

ARTICLES OF ASSOCIATION

of

THE MORAY FIRTH  
PARTNERSHIP

Adopted by the Partnership at the  
Annual General Meeting on  
17 March 2017

**MORTON FRASER**  
S O L I C I T O R S

MO624x005/IM/AEB

THE COMPANIES ACT 1985 and 1989  
COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL  
ARTICLES OF ASSOCIATION

OF  
THE MORAY FIRTH PARTNERSHIP (“the Partnership”)<sup>1</sup>  
-----

GENERAL

1

- 1.1 In these Articles, if not inconsistent with the subject or context:-
- 1.1.1 “the Act” means the Companies Act 1985 and every statutory modification, amendment or re-enactment thereof for the time being in force;
  - 1.1.2 “these Articles” means these Articles of Association, or other regulations of the Partnership from time to time in force;
  - 1.1.3 “electronic communication” has the meaning given to it by the Electronic Communications Act 2000;
  - 1.1.4 “the Secretary” means the Secretary of the Partnership appointed in accordance with Clause 283(1) of the Act;
  - 1.1.5 “the Partnership Manager” means the manager or principal employee of the Partnership as appointed by the Board from time to time;
  - 1.1.6 the Board means the Board of Directors as elected or co-opted from time to time;
  - 1.1.7 “month” means calendar month;
  - 1.1.8 “Person” means any person and includes any firm or corporation;
  - 1.1.9 “the Office” means the The Moray Firth Partnership office at Great Glen House, Leachkin Road, Inverness, IV3 8NW, or such other address as the Partnership may notify to its members from time to time;
  - 1.1.10 “the Register” means the Register of Members of the Partnership;
  - 1.1.11 “The United Kingdom” means Great Britain and Northern Ireland;

---

<sup>1</sup> As amended pursuant to (i) the passing of a Special Resolution on 18 November 2002; and (ii) the passing of a special resolution at the Partnership’s AGM held on 10 February 2004.

- 1.1.12 “in writing” means includes references to any method of representing or reproducing words in a legible and non-transitory form, including by way of electronic communication;
- 1.1.13 “working days” means any working day, Monday to Friday, not including statutory or public holidays; and
- 1.1.14 “year” means calendar year.
- 1.2 Where the context so admits words importing the singular number only shall include the plural number and vice versa.
- 1.3 Where the context so admits words importing the masculine, feminine or neuter gender only shall include either or both of the others.
- 1.4 Words importing persons shall include corporations.
- 1.5 Subject as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.
- 2 The Partnership is established for the purposes expressed in the Memorandum of Association.

### MEMBERS

- 3 Membership of the Partnership shall be open to all Persons who support the aims and objectives of the Partnership and who are admitted to membership in accordance with article 6 below.
- 4 Subject to the provisions of Article 5, there shall be two classes of member, namely:-
- 4.1 Ordinary Members, who must be natural persons and whose qualification shall be their due admission as such in terms of Article 7 below and whose membership shall continue until terminated under the terms of Articles 9 or 10 below; and
- 4.2 Corporate Members, who must be corporate bodies (whether incorporated or unincorporated) whose qualification shall be due admission as such in terms of Article 7 below and whose membership shall continue until terminated under the provisions of Article 9 or 10 below,
- (hereinafter referred to as “**the Members**”).
- 5 Notwithstanding the provisions of Article 4, the Board may at its sole and unfettered discretion at any time create such further classes of membership, having such rights, obligations and benefits as the Board may from time to time think fit.
- 6 Following the Board’s acceptance of a Corporate Member’s application for membership, that Corporate Member shall nominate in writing to the Partnership Manager at the Office in such form as the Board may decide from time to time, a voting representative to attend Partnership meetings and vote on its behalf.

Such representative shall continue to represent the Corporate Member until the termination of the appointment is notified in writing addressed to the Partnership Manager at the Office. A Corporate Member may appoint a substitute representative

for the purposes of a specific meeting by notice in writing served on the Partnership Manager at the Office.

