

(c) The Chairperson of the company shall (if present and willing to do so) preside as Chairperson of each general meeting; if he or she is not present and willing to act as Chairperson within 15 minutes after the meeting start time, the Directors present shall elect from among themselves the person who will act as Chairperson of that meeting.

- (d) The Chairperson of a general meeting may, with the consent of a majority of those present, adjourn the meeting to such time and place as he or she may determine.
- (e) Every member shall have one vote, which may be given personally, or by proxy whether on a show of hands or in a secret ballot.
- (i) A member who wishes to appoint a proxy to vote on his/her behalf at any meeting must either lodge with the company, prior to the time when the meeting commences, a written proxy form, signed by him/her; or send to the company, at the address notified to the members by the company for that purpose, an electronic communication containing the appointment of a proxy, and on the basis that to be valid such electronic communication must be received by the company secretary at that address not less than 24 hours before the time when the meeting commences.
- (ii) A proxy need not be a member of the company.
- (iii) A member shall not be entitled to appoint more than one proxy to attend the same meeting.
- (iv) a proxy appointed to attend and vote at any meeting instead of a member shall have the same right as the member who appointed him/her to speak at the meeting.
- (f) If there are an equal number of votes for and against any resolution, the Chairperson of the meeting shall be entitled to a casting vote.
- (g) A secret ballot may be demanded by the Chairperson or by at least two members present either before the show of hands takes place, or immediately after the result is declared. It shall be taken at the meeting and shall be conducted in such a manner as the Chairperson may direct. The result of the ballot shall be declared at the same meeting.

13. Directors: election, powers, personal interest

- (a) The maximum number of Directors (excluding for this purpose alternate Directors) shall be 13, out of that number no more than two shall be co-opted under the provision of paragraph (e)
- (b) A person shall not be eligible for election/appointment as a Director under articles 13 (c) and (d) unless he/she is a member of the company; a person appointed as a Director under articles 13 (e) need not, however, be a member of the company.
- (c) At each AGM, the members may elect any member to be a Director, except those who are employees of the company.
- (d) The Directors may at any time appoint any member to be a Director, except those who are employees of the company.
- (e) At each annual general meeting, one third of the Directors elected under articles 13 (c) and (d) shall retire from office by rotation but shall then be eligible for re-election.
- (i) Appointment/re-appointment of co-opted Directors. In addition to their powers under article 13 (d), the Directors may at any time appoint any non-member of the company to be a Director on the basis that he/she has specialist experience, and/or skills, which could be of assistance to the Directors. Any co-opted director will be appointed-re-appointed on an annual basis.
- (f) A Director shall automatically vacate office if:
- (i) he/she ceases to be a Director through the operation of any provision of the Act or becomes prohibited by law from being a Director;
- (ii) he/she becomes debarred under any statutory provision from being involved in the management or control of a charity;

- (iii) he/she becomes incapable for medical reasons of fulfilling the duties of his/her office and such incapacity is expected to continue for a period of more than six months;
- (iv) In the case of a Director elected/appointed under articles 13 (c) - (e) he/she ceases to be a member of the company.
- (v) he/she resigns office by notice to the company;
- (vi) he/she is absent (without permission of the Directors) from more than three consecutive meetings of the Directors, and the Directors resolve to remove him/her from office;
- (vii) he/she is removed from office by ordinary resolution (special notice having been given) in pursuance of section 303 of the Act.

(g) The Directors shall maintain a register of Directors, setting out full details of each one, including the date on which he/she became a Director, and also specifying the date on which any person ceased to hold office as a Director.

(h) The Directors, who may exercise all the powers of the company, shall manage the company and its assets and undertaking, subject to the provisions of the Act, the memorandum of association and these articles, and subject to any directions given by special resolution.

(i) Provided he/she has declared his/her personal interest, and has not voted on the question of whether or not the company should enter into the relevant arrangement (see 15 (g) and (h)), a Director will not be debarred from entering into an arrangement with any company in which he/she has a personal interest (or is deemed to have a personal interest) and may retain any personal benefit which he/she gains from his/her participation in that arrangement.

(j) Directors may be paid all travelling and other expenses reasonably incurred by them in connection with their attendance at meetings and the carrying-out of their duties.

14. Office bearers

(a) The Directors shall elect from among themselves a Chairperson and a Treasurer, and such other office bearers as they consider appropriate.

(b) All of the office bearers shall cease to hold office at the conclusion of each AGM, but shall then be eligible for re-election.

(c) A person elected to any office shall cease to hold that office if he/she ceases to be a Director, or if he/she resigns from that office by written notice to that effect.

15. Procedure at Directors' meetings

(a) Any Director may call a meeting of the Directors or request the Secretary to do so.

(b) No business shall be dealt with at any Directors' meeting unless a quorum is present. The quorum for a Directors' meeting shall be 4 members present in person, at least one of whom must be an office bearer as defined in 14 (a). (i) A person (other than a Director) acting as an alternate Director, shall, if the Director who appointed him/her is not present, be counted in the quorum.

(c) If at any time the number of Directors in office falls below the number fixed as the quorum, the remaining Director(s) may act only for the purpose of filling vacancies or of calling a general meeting.

(d) The Chairperson of the company shall (if present and willing to do so) preside as Chairperson of each Directors' meeting; if he or she is not present and willing to act as Chairperson within 15 minutes after the meeting start time, the Directors present shall elect from among themselves the person who will act as Chairperson of that meeting.

