

THE COMPANIES ACT 2006

A COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL

ARTICLES OF ASSOCIATION OF

SCOTTISH LIBRARY AND INFORMATION COUNCIL

1. DEFINITIONS

In these regulations:-

the Act	means the Companies Act 2006 including any statutory modifications or re-enactment thereof for the time being in force
the Articles	means the Articles of Association of the Company from time to time in force
the Observer	means the Observer to the Company appointed in accordance with Article 13.3
the Charities Act	means the Charities and Trustee Investment (Scotland Act 2005) including any statutory modification or re-enactment thereof for the time being in force;
clear days	in relation to period of notice means that period excluding the day for which it is given or on which it is to take effect. "the Company" means the above named company. "executed" includes any mode of execution.
the Memorandum	means the Memorandum of Association of the Company from time to time in force.
the office	means the registered office of the Company.
the register of members	means the register of members kept by the Company under the Act.
the United Kingdom	means Great Britain and Northern Ireland. "Board" is the Board of Directors as defined in 7.1.

Library and Information Professionals

means those individuals with a recognised qualification in library and information science or who have managed library services at a senior level for more than five years

Unless the context otherwise requires, words, or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the Company.

2. NAME

The name of the company is Scottish Library and Information Council (hereinafter referred to as the "**Company**").

3. REGISTERED OFFICE

The Company's registered office is to be situated in Scotland.

4. OBJECTS

4.1 Each and every Article shall be read and interpreted as if there were embodied therein an overriding qualification to the effect that no expenditure of income by the Company shall be permitted for the purpose of carrying out activities which are not wholly charitable within the meaning of section 505 of the Income and Corporation Taxes Act 1988, or of any amending Act or regulation thereunder (which meaning shall be ascribed to the work "charitable" wherever used in the Memorandum), and that in all cases in which activities permitted by the objects of the Company or are in their nature capable of being exercised for purposes which are not wholly charitable or only partially so, as well as for the purposes which are wholly charitable, the powers contained in the said objects shall be held to limit such activities to those which will not prejudice the charitable status of the Company.

4.2 The objects (hereinafter referred to as "the objects") for which the Company is established are:-

4.2.1 to act as a focus for library and information services in Scotland and in so doing to review, monitor and evaluate the provision and development of such services to achieve improved co-ordination and co-operation between such services;

4.2.2 to review, monitor, evaluate and update standards for all sectors of the library and information service;

4.2.3 to provide information, advice and examples of good library and information practice to library and information services in Scotland;

4.2.4 to provide education and training services and resources to library and information services in Scotland;

4.2.5 to encourage, sponsor, arrange or undertake research and advisory activities on library and information matters in Scotland, whether in response to

requests from Scottish Ministers, the Scottish Government, or library and information services or otherwise;

- 4.2.6 to liaise with the Scottish Government and the Convention of Scottish Local Authorities on library and information services;
- 4.2.7 to liaise with other bodies having similar or related objectives both within and outwith Scotland and where appropriate to comment and advise on developments and disseminate relevant information in Scotland;
- 4.2.8 to report to and advise Scottish Ministers on library and information matters; and to make recommendations to them and other library and information providers in Scotland;
- 4.2.9 to keep under review the statistical requirements of, and to work in co-operation with providers of library and information and related services to achieve co-ordination of statistical requirements, and to disseminate relevant information;
- 4.2.10 to set out policies, objectives and priorities in the form of a strategic plan, to be reviewed annually, and to take such action as may be appropriate to implement the recommendations contained therein;
- 4.2.11 to make grants to projects and initiatives of value to library and information services in light of policies identified in the Company's strategic plan, provided that this power shall not be exercised to distribute any funds provided as grant aid by the Scottish Ministers, unless specifically authorised by the Scottish Ministers; and
- 4.2.12 to undertake such other activities as will assist in the provision of better library and information services to the public.

5. POWERS

- 5.1 In the furtherance of the objects but not further or otherwise, the Company shall have the following powers, which powers shall be exercisable solely to further such objects:-
 - 5.1.1 to cause to be written, printed or other reproduced and circulated, gratuitously or otherwise, periodicals, magazines, books, leaflets or other documents or films or recorded tapes;
 - 5.1.2 to hold exhibitions, meetings, lectures, classes, seminars and courses either alone or with others;
 - 5.1.3 to foster and undertake research into any aspect of the objects and the Company's work and to disseminate the results of any such research;
 - 5.1.4 to co-operate and enter into arrangements with any authorities, institutions and organisations national, local or otherwise;
 - 5.1.5 to raise funds (by way of appeal or otherwise), provided that the Company shall not undertake any permanent trading activities in raising funds for the

- above mentioned charitable objects;
- 5.1.6 to invite and receive contributions and property of any description by way of grant, subscription, bequest, donation, endowment or otherwise and whether or not subject to terms and conditions specified by the relevant contributor or subject to any special trust, and to hold meetings and take such other steps as may be necessary to secure funding for its projects and initiatives;
 - 5.1.7 to promote and form a wholly owned subsidiary company solely for the purpose of furthering the objects and to hold shares in such a subsidiary company;
 - 5.1.8 to purchase, take on feu, lease, in exchange, hire or otherwise acquire any property, heritable or moveable, real or personal and any rights, servitudes or privileges relating to any such property, to alter any of the same in whole or in part as is necessary for any of the objects and (subject to such consents as may be required by law) to sell, lease, grant securities over or otherwise dispose of or turn to account all or any of such property;
 - 5.1.9 to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments, and to operate bank accounts;
 - 5.1.10 to borrow or raise money for the objects on such terms and (with such consents as are required by law) on such security as may be thought fit;
 - 5.1.11 to invest the monies of the Company not immediately required for its objects in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided;
 - 5.1.12 to employ persons other than members of the Company or members of its Board, or engage consultants to supervise, organise, and carry out work in furtherance of the objectives of the Company;
 - 5.1.13 to insure and arrange insurance cover for its employees and members of its Board from and against all risks incurred in the course of the performance of their duties as may be thought fit;
 - 5.1.14 to pay reasonable annual sums or premiums for or towards the provision of pensions or superannuation for employees for the time being of the Company or their dependents;
 - 5.1.15 to pay out of the funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company;
 - 5.1.16 to do all such other lawful things as shall further the objects or any of them provided that:
 - a) in case the Company shall take or hold any property which may be subject to any trusts, the Company shall deal with or invest the same only in such manner as is allowed by law, having regard to such trusts; and

- b) in case the Company shall take or hold any property subject to the jurisdiction of the Charity Commission for England and Wales or any similar body instituted or to be instituted in Scotland, the Company shall not sell, mortgage, charge or lease the same without such authority, approval or consent as may be required by law and the Board for the time being of the Company shall be chargeable for any such property which may come into the Company's hands and shall be answerable and accountable for their acts, receipts, neglects and defaults, and for the due administration of such property in the same manner and to the same extent as they would, as such Board, have been if no incorporation had been affected. The incorporation of the Company shall not diminish or impair any control or authority exercisable by the Chancery Division or the Charity Commissioners or the equivalent Scottish institution as aforesaid over such Board. The members of the said Board, as regards to any such property, shall be jointly and severally subject to such control or authority as if the Company were not incorporated.

6. INCOME AND PROPERTY

- 6.1 Subject to Article 6.2, the income and property of the Company shall be applied solely towards the promotion of the objects and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to members of the Company and no member of its Board shall be appointed to any office of the Company paid by salary or fees or receive any remuneration or benefit in money or money's worth from the Company.
- 6.2 Nothing contained in Article 6.1 shall prevent any payment in good faith by the Company, subject always to the provisions of the Charities Act:-
- 6.2.1 of reasonable and proper remuneration to any member, officer or servant of the Company for any services rendered to the Company, and any member of its Board who shall be entitled to charge and be paid all usual professional or other charges for work done by them or their firm when instructed by the Board so to act in that capacity on behalf of the Company; or
- 6.2.2 of interest on money lent by any member of the Company or of its Board at a rate per annum not exceeding 2 percent less than the minimum lending rate prescribed for the time being by a clearing bank selected by the Board or 3 percent whichever is the greater; or
- 6.2.3 of reasonable and proper rent for premises let to the Company; or
- 6.2.4 of fees, remuneration or other benefit in money or money's worth to a Company of which a member of the Company or of its Board may be a member holding not more than 1/100th part of the capital of the Company; or
- 6.2.5 to any member of its Board or of any committee for any reasonable out-of-pocket expenses or attendance allowances; or
- 6.2.6 of reasonable remuneration or directors' fees to any member of its Board (as

considered reasonable and appropriate by the Board from time to time) for services rendered by them to the Company (subject always to the provisions of the Charities Act regarding remuneration of charity trustees); or

6.2.7 of any other payment permitted by section 67 of the Charities Act.

7. LIMITED LIABILITY

7.1 The liability of the members is limited.

7.2 Every member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while they are a member, or within one year after they cease to be a member, for payment of the debts and liabilities of the Company contracted before they cease to be a member, and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding £1.00 (One Pound Sterling).

8. MEMBERS

8.1 The subscribers to the Memorandum and such organisations as are admitted to membership in accordance with the Articles shall be members of the Company.

8.2 No organisation shall be admitted a member of the Company unless it is approved by the Board and funds the Company by grant or subscription. Every member of the Company other than the subscribers to the Memorandum shall sign either a written application or consent to become a member or sign the Register of Members on becoming a member.

8.3 Membership of the Company shall be open to all organisations, who fund the Company whether by grant or subscription (the method applying in each case to be determined by the Company) and who have made said grant and paid said subscription (as determined by the

Company) and who in the opinion of the Board are interested in furthering the objects. No person other than such an organisation may be admitted.

8.4 A member may at any time withdraw from the Company by giving at least 90 days clear notice to the Company.

8.5 Membership of the Company shall not be transferable or transmissible.

8.6 A member shall also forthwith cease to be a member if:-

8.6.1 Part or all of any annual grant or annual subscription payable by it remains overdue for payment to the company by more than 90 days;

8.6.2 It is adjudged bankrupt or makes an arrangement with its creditors or has its estate

sequestered or grants a Trust Deed for its creditors or a composition contract;

8.6.3 It is the subject of an administration order or winding-up order or a receiver

- is appointed over the whole or part of its undertaking;
- 8.6.4 It is otherwise dissolved.
- 8.6.5 It transfers its assets and undertaking to some other body.
- 8.6.6 The Board resolves after giving reasonable notice and a reasonable opportunity of being heard to the member (and the nominating body) that the member should cease to be a member.
- 8.7 Any organisation ceasing by any means to be a member shall remain liable for and shall pay to the Company all monies due from it to the Company at the time of it ceasing to be a member or for which it may become liable under the provisions of the Memorandum and Articles.

9. GOVERNANCE

- 9.1 The Company shall each year hold a general meeting as its annual general meeting in addition to any other meeting in that year, and shall specify the meeting as such in the notices calling it; and not more than 15 months shall elapse between the date of one annual general meeting of the Company and that of the next. Provided that so long as the Company holds its first annual general meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The annual general meeting shall be held at such time and place as the Board shall appoint. All general meetings other than annual general meetings shall be called extraordinary general meetings.
- 9.2 Subject to Article 9.1, and to the requirements of the Companies Act 2006 as to the holding of general meetings, the Board may convene general meetings whenever they think fit.
- 9.3 A general meeting shall be convened by the Board (in accordance with section 304 of the Companies Act 2006) on requisition by members of the Company (under section 303 of the Companies Act 2006) or on requisition by a resigning auditor (under section 518(2) of the Companies Act 2006)

10. NOTICE OF GENERAL MEETINGS

- 10.1 A general meeting (including an annual general meeting) shall be called by at least twenty-one clear days' notice in writing but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the members having the right to attend and vote being a majority who together represent not less than 95% of the total voting rights.
- 10.2 The notice shall be exclusive of the day on which it is served or deemed to be served and of the day of the meeting and shall specify the place (and, subject to Article 11.2, if it is anticipated that members of the Company 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), the day and the hour of meeting and, in case of special business, the general nature of that business and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the company in general meeting, to such persons as are, under the Articles, entitled to receive such notices from

the Company.

- 10.3 Notice of every general meeting shall be given to all the members of the Company and to the Company's auditor.
- 10.4 The accidental omission to give notice of a meeting to, or the non receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the meeting.

11. PROCEEDINGS AT GENERAL MEETINGS

- 11.1 The business to be transacted at an annual general meeting shall be to consider and approve reports of the Board and future plans, approval of the accounts, balance sheets and auditor's reports, the election of Chair, the election of members of the Board in the place of those retiring and the appointment of the auditors.
- 11.2 Subject to the provisions of these Articles, a member of the Company may participate in a general meeting by means of audio-visual communications equipment (electronic or otherwise) whereby all of the members of the Company participating in the meeting can hear and see each other, and the members of the Company participating in a meeting in this manner shall be deemed to be present in person at such meeting, which shall be deemed to take place wherever the members of the Company determine.
- 11.3 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business: eight members represented in person or **one-tenth** of the membership, whichever is greater, shall be a quorum. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall be adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Board may determine.
- 11.4 The Chair of the Company shall chair every general meeting of the Company or, if he/she shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the members of the Company present shall elect one of the members of the Board to chair the meeting.
- 11.5 The Chair 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 any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Otherwise it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 11.6 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 on the declaration of the result of the show of hands) is demanded:
- (a) By the Chair; or
 - (b) By at least two members present in person or by proxy

Unless a poll is so demanded, a declaration by the Chair that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such a resolution.

The demand for a poll may be withdrawn.

- 11.7 In the case of an equality of votes, whether on a show of hands or on a poll, the Chair of the meeting shall be entitled to a second or casting vote.
- 11.8 A poll demanded on the election of a Chair in terms of Article 11.6, or on a question of adjournment, shall be taken immediately. A poll demanded on any other question shall be taken at such time and in accordance with the Code of Conduct for the Chair as the meeting directs, and any business other than that upon which a poll has been demanded may proceed pending the taking of the poll. Subject to this, if a poll is duly demanded it shall be taken in such a manner as the Chair directs, and the result of the poll shall be deemed to be the resolution of the matter in respect of which the poll was demanded.
- 11.9 Subject to the provisions of the Act, a resolution in writing signed by the members shall be as valid and effective as if it had been passed at a general meeting of the Company duly convened and held. Any such resolution in writing may consist of two or more documents in like form each signed by one or more members.

This Article does not apply to:-

- (a) A resolution under section 303 removing a member of the committee before the expiry of his/her period of office; or
- (b) a resolution under section 386 removing an auditor before the expiry of his/ her period of office;

but subject to these exceptions, it applies to all resolutions, whether ordinary, special or extraordinary, and a written resolution complying with this Article is effective without the need for any previous notice.

- 11.10 Any members shall have one vote as a fully paid up member and may by resolution of its board of directors, or other governing body, authorise such person as it thinks fit to act as its representative at any general meeting of the Company ("Nominated Representative"). The Nominated Representative shall be entitled to exercise the same powers on behalf of the organisation which represents as that organisation could exercise if it were an individual member of the company. No more than one individual nominated by a member may constitute a Nominated Representative at any given time. A Nominated representative should give notice to the Company of nomination and must lodge with the Company the relevant nomination signed by the appropriate officers of the member.
- 11.11 On a poll votes may be given either personally or by proxy.
- 11.12 The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or, if the appointer is a corporation, either

under seal or under the hand of an officer or attorney duly authorised. A proxy need not be a member of the Company.

- 11.13 The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company or at such other place within the United Kingdom as is specified for that purpose in the notice convening the meeting (in such form as the Board requires), not less than hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
- 11.14 The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- 11.15 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death, insanity or revocation as aforesaid shall have been received by the Company at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

12. CHAIR AND VICE CHAIR

- 12.1 The election of the Chair of the Company by the Company in general meeting shall be based on nominations made by the Board. The Chair need not be a representative of the members or of an organisation that has nominated a person for membership of the company.
- 12.2 On election, the Chair of the Company shall become automatically a member of the Board, and the provisions of Articles 16.1 and 16.2 regarding retiral and re-election shall apply to the post of Chair as they apply to a member of the Board.
- 12.3 The Board will elect a Vice Chair from among the Board for such period and according to such rules and processes as may be made by the Board from time to time to effect such appointment. Appointment as a Vice Chair shall cease on the person appointed ceasing to be a member of the Board. The Vice Chair of the Board may be removed from that office according to such rules and processes as may be made by the members of the Board from time to time. For the avoidance of doubt, a Vice Chair shall be empowered to exercise all of the functions and powers of the Chair (in the absence of the Chair or during any period when the office of Chair is vacant).
- 12.4 The post of Chair and Vice Chair shall not be remunerated.

13. BOARD

- 13.1 The Board shall fulfil the role of the Board of Trustees and comprise individuals as follows:

- (a) Chair of the Company, the Vice Chair of the Company and the Treasurer, who become a member of the Board by virtue of being elected as Chair, Vice Chair and appointed as Treasurer;
- (b) Four Ex Officio members:
 - (i) National Librarian and Chief Executive of the National Library of Scotland or such other person as is nominated by the National Library of Scotland provided that such nominee is acceptable to the Board;
 - (ii) Chair of the Scottish Confederation of University and Research Libraries or such other person as is nominated by the Scottish Confederation of University and Research Libraries provided that such nominee is acceptable to the Board;
 - (iii) Chair of the Association of Public Libraries Scotland or such other person as is nominated by the Public Libraries Scotland provided that such nominee is acceptable to the Board; and
 - (iv) Chair of the College Librarian's Development Network or such other person as is nominated by the College Librarian's Development Network provided that such nominee is acceptable to the Board;
- (c) up to eight ordinary board members elected by the membership.

13.2 In addition the Board may at any one time co-opt up to **three** individuals.

for specific purposes for specific terms not to exceed the maximum currently applied to elected members.

13.3 The Scottish Government shall be entitled to appoint and remove two Observers of the Board.

13.4 Any appointment or removal of Observer shall be notified to the Chair and noted in the minutes of the next Board meeting. The Observers shall be entitled to receive notice of, attend and speak at, but not vote at, any meeting of the Board or of any sub-committee formed in accordance with Article 17.11.

13.5 In the event of the absence or unavailability of the Observer the Scottish Government shall be entitled to nominate a substitute to attend and act at meetings in place of the Observer.

14. POWERS AND DUTIES OF THE BOARD

14.1 The business of the Company shall be managed by the Board who may pay all the expenses incurred in the formation of the Company and may exercise all such powers of the Company as are not required to be exercised by the Company in general meeting. Any such requirement may be imposed either by the Act or by the Articles or by any regulation made by the Company in general meeting; but no such regulation shall

invalidate any prior act of the Board which would have been valid if that regulation had

- not been made.
- 14.2 The Board shall have power to establish and define the scope and authority of working parties for such purposes and periods as the Board may determine. The members of the working party need not be members of the Board.
- 14.3 All cheques and other negotiable instruments, and all receipts for monies paid to the company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as Board shall from time to time determine.
- 14.4 The Board shall cause minutes to be made:
- (a) of all appointments of Chair, Vice Chair and Treasurer made by the Company;
 - (b) of the names of the Board members present at each meeting of the Board;
 - (c) of all resolutions and proceedings at all meetings of the Company, and of the Board and sub committees formed in accordance with Article 17.11.
- 14.5 The Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking and property, or any part thereof, as security for any debt liability or obligation of the Company.
- 14.6 The Board may from time to time make any such rules or byelaws as it may deem necessary or convenient for the proper conduct and management of the Company and for the purposes of prescribing classes and conditions of membership and in particular but without prejudice to the generality of the foregoing, it may be by such rules or byelaws regulating:-
- (a) The admission and classification of member organisations of the Company, and the rights and privileges of such member organisations, and the conditions of membership and terms on which member organisations may resign or have their membership terminated and the entrance fees, subscriptions and other fees or payments made by member organisations.
 - (b) The conduct of member organisations of the Company in relation to one and other and to the Company's employees.
 - (c) The setting aside of whole or any part or parts of the Company's premises at any particular time or times for any particular purpose or purposes.
 - (d) The procedure at general meetings and meetings of the management committee and sub committees in so far as such procedure is not regulated by the Articles.
- 14.7 The Company in general meeting shall have power to alter or repeal the rules or byelaws and to make additions to them and the Board shall adopt such means as it deems sufficient to bring to the notice of members of the Company all such rules or byelaws which, so long as they shall be in force, shall be binding on all members of the Company. Provided, nevertheless, that no rule or byelaw shall be inconsistent with, or shall affect

or repeal anything contained in the Memorandum or Articles.

15. DISQUALIFICATION AND REMOVAL OF BOARD MEMBERS

15.1 The office of Board member shall be vacated if the member:

- (a) has been adjudged bankrupt, or made an arrangement with his/her creditors, or had his/her estate sequestrated, or granted a Trust Deed for his/her creditors or a composition contract; or
- (b) ceases to be a Board member by virtue of the Act or becomes prohibited by law from being a Board member: or
- (c) becomes incapable by reason of mental disorder, illness or injury of managing and administering his/her property and affairs: or
- (d) resigns his/her office by written notice to the Company or is removed by those with a right to appoint him/her under Article 13; or
- (e) is directly or indirectly interested in any contract with the Company and fails to declare the nature of his/her interest as required by Section 177 of the Act or as required otherwise by law; or
- (f) ceases to be a member of his/her appointing organisation; or
- (g) the organisation of which he/she is a member ceases to be a member of the Company; or
- (h) is convicted of a crime other than minor road traffic offences; or
- (i) is absent without agreement of the Board for more than 3 out of six meetings of the Board or of its sub committees and the Board resolve that his/her office should be vacated; or
- (j) The Company may by ordinary resolution, of which special notice has been given with Section 168 of the Act remove any Board member before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such member. The Company may by ordinary resolution, and subject to the provisions of Article 13, appoint another person in place of a Board member removed under this Article; or
- (k) Becomes disqualified under section 69 of the Charities Act.

16. RETIRAL AND RE-ELECTION OF BOARD

16.1 Elected members of the Board must retire from the board at the first AGM following their service of three years.

16.2 Members so retiring are eligible for re-election at the AGM at which they retire for a further period of up to three years and following such further period they must retire and will not be eligible for subsequent re-election or re-appointment until they are absent

from the Board for a period of two years.

- 16.3 Nominations for elected membership should be with the Company not less than 14 days before the date set for the AGM, such nominations for elected membership shall be in writing signed by a member qualified to attend and vote at the meeting and also signed by that person of his/her willingness to be elected. In the event of sufficient nominations not being received, the Board may nominate members to fill vacancies on a secondment basis.
- 16.4 The Board shall have power at any time to appoint any person to be a Board member to fill a casual vacancy. Any Board member so appointed shall hold office only until the next meeting of the company and shall then be eligible for re-election.
- 16.5 The provisions of Articles 16.1 to 16.4 are subject to the provisions of Article 15.

17. PROCEEDINGS AT BOARD

- 17.1 The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings, as it sees fit, at such place and time as may be determined by the Board.
- 17.2 Subject to the provisions of these Articles, a member of the Board may participate in any meeting of the Board or any committee of the Board by means of audio-visual communications equipment (electronic or otherwise) whereby all of the members of the Board participating in the meeting can hear and see each other, and the members of the Board participating in a meeting in this manner shall be deemed to be present in person at such meeting, which shall be deemed to take place wherever the members of the Board determine.
- 17.3 Notice of a meeting of the Board must be given to each member of the Board. Notice of any meeting of the Board must indicate:
- (a) the proposed date and time;
 - (b) where it is to take place; and
 - (c) subject to Article 17.2, if it is anticipated that members of the Board 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.
- 17.4 Questions arising at any meeting shall be decided by a majority of votes.
- 17.5 In the case of an equality of votes the Chair, who shall be the Chair of the meeting shall have the second or casting vote.
- 17.6 Emergency or additional meetings may be called by contacting the Chair/ Chief Executive to summon a Board meeting or if one third of the Board members make a formal request in writing to the Chair. The Chair and Chief Executive will determine the reasonableness of the request and if so will call one with reasonable notice.
- 17.7 The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed shall be six.

- 17.8 The Board may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to the Articles as the necessary quorum of Board members, the Board may act for the purpose of increasing the number of members to that number or of summoning a general meeting of the Company, but for no other purpose.
- 17.9 A Board member may be precluded from voting at a meeting of the Board or sub-committee on a resolution by virtue of his/her tenure of any office (including office on the governing board) or employment with an organisation which is a member of the Company and that he/she has an interest in the matter to which the resolution relates which gives rise to a material interest or duty on his part which conflicts or may conflict with the interests of the Company.
- 17.10 If at any meeting the Chair/Vice Chair is not present within fifteen minutes after the time appointed for holding the same, the Board Members present may choose one of their number to chair the meeting.
- 17.11 The Board may delegate any of its powers to sub-committees consisting of such persons as it thinks fit; any sub-committees so formed shall conform to any regulations that may be imposed on it by the Board and shall report all acts and proceedings to the Board as soon as it is reasonably practicable.
- 17.12 A sub-committee may elect a Chair of its meeting; if no such chair is elected, or if at any meetings the Chair is not present within fifteen minutes after the time appointed for holding the same, the Board Members present may choose one of their number to chair the meeting.
- 17.13 A sub-committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present and in the case of an equality of votes the chair shall have a second or casting vote.
- 17.14 All acts done by any meeting of the Board or of a sub-committee, or by any person acting as Board or a sub-committee member, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such member or person acting as aforesaid, or that they or any of them were disqualified, be as valid if every such person had been duly appointed and was qualified to be a Board or sub-committee member.
- 17.15 A resolution in writing, signed by all the Board members entitled to receive notice of a Board meeting, shall be as valid and effectual as if it had been passed at a Board meeting duly convened and held, and may consist of several documents in like form each signed by one or more Board members.

18. TREASURER

The Treasurer shall be appointed by the Board for such term and upon such conditions as the Board may think fit; and any Treasurer so appointed may be removed by it. The provisions of Articles 16.1 and 16.2 regarding retiral and re-election shall apply to the post of Treasurer as they apply to a member of the Board.

19. ACCOUNTS

- 19.1 The Board shall cause accounting records to be kept in accordance with the Act.
- 19.2 The accounting records shall be kept at the registered office of the Company or subject to the Act, at such other place or places as the Board thinks fit, and shall always be open to the inspection of the officers of the Company. Members of the Company may request to inspect accounts in writing and the Chief Executive will make the appropriate arrangements for this.
- 19.3 The Board shall from time to time in accordance with the Act cause to be prepared and to be laid before the Company in general meeting such income and expenditure accounts, balance sheets, group accounts (if any) and reports as are referred to in the Act.
- 19.4 A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting, together with a copy of the auditor's report, and the Board's report, shall not less than 21 days before the date of the meeting, be sent to every member of the Company and the auditor. Provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any debenture.
- 19.5 At the end of each financial year (which shall be 31 March each year) or on such other date as may be determined by the Board, the Board shall cause to be prepared and shall submit to organisations which provide funds to the Company and which request such information, an annual forecast for the following year of the Company's financial requirements set out under appropriate expenditure headings in line with Company priorities.

20. AUDIT

Auditors shall be appointed and their duties regulated in accordance with the Act.

21. NOTICES

- 21.1 A notice may be given by the Company to any member either by hand or by sending it by post to it the registered address, or (if the members has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied to the Company for giving of notice to it. Proof that an envelope containing a notice was properly addressed, prepared and posted shall be conclusive evidence that notice was given. A notice shall, unless the contrary is proved, be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.
- 21.2 Notice of every general meeting shall be given in any manner herein before authorised to:-
- (a) every member except those members who (having no registered address within the United Kingdom) have not supplied to the Company an address within the United Kingdom for giving notices to them;

- (b) the auditor for the time being of the Company;
- (c) each Board member;
- (d) any Observer in accordance with Article 13.

No other organisations shall be entitled to receive notices of general meetings.

22. INDEMNITY

Every member of the Board or other officer or auditor of the Company shall be indemnified (to the extent permitted by the Act) 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 including, without prejudice to that generality (but only to the extent permitted by those sections of the Act), 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 in connection with any application in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the Company.

For the avoidance of doubt, the Company shall be entitled to purchase and maintain for any member of the Board insurance against any loss or liability which he/she may sustain or incur in connection with the execution of the duties of his/her office, and such insurance may extend to liabilities of the nature referred to in section 232(2) of the Companies Act 2006.

23. CONFLICT OF INTEREST

23.1 Subject to the provisions of the Act and the Charities Act and provided that they have disclosed to the Board the nature and extent of any material interest of their and have not been counted in the quorum for nor voted on the resolution to approve such transaction or arrangement, a member of the Board notwithstanding their office:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
- (b) may be a director or other officer of, or employed by, or a party to, any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
- (c) shall not, by reason of their office, be accountable to the Company for any benefits which they derive from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate;

and no such transaction or arrangement shall be liable to be treated as void on the ground of any such interest of benefit.

23.2 For the purposes of the preceding Article:

- (a) a general notice given to the Board that a member of the Board is regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the member of the Board has an interest in any such transaction of the nature and extent so specified; and
- (b) an interest of which a member of the Board has no knowledge and of which it is unreasonable to expect them to have knowledge shall not be treated as an interest of theirs.

23.3 Subject to the Charities Act, the members of the Board may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a member of the Board breaching their duty under section 175 of the Companies Act 2006 to avoid conflicts of interest ("Conflict"):

- (a) Any authorisation under this Article will be effective only if:
 - (i) any requirement as to the quorum for consideration of the relevant matter is met without counting the interested member of the Board or any other interested member of the Board; and
 - (ii) the matter was agreed to without the interested member of the Board voting or would have been agreed to if the interested member of the Board's and any other interested member of the Board's vote had not been counted.
- (b) Any authorization of Conflict under this Article may (whether at the time of giving the authorisation or subsequently):
 - (i) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the Conflict so authorized;
 - (ii) provide that the interested member of the Board be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Board or otherwise) related to the Conflict;
 - (iii) provide that the interested member of the Board shall or shall not be an eligible member of the Board in respect of any future decision of the Board or any committee of the Board in relation to any resolution related to the Conflict;
 - (iv) impose on the interested member of the Board such other terms for the purposes of dealing with the Conflict as the Board thinks fit;
 - (v) provide that, where the interested member of the Board obtains, or has obtained (through their involvement in the Conflict and otherwise than through their position as a member of the Board) information that is confidential to a third party, they will 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

- (vi) permit the interested member of the Board to absent themselves from the discussion of matters relating to the Conflict at any meeting of the Board or any committee of the Board and be excused from reviewing papers prepared by, or for, the members of the Board to the extent they relate to such matters.
- (c) where the members of the Board authorize a Conflict, the interested member of the Board will be obliged to conduct themselves in accordance with any terms imposed by the Board in relation to the Conflict.
- (d) The members of the Board may revoke or vary such authorisation at any time, but this will not affect anything done by the interested member of the Board, prior to such revocation or variation in accordance with the terms of such authorization.
- (e) A member of the Board 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 they derive from or in connection with a relationship involving a Conflict which has been authorized by the members of the Board or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorization) and no contract shall be liable to be avoided on such grounds.

24. WINDING UP

If upon the winding up or dissolution of the Company there remains after satisfaction of its debts and liabilities any property whatsoever, the same shall not be paid to or distributed among the members of the Company but shall be given or transferred to some other charitable society, institution or organisation having objects similar to those of the Company determined by the members of the Company at or prior to such winding up or dissolution, and which shall be established for charitable purposes only and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as the Company being dissolved, and in so far as effect cannot be given to such provision, then to the National Library of Scotland.