- 7 Applications for membership of either class shall either (i) be in writing addressed to the Partnership Manager at the Office; or (ii) by electronic mail in such form as the Board may decide from time to time, specifying the class of membership sought and (where made in writing) signed for or on behalf of the applicant.

The Board (or any committee, group or individual acting with the delegated authority of the Board) shall consider all applications for membership and may or may not admit a Person to membership in its sole discretion. The Partnership Manager shall, upon the due admission of any applicant by the Board, and, upon payment by the applicant of any applicable subscription, enter the name of such applicant in the Register and upon such entry the applicant shall become a member accordingly.

- 8 There shall be no maximum number of members.

- 9 Termination of Company Membership.

9.1 The Board (or any committee, group or individual acting with the delegated authority of the Board) may at its sole and unfettered discretion at any time terminate the membership of any member who has, in the opinion of the Board, brought the Partnership or the purposes of the Partnership into disrepute.

9.2 Further, a member may at any time withdraw from membership of the Partnership by giving at least seven clear days' notice to the Partnership.

9.3 The membership of any member shall automatically terminate if that member shall fail to pay any applicable subscription by the date falling 3 months after the same becomes due for payment.

9.4 If a member changes his mailing address but fails to notify new contact details to the Partnership, his membership may be terminated three months after the Partnership becomes aware of that fact, unless, within that three month period, the Partnership has been notified of or has established new contact details.

- 10 Membership of the Partnership shall not be transferable and shall cease on death or, in the case of a corporation, on liquidation (or any other analogous event).
- 11 Every member shall further to the best of his ability the objects and interests of the Partnership.

### SUBSCRIPTIONS

- 12 An annual subscription may be introduced or varied by the Partnership if so decided by the Board following consultation with the Members. Any such decision shall establish the terms of any such subscription, including the provision of different rates of subscription for different classes of member or for different types of person.

### OFFICE BEARERS OF THE PARTNERSHIP

- 13 There shall be no office bearers of the Partnership. However, the Board may choose to appoint one or more of the directors or employees of the Partnership to fulfil a certain role or function, subject to agreement on, inter alia, the terms and duration of the appointment and any specific responsibilities.

## THE BOARD OF DIRECTORS

14

- 14.1 Unless otherwise determined by ordinary resolution, there shall be a minimum of seven, and a maximum of ten Directors of the Company.
- 14.2 For the avoidance of doubt, Directors shall be selected on the basis of their individual merits and not as representatives of their employer, sponsor or any body nominating them as directors.
- 14.3 The first Directors of the Board shall, subject to the provisions of article 14.5, serve for an initial period of up to 3 years.
- 14.4 One third of the Board Members (or the number nearest to one third) shall resign at each subsequent Annual General Meeting (except the AGM in 2004 at which no director shall be required to retire), but shall remain eligible for election thereat. Those Directors to retire shall be those who have been longest in office since their last election, but, as between persons who were elected or last re-elected on the same day, the one or ones to retire shall be determined by lot (unless they agree otherwise amongst themselves).

## 15 THE CHAIR

- 15.1 As soon as is reasonably practicable after the 2004 AGM, the Board shall:-
- agree the procedures and criteria to be applied in electing the first Chair; and
  - proceed to elect a person to hold the post of Chair of the Board and of the Partnership.

Thereafter, the Board shall review the post of Chair annually at the first Board meeting following each statutory AGM.

15.2 Subject to the provisions of these Articles, the Board shall have sole discretion to review and agree the procedures to be adopted for the selection and appointment of the Chair and the term of his appointment.

15.3 Any Board member may put himself forward for election to the post of Chair. Members and non-members of the Partnership are also eligible, subject to submitting valid nomination papers and subject to any specific criteria that may have been set by the Board at any given time.

15.4 Where there are the maximum seven Directors serving on the Board, whether elected or co-opted, the Board shall appoint one of those seven to act as Chair. Where there are six or less Directors, whether elected or co-opted, it shall be open to the Board to either elect one of those Directors as Chair or to elect someone from outwith the Board who was nominated in accordance with clause 15.3.

15.5 In the event that the Chair so elected is not already a Director he shall be co-opted as a Director by the Board (hereinafter referred to as "the Co-opted Chair"), but must stand for election as a Director at the next following AGM. If that person is then elected as a Director, he shall rejoin the Board and be eligible for re-appointment by the Board to the post of Chair, if the Board so agrees.

15.6 Unless specifically agreed otherwise by the Board in terms of Article 18, if the person elected as Chair is not already a member of the Partnership in his own name,

he shall forthwith proceed to apply for membership and shall remain a member for as long as he remains a Director.

15.7 For the avoidance of doubt, the Chair shall be selected by the Board on the basis of his individual suitability for the post and not as a representative of his employer or any body nominating him.

15.8 The role, duties and responsibilities of the Chair will be as defined by the Board and as notified to and agreed from time to time with any candidate for the post of Chair.

16 The business of the Partnership shall be managed by the Board, who may exercise all such powers of the Partnership and do on behalf of the Partnership all such acts as may be exercised and done by the Partnership, and which are not by statute or by these Articles required to be exercised or done by the Partnership in general meeting. However, no regulation made by the Partnership in general meeting shall invalidate any prior act of the Board that would have been valid if that regulation had not been made.

17 The Board shall consist of all the Directors of the Partnership, being directors appointed under (i) Article 14 and (ii) where appropriate, those members co-opted onto the Board in accordance with Article 20, who, together, shall number not less than 5 and not more than 7 Persons including the Chair (or such other number as may from time to time be determined by the Partnership in general meeting). In the event that the number of Directors appointed to the Board falls below 5, the remaining Board members may continue to act, but must, as a priority, make every effort to co-opt such further Persons as will bring the minimum number of Directors on the Board back to 5.

18 Unless the Board agrees otherwise, any person who is elected or co-opted as a Director shall either be or become a Partnership member in his own name and shall remain a member for so long as he is a member of the Board. For the avoidance of doubt, elected or co-opted Directors shall take part in Board activities as individuals and not as representatives of their employer, sponsor or any body nominating them as directors.

19 Nominations for persons to serve on the Board must:-

- be in writing
- be proposed and seconded by members of the Partnership
- have the consent of the nominee
- be in the hands of the Partnership Manager no later than 5 clear working days prior to the date of the next annual general meeting.

Should the number of nominees exceed the number of vacancies on the Board, elections shall be by a show of hands or, if the chairperson so decides, by ballot of those present at the annual general meeting.

20 Subject to any limit on the maximum number of Directors, the Board may co-opt additional Directors.

21 Co-opted Directors appointed under Articles 15.5 or 20 shall hold office until the next annual general meeting, where they shall resign, but may offer themselves for election.

22 In addition to the provisions for retirement set out above, the office of a Director shall be vacated:-

- 22.1 if he resigns office by written notice to the Partnership; or
  - 22.2 if he becomes bankrupt or makes any arrangement or composition with his creditors; or
  - 22.3 if he ceases to be a member of the Partnership, unless with the express agreement of the Board;
  - 22.4 if, having followed the principles of natural justice, all of the other members of the Board agree unanimously that there is a compelling reason why that person should be removed as a Director, in order to protect the best interests of the Partnership.
  - 22.5 if he becomes of unsound mind as certified by a medical practitioner;
  - 22.6 if he becomes incapable for medical reasons of fulfilling the duties of his office and such incapacity is (as certified by a medical practitioner) expected to continue for a period of more than six months from the date of such certification;
  - 22.7 if the Board so decides that he has failed, without sufficient reason, to attend three consecutive meetings of the Board.
  - 22.8 if he is directly or indirectly interested in any contract with the Partnership and fails to declare the nature of his interest to the Board in the manner required by section 317 of the Act, and the Board resolves that he vacate office;
  - 22.9 if he ceases to be ordinarily resident in the United Kingdom.
- 23 Without prejudice to articles 17, 18, 20, 21 and 22 hereof, the Partnership may by ordinary resolution of which special notice has been given in accordance with Section 303 of the Act remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Partnership and any such Director.

#### PROCEEDINGS OF THE BOARD

- 24 Subject to the provisions of these Articles, the Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit.
- 25 Subject as otherwise provided in these Articles:-
- 25.1 Subject to articles 25.4 and 25.5, each member of the Board shall have one vote;
  - 25.2 questions arising at any meeting shall be decided by a majority of the members of the Board present and entitled to vote;
  - 25.3 in case of an equality of votes and having failed to reach agreement by consensus, the Chair (or the chairperson of the meeting if the Chair is not present) shall have a second or casting vote;

- 25.4 A member of the Board who receives or is to receive remuneration in accordance with Article 73 may not attend, participate or vote at Board meetings at which his terms of appointment, conditions of service or remuneration are to be discussed; and
- 25.5 A director who is remunerated in terms of Article 73 may attend and participate, but may not vote, at Board meetings at which any employee's terms and conditions of employment are to be discussed.
- 26 The quorum for the transaction of business by the Board shall be as follows:-
- 26.1 where there are five or less Directors, whether elected or co-opted, the quorum shall be three;
- 26.2 where there are six or more Directors, whether elected or co-opted, the quorum shall be four.
- 26.3 For the avoidance of doubt, where one or more directors is to be remunerated in terms of Article 73, the Board shall ensure that a majority of non-remunerated directors attends any meeting of the Board.
- 27 A member of the Board may, by written notice to the Partnership Manager, request a meeting of the Board. The Chair for the time being of the Board may, at his or her sole discretion determine whether to grant such a request. If such a request is granted, the Partnership Manager shall summon a meeting of the Board by notice served upon the several members of the Board. A member of the Board who is absent from the United Kingdom shall not be entitled to notice of a meeting.
- 28 The Chair shall be entitled to preside at all meetings of the Board at which and during the time for which he is present. If at any meeting the Chair is not present within five minutes after the time appointed for holding the meeting or is unwilling to preside then the members of the Board present shall choose one of their number to be chairperson of the Meeting whilst the Chair- is absent or unwilling to preside.
- 29 A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers, and discretions by or under the regulations of the Partnership for the time being vested in the Board generally.
- 30 The Board may delegate any of its powers to such committee, group or individual, (comprising members of the Board, non-members and employees) as the Board thinks fit; and any such committee, group or individual shall, in the exercise of the powers so delegated, conform to any regulations imposed on it or him by the Board. The meetings and proceedings of any such committee, group or individual shall be governed by the provisions of these presents for regulating the meetings and proceedings of the Board so far as applicable and so far as the same shall not be superseded by any regulations made by the Board.
- 31 The Board shall cause proper minutes to be made of all appointments made by the Board and of the proceedings of all meetings of the Partnership and of the Board and of committees of the Board. All business transacted at such meetings, and any such minutes of any meeting, if purporting to be signed by the chairperson of such meeting, or by the chairperson of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated.



- 32 A resolution in writing signed by a majority of the members for the time being of the Board shall be as valid and effectual as if it has been passed at a meeting of the Board. The resolution may consist of several documents in the like form, each signed by one or more members of the Board. Unless agreed otherwise by the Board, a Director may notify his approval of a directors' resolution by e-mail or by any other appropriate means of electronic communication to the Partnership Manager or to any other person specified in the resolution for the receipt of such notification.

The same provisions shall apply to a resolution of any other properly convened and constituted committee or group.

#### ACTION AND SUB GROUPS

- 33 The Board may set up, allow to be set up, or facilitate, any number of action or sub groups ("**a Group**"), and may allow any other group to act under the auspices of or in the name of the Partnership, for such purposes and in such manner as the Board thinks fit, subject to terms of reference to be agreed by the Board from time to time in relation to each individual group.
- 34 A Group, which may include non-members of the Partnership, shall conduct its proceedings and report to the Board in the manner laid down in the terms of reference for that Group.
- 35 In the event that the Board is concerned that a Group may be acting in a manner that is not wholly consistent with the aims of the Partnership, the Board shall take whatever steps it thinks appropriate to meet with the Group and to seek their co-operation in alleviating or resolving the cause for concern. If, after taking into consideration any representations by the Group, a majority of the Board is still not satisfied, the Board shall take such further action as it considers expedient, and may require that the Group in question is no longer considered a Group as defined in these Articles, and ceases to act under the auspices of or in the name of the Partnership.

#### INTERACTION AND LIAISON BETWEEN THE BOARD, GROUPS AND MEMBERS

- 36 The Board shall take such steps as it considers necessary to develop and maintain systems and procedures for communication between the Board, any Groups or committees, the employees of the Partnership and Members, as well as with external bodies and individuals, in order to foster and enhance the spirit of co-operation and to promote the integrated management of the Partnership and of the Moray Firth, in a local, national and international context.

#### GENERAL MEETINGS OF THE PARTNERSHIP

- 37 All general meetings of the Members of the Partnership other than annual general meeting shall be called extraordinary general meetings.
- 38 All business shall be deemed special that is transacted at an extraordinary general meeting, and all that is transacted at an AGM shall also be deemed special, with the exception of the consideration of the income and expenditure account and balance sheet, and the reports of the Board and of the auditor (if appointed) or of an independent financial examiner, the election (or re-election) of members of the Board and the appointment of, and the fixing of the remuneration of the auditor or an independent financial examiner.

- 39 A general meeting of the Partnership shall be called if requisitioned by:-
- 1) a majority of the Board; or
  - 2) not less than 10% of those members of the Partnership who, as at the date of the requisition, have the right to vote at general meetings of the Partnership.

The Partnership shall forthwith proceed to convene a general meeting for a date not later than eight weeks after receipt of the requisition.

#### NOTICE OF GENERAL MEETINGS OF THE PARTNERSHIP

- 40 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by at least twenty one days' clear notice in writing (exclusive in every case both of the day on which it is served or deemed to be served and of the day on which it is given), specifying the place, the day and the hour of the meeting, and the general nature of the business to be transacted at the meeting. Notwithstanding the foregoing a general meeting may be called by shorter notice if it is so agreed:-

40.1 in the case of an annual general meeting, by all the Members entitled to attend and vote thereat; and

40.2 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 ninety-five per cent of the total voting rights at a meeting of all the Members.

The accidental omission to give notice of a meeting to, or the non-receipt of such notice of a meeting by, any person entitled to receive notice shall not invalidate any resolution passed, or the proceedings at any meeting.

#### PROCEEDINGS AT GENERAL MEETINGS OF THE PARTNERSHIP

- 41 The provisions of Articles 42 to 52 shall apply to all general meetings.
- 42 No business shall be transacted at any meeting of the Partnership unless a quorum is present when the meeting proceeds to business. Save as herein otherwise provided, a quorum shall be 10 Members present in person or represented by their duly appointed representatives, entitled to attend and vote thereat.
- 43 If, within half an hour from the time appointed for the holding of a meeting of the Partnership, a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same date in the next week, at the same time and place or at such other time and place as the Board may determine, and if at such adjourned meeting a quorum is not present within half-an-hour from the time appointed for holding the meeting the Members present shall be a quorum.
- 44 The Chair shall preside as chairperson at every general meeting but if there shall be no such Chair or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same or shall be unwilling to preside, some other member of the Board nominated by the members of the Board present shall preside whilst the Chair shall be absent or unwilling to preside. If there shall be no such Chair or member of the Board or none of them shall be present and willing to preside, the voting Members present shall choose some other voting Member of the Partnership who may be present to preside.

- 45 The chairperson may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at the adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place. Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of the original meeting. Save as aforesaid, the Members shall not be entitled to any notice of an adjournment, or of the business to be transacted at an adjourned meeting.

#### VOTES OF MEMBERS OF THE PARTNERSHIP

- 46 Subject to any provision to the contrary contained in these Articles, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before, or upon the declaration of the result of, the show of hands) demanded by (a) the chairperson or (b) at least one voting Member present in person; and unless a poll be so demanded a declaration by the chairperson of the Meeting that a resolution has been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book of the Partnership, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution. The demand for a poll may be withdrawn before the poll is taken but only with the consent of the chairperson and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 47 Subject to the provisions of Article 46 hereof, if a poll be demanded in manner aforesaid it shall be taken at such time and place, and in such manner as the chairperson of the Meeting shall direct, and the result of the poll shall be deemed to be the resolution of the Meeting at which the poll was demanded. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the Meeting at which it is demanded. In any other case at least seven days' notice shall be given specifying the time and place at which the poll is to be taken.
- 48 No poll shall be demanded on the election of a chairperson of a meeting, or on any question of adjournment.
- 49 In the case of an equality of votes, whether on a show of hands or on a poll, the chairperson of the meeting shall be entitled to a second or casting vote.
- 50 The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the business in respect of which a poll has been demanded.
- 51 Subject as may be otherwise provided in these Articles, each Member shall have one vote.
- 52 No person other than a Member duly registered or the duly appointed representative of a registered Member shall be entitled to vote on any question at any meeting of the Partnership. No Member shall be entitled to appoint a proxy to attend and vote at any meeting of the Partnership.

#### ACCOUNTS

- 53 The members of the Board shall cause proper books of account to be kept with respect to:-

- 53.1 all sums of money received and expended by the Partnership and the matters in respect of which such receipt and expenditure take place;
- 53.2 all sales and purchases of goods or services by the Partnership; and
- 53.3 the assets and liabilities of the Partnership.
- 54 Proper books shall be deemed to be kept if they show a true and fair view of the state of the affairs of the Partnership and explain its transactions.
- 55 The books of account shall be kept at the Partnership's registered office, or subject to Section 222 of the Act, at such other place or places as the Board shall think fit and shall be open to the inspection of the Members as the Board from time to time directs.
- 56 At the annual general meeting in every year the Board shall lay before the Partnership a proper income and expenditure account for the period since the last preceding account together with a proper balance sheet made up at the same date. Every such balance sheet shall be accompanied by proper reports of the Board and the auditor (if appointed) or an independent financial examiner, and copies of such accounts, balance sheets and reports (all of which shall be made in accordance with any statutory requirements for the time being in force) and of any other documents required by law to be annexed or attached thereto or to accompany the same shall, not less than twenty one days before the date of the Annual General Meeting, be sent to the auditor (if appointed) or the independent financial examiner and to all other persons entitled to receive notice of general meetings in the manner in which notices are hereinafter directed to be served. The auditor's report (as required by section 236 of the Act) or the independent financial examiner's report shall be laid before the Partnership at such meeting as required by section 236 of the Act.

#### COMPANY SECRETARY

- 57 Subject to the provisions of the Act, a Company Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Company Secretary so appointed may be removed by the Board.

#### AUDIT

- 58 Once at least in every year the accounts of the Partnership shall be examined and (if required by the Act) the correctness of the income and expenditure account and balance sheet shall be ascertained by one or more properly qualified auditor or auditors if so appointed by the Board. (See Article 56)
- 59 Where an audit is required, an auditor shall be appointed and the duties regulated in accordance with the Act.

#### NOTICES

- 60 The business of the Partnership and all its correspondence with and notification to or from its Members may be conducted by post, fax or e-mail or other appropriate means of electronic communication, (except where that Member specifically requests all such correspondence and notification by post only). Equally, it may be publicised on the Partnership's website on the Internet (at [www.morayfirth-partnership.org](http://www.morayfirth-partnership.org) or such other website address as may be notified from time to time), as long as the

Partnership has advised each Member of this and has taken due steps to notify by other means all those Members who do not have access to the Internet.

- 61 Any notice may be given by the Partnership to any Member either personally or by sending it by post, fax, e-mail or by other appropriate means of electronic communication, addressed to such Member at the address as notified to the Partnership.
- 62 Any notice served by post, shall be deemed to have been served on the day following the day on which the letter containing the same is put into the post or otherwise despatched.
- 63 Any notice served by fax shall be deemed to have been served at the time of transmission. A fax transaction report or fax generated log shall be sufficient proof of such service, or it shall be sufficient to prove that the fax transmission was transmitted on a tested line.
- 64 Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall, unless the contrary is proved, be deemed to be given where it is contained in an electronic communication at the expiration of 48 hours after the time that communication was sent.
- 65 A Member present or represented at any general meeting of the Partnership shall be deemed to have received notice of the meeting and the purpose for which it was called.
- 66 Notice of every meeting of the Partnership shall be given in any manner hereinbefore authorised to:-
- 66.1 every voting Member except those Members who have not supplied to the Partnership a postal address or fax number within the United Kingdom or an e-mail address for the giving of notices to them;
- 66.2 the auditor (if appointed) or independent financial examiner for the time being of the Partnership;
- 66.3 the members of the Board for the time being of the Partnership.

No other person shall be entitled to receive notice of meetings of the Partnership.

## CONFLICTS OF INTEREST

67

- 67.1 All Directors, Group or other committee members and employees of the Partnership have an obligation to declare any interests which might arise in respect of dealings by themselves or by parties with whom they are connected or associated, with the Partnership and, where such arise, to avoid conflicts of interest by way of such declaration and by ensuring that they take no part in discussions or decisions relating to such dealings.

- 67.2 If considered appropriate at any time, the Board may require the Partnership Manager or Company Secretary to maintain a Register of Interests, on such terms and conditions as the Board may think fit.

#### INDEMNITY

- 68 Each member of the Board and the Company Secretary of the Partnership shall be entitled to be indemnified out of the assets of the Partnership against all losses or liabilities which he may sustain or incur in or about the execution or discharge of the duties of his office or otherwise in relation thereto. This shall include any liability incurred by him in defending any proceedings whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which the charge is found not proven or in connection with any application under Section 727 of the Act in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Partnership. No member of the Board or the Company Secretary shall be liable for any loss, damage or misfortune which may happen to be incurred by the Partnership in the execution or discharge of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.

#### DISTRIBUTIONS AND DISSOLUTION

- 69 The profits or other income of the Partnership shall be applied in promoting its objects.
- 70 No distribution shall be made by way of dividends to the members of the Partnership.
- 71 If on break up or on the winding up or dissolution of the Partnership there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Partnership, but shall be given or transferred to some other charitable institution or institutions having objects similar to the objects of the Partnership, and which shall prohibit the distribution of its or their income and property amongst its or their members to an extent at least as great as imposed on the Partnership under or by virtue of clause 5 of the Partnership's memorandum of association, such institution or institutions to be determined by the members of the Partnership at or before the time of dissolution, and if and so far as effect cannot be given to the foregoing provisions then to some other charitable object.

#### EXPENSES

- 72 Any person carrying out business on behalf of the Partnership may be paid reasonable travelling, hotel and other expenses properly incurred by them, in accordance with any procedures or expenses limits agreed by the Board from time to time.

#### REMUNERATION OF DIRECTORS

- 73 The Partnership shall, notwithstanding any other provision contained in these Articles, be entitled to pay reasonable and proper remuneration to any Member of the Partnership or of its Board in return for services requested by and rendered to the Partnership (other than those carried out in the normal course of the duties of any Director or employee of the Partnership) and to reimburse any out-of-pocket expenses incurred by any such person on behalf of the Partnership in furtherance of its objects (as set out in the Partnership's memorandum of association).