(e) Every Director shall have one vote, which must be given personally, whether on a show of hands or in a secret ballot. If there are an equal number of votes for and against any resolution, the Chairperson of the meeting shall be entitled to a casting vote. A Director who is also an alternate Director shall be entitled, in the absence of the Director who appointed him/her, to a separate vote on behalf of his/her appointer in addition to his/her own vote.

(f) The Directors may, at their discretion, allow any person who they reasonably consider appropriate, to attend and speak at any meeting of the Directors. Any such person who is invited to attend a Directors' meeting shall not be entitled to vote.

(g) A Director who has a personal interest in any transaction or other arrangement which the company is proposing to enter into, must declare that interest at a meeting of the Directors; he/she will be debarred from voting on the matter in question and must withdraw while the matter is being dealt with. (i) A personal interest held by a Director who has appointed an alternate Director shall be treated as a personal interest of the alternate Director)

(h) A Director shall be deemed to have a personal interest in an arrangement if any partner or other close relative of his/hers, or any firm of which he/she is a partner, or any limited company of which he/she is a substantial shareholder or Director, or any other party who/which is deemed to be connected with him/her for the purposes of section 317 of the Companies Act, has a personal interest in that arrangement.

(i) A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he/she is not entitled to vote.

(j) The company may, by ordinary resolution, suspend or relax to any extent, either generally or in relation to any particular matter, the provisions of articles 15 (g) to (i).

(i) A Director may appoint any other Director (or any other person approved by resolution of the Directors and willing to act) to be an alternate Director; any such alternate Director may be removed by him/her at any time.

(ii) The appointment or removal of an alternate Director shall be valid only if effected by a written notice signed by the Director who is making or revoking the appointment.

(iii) The notice appointing an alternate Director may state that the powers of the alternate Director shall be limited to attending, speaking and voting at a Directors' meeting at which the Director who appointed him/her will not be present; in the absence of a statement of that kind, the appointment shall be deemed to extend to performing all the functions of his/her appointer as a Director in his/her absence.

(iv) An alternate Director shall (subject to article 15 (j) (v) cease to be an alternate Director if his/her appointer ceases to be a Director.

(v) If a Director retires or vacates office but is re-appointed at or immediately following the meeting at which he/she retires or vacates office, any appointment of an alternate Director made by him/her which was in force immediately prior to retirement or vacating of office shall continue after his/her re-appointment.

(vi) References in these articles to Directors shall, unless the context otherwise requires, be interpreted as including alternate Directors.

16. Delegation to sub-committees

The Directors may delegate any of their powers to any sub-committee consisting of one or more Directors and such other persons as the Directors may determine. They may also delegate to the Chairperson of the company (or the holder of any other post) such of their powers as they may consider appropriate. Any delegation of powers may be subject to conditions imposed by the Directors, and may be revoked or altered. The rules of procedure for any sub-committee shall be as prescribed by the Directors.

17. Operation of bank accounts

The signatures of two out of the four signatories appointed by the Directors shall be required in relation to all operations (other than lodgement of funds) on the bank and building society accounts held by the company; at least one of the two signatures must be that of a Director.

18. Secretary

The Company Secretary need not be a director and if so can be appointed by the Directors for such term, at such remuneration (if any), and upon such conditions, as they may think fit. The Company Secretary may be removed by them at any time.

19. Minutes

The Directors shall ensure that minutes are made of all proceedings at all meetings. A minute shall include the names of those present, and (as far as possible) shall be signed by the Chairperson of the meeting.

20. Accounting records and annual accounts

(a) The Directors shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements.

(b) The Directors shall prepare annual accounts; if an audit or an independent examination is required under any statutory provisions or if they otherwise think fit, they shall ensure that it is carried out by (i) in the case of an audit by a qualified auditor or (ii) in the case of an independent examination by a suitably experienced person.

(c) No member (unless he/she is a Director) shall have any right of inspecting any accounting or other records, or any document of the company, except as conferred by statute, or as authorised by the Directors, or as authorised by ordinary resolution of the company.

21. Winding-up

If the company is wound up, the liquidator shall give effect to the provisions of clause 7 (b) of the memorandum of association.

22. Indemnity

(a) Every Director or other officer or auditor of the company shall be indemnified out of the assets of the company against any loss or liability which he/she may sustain or incur in connection with the execution of the duties of his/her office. That may include, without prejudice to that generality, any liability incurred by him/her in defending any proceedings (whether civil or criminal) in which judgement is given in his/her favour or in which he/she is acquitted, or any liability in connection with an application in which relief is granted to him/her by the court from liability for negligence, default or breach of trust in relation to the affairs of the company.

(b) The indemnity contained in article 23 (a) shall be subject to the provisions of the Act and is without prejudice to any other indemnity to which a Director may otherwise be entitled.

23. Interpretation

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

Names and addresses of subscribers:

1. Ian Blackford

Lon Ban

17 Lower Milovaig

Glendale

IV55 8WR

Signature

2. Ewan G. McLay

Kanandueg

7 Holmisdale

Glendale

IV55 8WS

Signature

3. Ocean Graham

5 Feriniquarrie

Glendale

IV55 8WN

Signature

Dated:

Witness to the above signatures:

