

MORTON FRASER

16/4/20

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SOLICITOR

THE COMPANIES ACT 2006  
COMPANY LIMITED BY  
GUARANTEE AND NOT HAVING A  
SHARE CAPITAL

ARTICLES OF ASSOCIATION

of



**SRUC**

Scotland's Rural College

Company Number SC103046  
Scottish Charity Number SC003712

Adopted 24 March 2020

2020  
MB7/AEB/02541/00002



**MORTON FRASER**   
LAWYERS

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THE COMPANIES ACT 2006  
COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL  
ARTICLES OF ASSOCIATION<sup>1</sup>



Scotland's Rural College

1 **Name**

The Company's name is SRUC<sup>2</sup> (and in this document it is called the "**Company**").

2 **Interpretation**

2.1 In these articles:-

"**Academic Board**" has the meaning given to it in article 25.

"**Act**" means the Companies Act 2006.

"**Agriculture, the Environment, the Rural Economy and the Land Based Industries**" has the meaning given to it in article 4.2.

"**articles**" means these Articles of Association of the Company as the same may be amended from time to time.

"**Board**" means the board of directors of the Company.

"**Chair**" means the senior lay member of the Board appointed pursuant to HEGA 2016 in accordance with article 14.

"**charity**" means a body which is either a "Scottish charity" within the meaning of section 13 of the Charities Act or a "charity" within the meaning of section 1 of the Charities Act 2011 providing (in either case) that its objects are limited to charitable purposes.

"**charitable purpose**" means a charitable purpose under section 7 of the Charities Act which is also regarded as a charitable purpose in relation to the application of the Taxes Acts.

"**Charities Act**" means the Charities and Trustee Investment (Scotland) Act 2005.

"**clear days**" in relation to the period of notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

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<sup>1</sup> Adopted pursuant to Special Resolution passed on 24 March 2020

<sup>2</sup> Incorporated as The Scottish Agricultural College the name being changed pursuant to Certificate of Incorporation on Change of Name dated 1 August 2012

"**director**" has the meaning given to it in article 13.3, each director being, for the purposes of the Charities Act, a trustee.

"**electronic form**" has the meaning given in section 1168 of the Act.

"**executive director**" has the meaning given to it in article 13.3.1.

"**HEGA 2016**" means the Higher Education Governance (Scotland) Act 2016 as amended from time to time.

"**HEGA Directors**" means those persons appointed as directors in accordance with articles 13.3.2.1 to 13.3.2.5.

"**member**" means a member of the Company from time to time.

"**Member of SRUC Staff**" means all persons who are employees of the Company (as defined in accordance with the Regulations).

"**non executive director**" has the meaning given to it in article 13.3.2.

"**office**" means the registered office of the Company.

"**ordinary resolution**" has the meaning given to it in article 10.3.

"**OSCR**" means the Office of the Scottish Charity Regulator.

"**Principal**" means the Principal and Chief Executive of the Company.

"**property**" means any property, heritable or moveable, immovable or personal, wherever situated.

"**R & A Committee**" means the remuneration and appointments committee of the Company which has the responsibility of considering and deciding upon certain nominations for the role of director in accordance with article 13.4.

"**Regulations**" means rules and regulations made by the Board or the Academic Board and by committees of either empowered to regulate on their behalf pursuant to the articles including those made under article 31.

"**Relevant Trade Union**" means any trade union meeting the criteria specified in Section 10(2) of HEGA 2016.

"**Secretary**" means the secretary of the Company appointed in accordance with article 26 or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary.

"**special resolution**" has the meaning given to it in article 10.1.

"**Students**" means persons registered by the Company for the purposes of full-time, part time or occasional study or research in further or higher education including persons holding sabbatical office in a students' association of the Company (whether or not they remain as students in the Company during their period of office).

"**subsidiary**" has the meaning given in section 1159 of the Act.

"**the United Kingdom**" means Great Britain and Northern Ireland.

- 2.2 Any reference in these articles to a provision of the Act or the Charities Act shall be taken to include any statutory modification or re-enactment of that provision which is in force at the time.
- 2.3 References in these articles to the singular shall be deemed to include the plural and vice versa. References to an article by number are to the appropriately numbered article of these articles.
- 2.4 The model articles of association as prescribed in Schedule 2 to The Companies (Model Articles) Regulations 2008 are excluded in respect of this Company.

### 3 Limited Liability

- 3.1 The liability of the members is limited.
- 3.2 Every member of the Company undertakes to contribute such amount as may be required (not exceeding £1.00) to the Company's assets, if it should be wound up while that member is a member or within one year after that member ceases to be a member, for payment of the Company's debts and liabilities contracted before that member ceases to be a member and of the costs, charges and expenses of winding up, and for the adjustment of the rights of contributories among themselves.

### 4 Objects

- 4.1 The objects for which the Company is established are for the benefit of the public in Scotland and elsewhere to advance education, science and environmental protection and improvement and in furtherance of these purposes the Company will:-
- 4.1.1 equip, carry on, maintain and develop a college or school or schools having for its or their main objects the provision of tertiary education and in particular the teaching, study of, advice on and research into Agriculture, the Environment, the Rural Economy and the Land Based Industries; disseminate the knowledge of Agriculture, the Environment, the Rural Economy and the Land Based Industries and practice and to promote the efficient development of Agriculture, the Environment, the Rural Economy and the Land Based Industries by the provision and the carrying on of the business of advisory, testing and other services (including financial services) to those engaged in Agriculture, the Environment, the Rural Economy and the Land Based Industries;
- 4.1.2 promote and co-ordinate the teaching and study of, research into, and the provision of advice on Agriculture, the Environment, the Rural Economy and the Land Based Industries and their practice, including co-operation with other persons or bodies, whether public or private and whether individual or corporate or otherwise, and to do so directly or in co-operation with other persons or bodies;
- 4.1.3 carry on the business of farmers, fish farmers, market gardeners and horticulturalists, silvi-culturalists and arbori-culturalists, food technologists and bio-technologists, bee-keepers, poultry husbanders and any other agricultural and land based activities related to the other objects of the Company;
- 4.1.4 provide services in the interest of the public or any sector thereof, whether acting under the guidance, instruction or sponsorship of any government department or governmental or quasi-governmental or public agency or body or otherwise; and

4.1.5 market the agricultural and land-based, scientific, educational, research, advisory and other services which the Company provides and, with that in view, to adopt the measures referred to in articles 5.23, 5.24 and 5.25 below.

4.2 In this clause, as elsewhere in these articles, the expression **“Agriculture, the Environment, the Rural Economy and the Land Based Industries”** and cognate words, where the context permits, means agriculture and its associated industries, agricultural and environmental science and any cognate or related elements of science, engineering or economics, land management and other subjects, businesses and professions connected with land, the environment, food or other rural resources and includes farm and estate management, animal and crop production and husbandry, market gardening and horticulture, silvi-culture, arboriculture and forestry management, fish farming and fishery management, food and its production and food research, bee-keeping, poultry husbandry, the storage of products and their processing and marketing, veterinary science and practice, the design, modification, conversion and engineering of farm and other buildings, plant and equipment, renewable and alternative energy and land resource use, microbiology, biotechnology, parasitology, pathology, immunology, pharmacology, pharmaceuticals and other advanced technologies and generally all science and matters relating to human and animal health, or its or their respective applications in any field and generally any and all associated sciences, technologies, crafts and skills, and all matters of whatever nature related to the use of land and water resources, health, all aspects of economics and socio-economics, leisure, leisure activities and industries, wildlife habitats, conservation and game management, the rural way of life and environment and the sustainable use of natural resources.

## 5 Powers

For the purpose of the Company's objects (but not otherwise) the Company has the following powers:-

- 5.1 To promote (i) the work of other bodies (including any trust) having objects similar to or including the objects specified above, and to this end to affiliate with, or to work in association with or to assist, such other bodies and (ii) such causes which are consistent with the objects specified above, or which are or may be of direct or indirect benefit to the Company from time to time.
- 5.2 Without prejudice to the generality of articles 5.1, 5.18 and 5.22, to transfer (whether by gift, sale or on such other basis and on such conditions as the Company may in its sole discretion determine) to such bodies referred to in article 5.1, such assets and/or liabilities of the Company as the Company may determine from time to time.
- 5.3 In relation to itself or any body referred to in articles 5.1 and 5.2:-
- 5.3.1 to plan, manage, and co-ordinate education, research and development, and advisory, analytical and consultancy services;
- 5.3.2 to secure EU, national, local authority or other capital and recurrent grants;
- 5.3.3 to receive such grants, to disburse the same and to monitor and audit the expenditure thereof; and
- 5.3.4 to charge and receive fees, commissions, profit sharing and other rewards of whatever nature for advisory, analytical, research, development, educational, consultancy and other services.
- 5.4 To accept legacies, donations, whether by covenant, endowments or otherwise, having for their objects any object similar to those herein expressed; to manage

such legacies, donations and endowments, and to carry out and perform any trusts or conditions attached to them.

- 5.5 To invest the funds of the Company not immediately required in such stocks and shares, debentures or other securities as to the directors may seem appropriate.
- 5.6 To borrow or raise money in such manner as the Company shall think fit, and in particular, but without prejudice to the foregoing, by the issue of debentures or debenture stock (perpetual or otherwise), and to secure the repayment of any money borrowed, raised or owing by the granting of heritable securities, mortgages, charges or liens upon all or any of the property or assets of the Company (both present and future), including its uncalled capital, and also by similar heritable securities, mortgages, charges or liens to secure and guarantee the performance by the Company of any obligation undertaken by the Company or by any other person, firm or company whatsoever as the case may be.
- 5.7 To receive money on deposit or loan, to manage the working capital of the Company and specifically to deposit, lend or advance money or give credit to and to grant such guarantees, indemnities and undertakings to persons, firms or companies (including in particular but without prejudice to the generality, any or all of the bodies referred to in articles 5.1 and 5.2 and its and/or their respective subsidiaries) in the ordinary course of business and on such terms as may seem expedient and to give such guarantees, indemnities and undertakings to banks and other such financial institutions which will facilitate the operation of direct debit, credit and similar provisions.
- 5.8 To lend or advance money or give credit to and to guarantee or enter into contracts of indemnity (other than in article 5.7) in respect of the performance by any person, firm or company (including in particular but without prejudice to the generality, any or all of the bodies referred to in articles 5.1 and 5.2 and its and/or their respective subsidiaries) of any contract or obligation and the payment of money to or by any such persons, firms or companies and generally to give guarantees and enter into contracts of indemnity or cautionary obligations of all kinds in favour of or for the benefit of any person, firm or company whatsoever, (including in particular but without prejudice to the generality, any or all of the bodies referred to in article 5.1 or 5.2 and its and/or their respective subsidiaries).
- 5.9 To purchase, sell, dispose of, feu, exchange, mortgage, lien or otherwise charge any lands or heritable or immoveable property, or any estate or interest therein, in Scotland or elsewhere, in such manner and to such extent as to the directors may seem expedient for the carrying out of the objects of the Company, or any of them.
- 5.10 To hold, lease, manage, let and to erect, maintain or improve any such buildings and estate as may be required for securing these objects or any of them, including lecture-halls, laboratories, libraries, halls of residence, refectories, farm, rural, urban and other buildings, horticultural buildings, fencing and gates, and to equip the same with all appropriate fixtures, fittings, apparatus, machinery, appliance, books and other source materials as well as convenience.
- 5.11 To acquire necessary lorries, vans, and other vehicles, whether as means of transportation or as working vehicles.
- 5.12 To establish, equip and conduct, and to co-operate in establishing, equipping and conducting courses, classes and other means of instruction at such places and at such times as shall seem expedient.
- 5.13 To make grants to facilitate research in Agriculture, the Environment, the Rural Economy and the Land Based Industries, to establish and grant bursaries and scholarships in agriculture, to make payments towards the expenses of staff and of students, and to grant prizes for success or achievement.



- 5.14 To provide for the holding of examinations and the certification of success or achievement in academic or practical examinations or appropriate levels of merit (including, without prejudice to the foregoing generality, the granting of degrees, diplomas, titles, licences, certificates, credits, awards, approved arrangements (where such approval is required) or in conjunction with such other bodies as may from time to time be agreed.
- 5.15 To publish, and to pay the cost of publishing, books, articles, other literature, audio, visual and audio-visual, productions which in the view of the directors is conducive to education in or the practice of Agriculture, the Environment, the Rural Economy and the Land Based Industries, and to distribute, disseminate and/or market such literature and productions and to design, and supply, incidentally to the other objects of these articles, computer software including operating utilities, systems, compilers, service software and other programmes and their associated documentation, and to market, licence or otherwise deal in such software.
- 5.16 To provide for the delivery of lectures and the holding of conferences, training and other courses, lectures, exhibitions and other meetings likely directly or indirectly to promote the objects of these articles.
- 5.17 To make or to produce any article or commodity which may conveniently be made or produced in connection with or in association with the activities of the Company and to market or deal in any such article or commodity.
- 5.18 To support and subscribe to any charitable or public object and to support and subscribe to any institution, society or club which pursues objects similar to the objects or any of the objects set out in these articles or to any institution, society or club which may be of benefit to the employees and the dependants of employees of the Company or of the bodies referred to in articles 5.1 and 5.2 and to promote extra-curriculum activities amongst the students of the Company under the auspices of the Company or otherwise and to further the moral, spiritual, social and physical well-being of such students.
- 5.19 To employ or to secure the services of academic, professional, clerical, manual and other staff and to provide remuneration and other benefits for such staff and to allocate their services to any person, company, firm or other organisation on such terms as the directors of the Company may consider appropriate.
- 5.20 To provide or cause to be provided accommodation and related facilities for staff and students.
- 5.21 To give, award or contribute to pensions, annuities and superannuation, whether by way of insurance, the establishment of schemes or trusts or otherwise, for the employees and former employees of the Company or of the bodies referred to in articles 5.1 and 5.2 and for their dependants and such other persons as may be appropriate; and to make to such employees payments on their redundancy or early retirement.
- 5.22 To subscribe for, purchase or otherwise acquire and hold shares or other interests in, or to promote any other company for the purpose of carrying on any business or undertaking in the field of Agriculture, the Environment, the Rural Economy and the Land Based Industries whose operations appear likely to be beneficial to the Company or to secure the achievement of any of its objects; to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares or securities of such company; to pay the expenses in connection with such subscription, acquisition or promotion; and subsequently to control and manage or to participate in the control and management of such company.
- 5.23 To amalgamate with any body, company or association on such conditions or terms as to the Company may seem expedient and in connection with such amalgamation,

to convey or transfer to any such body, company or association property belonging to the Company in terms of the relative agreement or to receive conveyance or transfers of such property from any such body, company or association.

- 5.24 To apply for, purchase, or otherwise acquire and obtain exclusive or other interests in patents, trade-marks, copyrights, know-how and other rights of intellectual property; to protect, prolong and renew such interests or rights; and to sell, assign, let out on hire or otherwise market or turn to account such interests or rights.
- 5.25 To carry on business as advisers and consultants to any company, association, individual or other entity, public or private, and to make such charges or fees as are appropriate for the same.
- 5.26 To insure the property of the Company and to take out such further insurances as the directors of the Company may consider appropriate.
- 5.27 To apply for, promote and obtain any Royal Charter or Act of Parliament or any form of secondary legislation, any departmental privilege or licence or other authority which may from time to time appear necessary or desirable to achieve or assist in achieving the objects set out in article 4 or the powers set out in this article 5 or otherwise to advance the objects of the Company, to effect any modification of its constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests; and to oppose any proceedings or applications which may seem directly or indirectly to be likely to prejudice those interests.
- 5.28 Generally, to do all such lawful things as may to the Company seem incidental or conducive to the Company's objects.

## 6 Application of Income and Property

- 6.1 The income and property of the Company shall be applied solely towards promoting the Company's objects.
- 6.2 No part of the income or property of the Company shall be paid or transferred (directly or indirectly) to the members, whether by way of dividend, bonus or otherwise.
- 6.3 No benefit (whether in money or in kind) shall be given by the Company to any director except (i) repayment of out of pocket expenses; (ii) reasonable payment in return for particular services actually rendered to the Company (not being of the nature of director's duties or management of the Company); (iii) reasonable or proper remuneration to any member of the Company or any director who is employed by the Company as Principal or as a Member of SRUC Staff; or (iv) such remuneration and allowances to the Chair as the Board considers to be reasonable from time to time in accordance with section 9 of HEGA 2016. The prohibition of such payments shall not apply to any payment made in the circumstances permitted by section 67 of the Charities Act.

## 7 Members

- 7.1 Any person appointed a director of the Company shall forthwith upon that person's appointment apply to be admitted to membership of the Company and, upon such person delivering to the Company an application for membership in such form as the directors require executed by such person, the directors shall admit such person to membership of the Company.
- 7.2 Those persons who are members as at the date of adoption of these articles and members admitted pursuant to article 7.1 shall be the members of the Company. Save as provided in this article, no person shall be admitted a member of the

Company unless such person is approved by the directors. Every person who wishes to become a member shall deliver to the Company an application for membership, in such form as the directors require, executed by such person.

- 7.3 The directors may at their sole and unfettered discretion at any time terminate the membership of any member. Without prejudice to the foregoing generality, the directors will terminate the membership of any member on that member, where that member has been a director of the Company, ceasing to be a director. Further, a member may at any time withdraw from the Company by giving at least seven clear days' notice to the Company. Membership shall not be transferable and shall cease on death.

## 8 General Meetings

- 8.1 The Company may hold a general meeting as its annual general meeting in each calendar year and/or such other meeting of members and/or stakeholders as the Board may determine.
- 8.2 All meetings other than annual general meetings are to be called general meetings.
- 8.3 The directors must convene a general meeting if there is a valid requisition by members (under section 303 of the Act) or a requisition by a resigning auditor (under section 518(2) of the Act).
- 8.4 Subject to the preceding article and to the requirements under section 336 of the Act (which lay down the maximum period which can pass between one annual general meeting and the next), the directors may convene general meetings whenever they think fit.

## 9 Notice of General Meetings

- 9.1 Any general meeting shall be called by at least 14 clear days' notice. A general meeting may be called by shorter notice if it is so agreed:-
- 9.1.1 in the case of an annual general meeting, by all the members entitled to attend and vote at it; and
- 9.1.2 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.
- 9.2 The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and if a special resolution (see article 10) (or a resolution requiring special notice under the Act) is to be proposed, shall also state that fact, giving the exact terms of the resolution and, in the case of an annual general meeting, shall specify the meeting as such.
- 9.3 The notice shall be given to all members and to the directors and (if in office at the time) to the auditors.
- 9.4 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 that meeting.

## 10 Special resolutions and ordinary resolutions

- 10.1 For the purposes of these articles, a "**special resolution**" means a resolution which to be validly passed under the Act requires to be passed by 75% or more of the votes cast on the resolution at an annual general meeting or general meeting,

providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with article 9; for the avoidance of doubt, the reference to 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 the resolution, and accordingly no account shall be taken of abstentions or members absent from the meeting.

10.2 In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Act allow the Company by special resolution:-

10.2.1 to alter its name;

10.2.2 (subject to the provisions of the Act) to alter the Company's objects; and

10.2.3 to alter any provision of these articles or adopt new articles of association.

10.3 For the purposes of these articles, an "**ordinary resolution**" means a resolution which to be validly passed under the Act requires to be passed by majority vote, taking account only of those votes cast in favour of as compared with those votes cast against at an annual general meeting or general meeting, providing proper notice of the meeting has been given in accordance with article 9.

## 11 **Proceedings at General Meetings**

11.1 No business shall be transacted at any meeting unless a quorum is present. Five persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member (of which not less than three such members shall be non-executive directors), shall be a quorum.

11.2 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the directors may determine.

11.3 The Chair or in the Chair's absence the vice-chair or, failing any vice-chair, some other director nominated by the directors shall preside as chair of the meeting, but if neither the Chair, nor such other director (if any) be present within thirty minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chair of the meeting or, if there is only one director present who is willing to act, that director shall be chair of the meeting.

11.4 The chair of the meeting may, with the consent of a 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. In addition, the chair of the meeting may at any time without the consent of the meeting adjourn any meeting to another time or place if it appears to the chair of the meeting that:-

11.4.1 the number of persons wishing to attend cannot be conveniently accommodated in the place appointed for the meeting; or

11.4.2 the unruly conduct of persons attending the meeting prevents or is likely to prevent the orderly continuation of the business of the meeting; or

11.4.3 an adjournment is otherwise necessary so that the business of the meeting can be properly conducted.

- 11.5 No business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
- 11.6 If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chair of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special Resolution no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.
- 11.7 All or any of the members may participate in any meeting by means of a video conference call or any communication equipment which allows all members participating in the meeting to both hear and see each other and, provided five or more members are participating as aforesaid, such meeting shall be quorate. A member so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chair of the meeting then is. The word "meeting" in these articles shall be construed accordingly.

## 12 Votes of Members

- 12.1 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded -
- 12.1.1 by the chair of the meeting; or
- 12.1.2 by at least two members having the right to vote at the meeting; or
- 12.1.3 by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting,
- and a demand by a person as proxy for a member shall be the same as a demand by the member.
- 12.2 On a show of hands every member present in person shall have one vote. On a poll every member present in person or by proxy shall have one vote.
- 12.3 Unless a poll is duly demanded a declaration by the chair of the meeting that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 12.4 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chair of the meeting 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.
- 12.5 A poll shall be taken as the chair of the meeting directs and the chair of the meeting may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

- 12.6 A poll demanded on the election of a chair of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chair of the meeting directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 12.7 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 clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 12.8 A written resolution passed in accordance with Chapter 2 of Part 13 of the Act shall be as effectual as if it had been passed at a general meeting duly convened and held.
- 12.9 A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may not vote, whether on a show of hands or on a poll.
- 12.10 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chair of the meeting whose decision shall be final and conclusive.
- 12.11 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve) -

"SRUC

I/We,

of

being a member/members of the above named company, hereby

appoint

of

or failing that person,

of

as my/our proxy to vote in my/our name(s) and on my/our behalf at the annual/extraordinary general meeting of the company to be held on 20

and at any adjournment thereof.

Signed on

20 ."

Where it is desired to afford members an opportunity of instructing the proxy how the proxy shall act the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve) -

"SRUC

I/We,

of

being a member/members of the above named company, hereby

appoint

of

or failing that person,

of

as my/our proxy to vote in my/our name(s) and on my/our behalf at the annual/extraordinary general meeting of the company to be held on 20

and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No 1 \*for \*against

Resolution No 2 \*for \*against

\*Strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as the proxy thinks fit or abstain from voting.

Signed this                      day of                      20                      ."

12.12 The instrument appointing a proxy and reasonable evidence of any authority under which it is executed approved by the directors may -

12.12.1 be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

12.12.2 in the case of a poll taken more than forty-eight hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than twenty-four hours before the time appointed for the taking of the poll; or

12.12.3 where the poll is not taken forthwith but is taken not more than forty-eight hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chair of the meeting or to the Secretary or to any director;

12.12.4 and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

12.13 A vote given or poll demanded by proxy shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice

of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

### 13 Number, appointment and retirement of directors

#### Number of directors

13.1 There will be a maximum of twenty directors of the Company.

#### Composition of the Board

13.2 The directors of the Company shall be those persons who are directors of the Company as at the date of adoption of these articles and such other persons as shall be appointed as directors in accordance with the following provisions of these articles.

13.3 Subject to article 13.2 above, the directors of the Company shall be comprised of:-

13.3.1 the Principal and Chief Executive (who and whose successors are in these articles referred to as the "**executive director**"); and

13.3.2 up to nineteen non-executive directors of the Company (who and whose successors are in these articles referred to as the "**non-executive directors**") who shall comprise:-

13.3.2.1 the Chair (as appointed under Article 14);

13.3.2.2 two persons, both being Members of SRUC Staff, appointed by being elected by the Members of SRUC Staff in accordance with Article 13.6.2;

13.3.2.3 one person, being an academic staff Member of SRUC Staff (as defined in accordance with Regulations made by the Board from time to time) nominated by a Relevant Trade Union in accordance with article 13.6.3;

13.3.2.4 one person, being a support staff Member of SRUC Staff (as defined in accordance with Regulations made by the Board from time to time) nominated by a Relevant Trade Union in accordance with article 13.6.3;

13.3.2.5 two Students nominated by the students' association of the Company in accordance with article 13.6.4; and

13.3.2.6 not less than eight other persons (not being Members of SRUC Staff or Students) as are appointed to office in accordance with these articles from time to time.

Together the executive director and non-executive directors are hereinafter referred to as "**the directors**" and each as a "**director**".

#### Appointment of directors

13.4 The Board shall establish the R & A Committee and shall delegate to it the management of appointment of those directors of the Company appointed under article 13.3.2.6 including the identification of the roles and the capabilities desirable



among those directors, the advertising of posts, the evaluation of applicants and the making of recommendations to the directors and members as to who should be appointed as such directors. The R & A Committee may establish for the purpose a separate nominations committee which shall include among its members at least one director who is a Member of SRUC Staff and at least one director who is a Student. All vacancies in the directors to be appointed under article 13.3.2.6 and in the Chair shall be advertised and no candidate for appointment as a director under article 13.3.2.6 shall be appointed unless such candidate had that candidature approved by the R & A Committee.

- 13.5 The executive director shall be appointed by the directors and shall not be liable to retire by rotation at any annual general meeting.
- 13.6 The HEGA Directors shall:-
- 13.6.1 in the case of the Chair be appointed in accordance with Article 14. below;
  - 13.6.2 in the case of the HEGA Directors appointed pursuant to Article 13.3.2.2, be elected in accordance with Regulations made by the Board from time to time;
  - 13.6.3 in the case of the HEGA Directors nominated pursuant to articles 13.3.2.3 and 13.3.2.4, be nominated by Relevant Trade Unions in accordance with Regulations made by the Board from time to time; and
  - 13.6.4 in the case of the HEGA Directors appointed pursuant to Article 13.3.2.5, be nominated on the basis of Regulations agreed with the students' association and approved by the Board from time to time.
- 13.7 The directors shall have the power at any time and from time to time to appoint any person (being, in the case of a person appointed under article 13.3.2.6, a person recommended by the R & A Committee) to be a director but so that (i) the total number of directors shall not at any time exceed the number fixed in accordance with these articles; and (ii) a majority of the directors shall always be persons who are not Members of SRUC Staff or Students.

#### Term of office and retirement of directors

- 13.8 Subject to article 14.3, a non-executive director (other than a director appointed in accordance with article 13.3.2.5) who is, or was prior to the date of adoption of these articles, elected to office as a director shall hold office as a non-executive director for a period of three years from that director's date of appointment, at which point such director must retire from office.
- 13.9 Non-executive directors who are Students shall retire from office on such date as shall be specified in Regulations.
- 13.10 A retiring non-executive director to whom article 13.8 applies shall be eligible to continue in office for a further period of three years provided that a non-executive director shall not, subject always to article 14.3, hold office for more than two consecutive three year periods, it being provided that a non-executive director's period as Chair shall not count towards the said two consecutive three year periods. A non-executive director, who is re-appointed to office, shall, subject always to article 14.3, hold office for a further period of three years from that non-executive director's date of re-appointment, at which point such director must retire from office. Any director, having retired as a director and not been re-appointed, shall vacate office both as a director and as a member of the Company and shall not be eligible to be appointed again as a director of the Company for a period of 12 months.

- 13.11 No person (other than a HEGA Director) shall unless recommended by the R & A Committee be eligible for appointment or re-appointment to the office of director.
- 13.12 Subject to article 13.11, upon retirement of a director:-
- 13.12.1 in the case of a HEGA Director, the Company will fill the vacancy so arising in accordance with the provisions of article 13.6; and
- 13.12.2 , in any other case, the Company may fill the vacancy so arising by appointing a person thereto and in default thereof the retiring director shall, if offering himself for re-appointment in accordance with article 13.10 and subject to article 13.11, be deemed to have been re-appointed unless at such meeting it is resolved not to fill such vacancy or the resolution for re-appointment of the retiring director shall not have been approved by the meeting.
- 13.13 Without prejudice to articles 13.3.2.6, 13.7, 13.10 and 13.14 the Company may by ordinary resolution of which special notice has been given remove any director in pursuance of section 168 of the Act before the expiration of that director's period of office notwithstanding anything in these articles or in any agreement between the Company and such director. Such removal shall be without prejudice to any claims such director may have for damages for breach of any contract of services between that director and the Company.
- 13.14 The Company may by ordinary resolution appoint another person (being, in the case of a director appointed in accordance with article 13.3.2.6, a person recommended by the R & A Committee) in place of a director removed from office under the immediately preceding article. The Company in general meeting may appoint any person to be a director to fill a casual vacancy thus created. Such appointment, if the director in question be a non-executive director, shall, for the avoidance of doubt, be treated as being that director's first appointment for the purposes of article 13.8 and articles 13.8 and 13.10 shall thereupon apply to that director.
- 13.15 Any director who gives notice as a member pursuant to article 7.3 that such director intends to withdraw as a member of the Company shall cease to be a director upon that director ceasing to be a member.
- 13.16 The executive director shall vacate office as a director and as a member of the Company:-
- 13.16.1 at the conclusion for whatever reason of the executive director's employment with the Company; or
- 13.16.2 on the executive director's appointment being recalled by the Company in terms of article 13.13; or
- 13.16.3 if any of the provisions of article 15 or 16 apply.
- 13.17 Any director may resign from their position at any time by notice in writing to the Secretary, which will thereupon become vacant from the date of receipt of the notice or date of resignation specified therein whichever shall be the later.

#### 14 Chair

- 14.1 The Chair (who may not be a Member of SRUC Staff or a Student) shall be a member of the Board.
- 14.2 With regard to the Chair:-

- 14.2.1 the Chair in post as at the date of adoption of these articles shall (subject always to the provision of articles 15 and 16) hold office until 30 April 2022; and
- 14.2.2 thereafter the Chair shall be elected in accordance with the provisions of sections 3 to 8 (inclusive) of HEGA 2016 and in accordance with such Regulations as may be made or adopted by the Board from time to time for the purposes of making such appointment.
- 14.3 For the avoidance of any doubt a person who has served as a director for two consecutive terms may, subject always to any Regulations made by the Board pursuant to article 14.2.2 above, be a candidate for election as Chair. Any person elected as Chair shall hold office pursuant to such Regulations and article 13.8 shall not apply to such Chair. The Chair shall be appointed for a period of three years, provided that such appointment may be extended by one further consecutive period of three years and in exceptional circumstances for a further period of one year upon a resolution of the Board approving such re-appointment following on a recommendation of such re-appointment by the R & A Committee.
- 14.4 The directors may appoint a vice-chair or vice chairs of the Company on such terms and with such delegated powers as the directors think fit.

## 15 Disqualification of directors

A director shall vacate office as a director and as a member of the Company if the director:-

- 15.1 becomes bankrupt or makes any arrangement or composition with that director's creditors generally;
- 15.2 if that director ceases to be a director by virtue of any provision of the Act or becomes prohibited by law from being a director;
- 15.3 resigns that director's office by notice in writing to the Company;
- 15.4 is directly or indirectly interested in any contract with the Company and fails to declare the nature of that director's interest in the manner required by section 317 of the Act;
- 15.5 that director is required to resign by notice in writing signed by a majority of the other directors in the circumstances contemplated by sub-section 66(5) of the Charities Act; or
- 15.6 being a HEGA Director ceases:-
- 15.6.1 in the case of the HEGA Directors appointed pursuant to Article 13.3.2.2 to 13.3.2.4, to be a Member of SRUC Staff; and
- 15.6.2 in the case of the HEGA Directors appointed pursuant to Article 13.3.2.5, to be a Student.

## 16 Removal of directors by the Board

- 16.1 If, at any time, the Board is satisfied (having conducted such investigation into the matter as the Board considers reasonable) that any director (including the Chair):-
- 16.1.1 has been absent from meetings of the Board for a period longer than six consecutive months without the permission of the Board; or
- 16.1.2 is unable or unfit to discharge the functions of a director; or

- 16.1.3 has acted in a manner incompatible with that director's role as a director; or
- 16.1.4 that director is, or may be, suffering from physical or mental incapacity and an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for that director's detention or for the appointment of a receiver, *curator bonis*, guardian or other person to exercise powers with respect to that director's property or affairs or which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have (subject always to the Board having due regard to the Equality Act 2010 (or any statutory modification or re-enactment thereof for the time being in force)),

the Board may, by notice in writing, to that director propose a resolution to remove that director from office.

16.2 Upon a resolution to remove a director pursuant to Article 16.1 being proposed:-

- 16.2.1 the director subject to such resolution shall be advised of the grounds on which it is proposed to remove that director, and shall be entitled to make representations to the Board;
- 16.2.2 the resolution shall require a simple majority of the members of the Board to vote in favour in order to be passed; and
- 16.2.1 in the event of the resolution being passed, the member so removed shall be entitled to have the removal process reviewed by notice in writing to the Board within 30 days of the date on which the resolution is passed. Any such review shall be conducted by an independent third party, being a person not employed or engaged by the Company (nor having been employed or engaged by the Company during the preceding 5 years) and being a person holding or having held judicial office or being an advocate of not less than 10 years standing. If such review concludes that the removal of the director by such resolution was fair and reasonable in all the circumstances, the removal shall stand. If such review concludes that the removal of the director by such resolution was not fair and reasonable in all the circumstances, the independent reviewer shall have the power to require the Board to reconsider the decision to remove the director, or to quash the decision.

## 17 Remuneration of directors

Subject always to the terms of section 67 of the Charities Act, the directors shall be entitled to such remuneration as the Company may by ordinary resolution determine (including in the case of the Chair such remuneration and allowances to the Chair as the Board considers to be reasonable from time to time in accordance with section 9 of HEGA 2016) and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

## 18 Directors' expenses

The directors may be paid all travelling, subsistence and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or otherwise in connection with the discharge of their duties.

## 19 Directors appointments and interests

- 19.1 Subject to the provisions of the Act and article 19.2, and provided that a director has disclosed to the directors the nature and extent of any material interest of that

director, has not voted on the question of whether or not the Company should enter into the relevant arrangement and the provisions of section 67 of the Charities Act are complied with, a director notwithstanding that director's office:-

19.1.1 may be party to, or otherwise interested in, any transactions or arrangement with the Company or in which the Company is otherwise interested; and

19.1.2 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.

19.2 For the purposes of article 19.1:-

19.2.1 a general notice given to the directors that a director is to be 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 director has an interest in any such transaction of the nature and extent so specified; and

19.2.2 an interest of which a director has no knowledge and of which it is unreasonable to expect that director to have knowledge shall not be treated as an interest of such director.

## 20 Conduct of directors

Each of the directors shall, in exercising such director's functions as a director of the Company, act in the interests of the Company; and, in particular, must:-

20.1 seek, in good faith, to ensure that the Company acts in a manner which is in accordance with its objects;

20.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;

20.3 in circumstances giving rise to the possibility of a conflict of interest between the Company and any other party:-

20.3.1 put the interests of the Company before that of the other party, in taking decisions as a director; and

20.3.2 where any other duty prevents that director from doing so, disclose the conflicting interest to the Company and refrain from participating in any discussions or decisions involving the other directors with regard to the matter in question; and

20.4 ensure that the Company complies with any direction, requirement, notice or duty imposed on it by the Charities Act.

## 21 Powers of directors

21.1 Subject to the provisions of the Act, the articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given

to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

- 21.2 The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of such agent's powers.

## 22 Delegation of directors' powers

The directors may delegate any of their powers to any committee consisting of one or more directors and such other persons as the directors shall determine. They may also delegate to the Chair and to any executive director or any director holding any other executive office such of their powers as they consider desirable to be exercised by such person. Any such delegation will be made, where appropriate, by means of a formal scheme of delegation and subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members of such committee shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.

## 23 Proceedings of directors

- 23.1 Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. The directors shall meet not less than four times per annum. The Chair or any vice-chair may, and the Secretary at the request of any two directors shall, call a meeting of the directors. Notice of any meeting of the directors shall be given in writing or by electronic means and, save in case of an emergency, not less than seven days notice shall be given. Questions arising at a meeting shall be decided by a majority of votes but with the qualification that, if any one non-executive director present at the meeting so requires, any resolution or question put to the meeting will only be passed if the number of the non-executive directors present at the meeting who vote in favour is greater than the number of the non-executive directors present at the meeting who vote against. In the case of an equality of votes, the chair of the meeting shall have a second or casting vote, and shall also have a second or casting vote as a non-executive director where there is an equality of non-executive directors voting for and against a resolution or question as aforesaid.
- 23.2 The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be five of whom at least not less than three must be non-executive directors.
- 23.3 All or any of the directors or any committee of the directors may participate in a meeting of the directors or that committee by means of a conference call or any communication equipment which allows all persons participating in the meeting to hear each other and, provided the relevant quorum of directors or members of the committee is participating as aforesaid, such meeting shall be quorate and, subject to the provisions of these articles, the meeting shall constitute a meeting of the directors or a committee of the directors as the case may be. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chair of the meeting then is.
- 23.4 The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.

- 23.5 All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or there was a vacancy in the directors or of any category of director, or any director was not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and continued to be a director and had been entitled to vote.
- 23.6 A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at the meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors. Any such resolution may take an electronic form.
- 23.7 Save as otherwise provided by the articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which that director has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company unless that director's interest or duty arises only because the case falls within one or more of the following articles:—
- 23.7.1 the resolution relates to the giving to such director of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by that director for the benefit of the Company or any of its subsidiaries;
- 23.7.2 the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the Company or any of its subsidiaries for which the director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
- 23.7.3 such director's interest arises by virtue of that director being a member of the Company or of that director subscribing or agreeing to subscribe for any shares, debentures or other securities of any subsidiary or associated company of the Company, or by virtue of that director being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such shares, debentures, or other securities by any subsidiary or associated company of the Company for subscription, purchase or exchange; or
- 23.7.4 the resolution relates in any way to a retirement benefits scheme applicable to any one or more employees of the Company or any other corporate body associated with it.
- 23.8 For the purposes of this article, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this article becomes binding on the Company), connected with a director shall be treated as an interest of a director.
- 23.9 A director shall not be counted in the quorum present at a meeting in relation to a resolution on which that director is not entitled to vote.
- 23.10 If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chair of the meeting and the chair of the meeting's ruling in relation to any director other than himself shall be final and conclusive.

- 24.1 The directors may give or award pensions, annuities, gratuities, superannuation, allowances and bonuses to any persons who are or have at any time been in the employment or service of the Company, or who are or have at any time been executive directors or officers of the Company, and who hold or held salaried employment in the Company, and to the dependants of such persons; and may establish, support and maintain funds or schemes (whether contributory or non-contributory) for providing pensions, sickness or compassionate allowances, life assurance or other benefits for such persons or dependants as aforesaid or any of them or any class of them; and may establish and support or aid in the establishment and support of any schools and any educational, scientific, literary, religious or charitable institutions or trade societies, whether or not such societies be solely in connection with the business of the Company, and any club or other establishment calculated directly or indirectly to advance the interests of the Company or its members or of such persons as aforesaid; and may subscribe or guarantee money for any exhibition or for any public, general or useful object.
- 24.2 The directors may pay, enter into agreements to pay or make grants (revocable or irrevocable and either subject or not subject to any terms or conditions) of pensions or other benefits to employees and ex-employees and their dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependants are or may become entitled under any such scheme or fund as mentioned in the last preceding article. Any such pension or benefits may, as the directors consider desirable, be granted to an employee either before and in anticipation of, or upon, or at any time after, that employee's actual retirement.

## 25 Academic Board

### Establishment

- 25.1 The Board shall establish and maintain in operation an academic board (the "Academic Board") which is, subject to the general control and direction of the Board, responsible for the overall planning, co-ordination, development and supervision of the academic work of the Company.

### Composition of Academic Board

- 25.2 The Academic Board shall be composed of:-
- 25.2.1 the Principal;
  - 25.2.2 the Deans of Faculty;
  - 25.2.3 such other senior academic Members of SRUC Staff as the Board shall determine be members of the Academic Board *ex officio*;
  - 25.2.4 academic members of SRUC Staff appointed by being elected by the academic Members of SRUC Staff (in accordance with article 25.5); and
  - 25.2.5 persons appointed by being elected by the Students from among the Students (in accordance with article 25.5).
- 25.3 The Academic Board shall be constituted in such a way that:-
- 25.3.1 more than 50% of its members fall within articles 25.2.3 and 25.2.4; and
  - 25.3.2 at least 10% of its members fall within article 25.2.4.



- 25.4 Notwithstanding the terms of article 25.3.2, the Academic Board is not required to have more than 30 members who fall within article 25.2.4.

#### Election of Academic Board Members

- 25.5 Members of the Academic Board appointed by virtue of articles 25.2.3 and 25.2.4 shall be appointed in accordance with Regulations made by the Board from time to time.
- 25.6 Where the number of eligible candidates in any election held for the purposes of articles 25.2.3 or 25.2.4 is equal to the number of vacancies in the relevant category, those candidates shall be deemed to be elected.

#### Validity of acts of the Academic Board

- 25.7 All acts done by a meeting of the Academic Board shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any member of the Academic Board or that any members were disqualified from holding office, or had vacated office, or there was a vacancy in the Academic Board or of any category of member of the Academic Board, or any member of the Academic Board was not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and continued to be a member of the Academic Board and had been entitled to vote.

#### 26 **Secretary**

A secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

#### 27 **Minutes**

The directors shall cause minutes to be made in books kept for the purpose:-

- 27.1 of all appointments of officers made by the directors; and
- 27.2 of all proceedings at meetings of the Company, of the members of the Company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

#### 28 **Authentication of documents**

Any director or any person appointed by the directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the directors or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the office the officer of the Company having the custody thereof shall be deemed to be a person appointed by the directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting of the Company or of the directors or any committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

#### 29 **Accounts**

True accounts shall be kept of the sums of money received and expended by the Company and of the matter in respect of which such receipt and expenditure takes place, and of the property, credits and liabilities of the Company, and subject to any reasonable restrictions as

to the time and manner of inspecting the same that may be imposed in accordance with the regulations of the Company from time to time, shall be open to the inspection of the members.

### 30 Notices

- 30.1 Any notice to be given to or by any person pursuant to the articles shall be given in or by electronic means.
- 30.2 The Company may give any notice to any director or to any member either personally or by sending it by post in a prepaid envelope addressed to such director or member at that director or member's registered address or by leaving it at that address or in the case of a director or member who has notified the Company of an address to be used for the purposes of electronic communications may be given to the member or director by electronic means. Each director will notify the Company of an address to be used for the purposes of electronic communications.
- 30.3 A director or a member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 30.4 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall, unless the contrary is proved, be deemed to be given at the expiration of forty-eight hours after the envelope containing it was posted. A notice sent by electronic means shall be deemed to have been received at the expiry of 48 hours after it is sent; for the purposes of proving that any notice sent by electronic means was indeed sent it shall be sufficient to provide any of the evidence referred to in the relevant guidance issued from time to time by the Chartered Institute of Secretaries and Administrators.

### 31 Regulations

The Board may make (and modify) rules and regulations to govern matters which the articles require should be governed by rules and regulations and generally to govern such other matters as it thinks fit for the exercise of its functions under these articles PROVIDED THAT (i) any such rules and regulations shall not be inconsistent with the provisions of these articles; (ii) where required to do so in terms of HEGA 2016 the Board has, before making or modifying any rules and regulations, consulted with the representatives of anyone with a right of nomination under the proposed rules and regulations and who is affected by the proposed rules and regulations or any modification of such rules and regulations; (iii) such rules and regulations are made available to anyone with an interest in them; and (iv) where such rules and regulations govern the appointment of HEGA Directors or any other process governed by HEGA 2016 they are identified as such:

### 32 Indemnity

Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by that person in defending any proceedings, whether civil or criminal, in which judgement is given in such person's favour or in which that person is acquitted or in connection with any application in which relief is granted to that person by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

### 33 Officer's liability insurance

The directors shall have the power to purchase and maintain insurance for the benefit of any persons who are or were at any time directors, the auditor, the Secretary or any other officer of the Company or who are, or were at any time, trustees of any pension fund in which any employees of the Company are interested, including (without prejudice to the generality of the

foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company and such insurance may extend to liabilities of the nature referred to in section 232(2) of the Act (negligence etc. of a director).

**34 Winding up**

If, upon the winding up or dissolution of the Company there remains, after satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among members of the Company, but shall be transferred to another body having charitable purposes determined by the members in general meeting as having objects similar to the Company's or to another body with charitable purposes which is likely to benefit the agricultural community in Scotland.

**35 General**

Except to comply with the rule of law, no provision of these articles shall be changed without the consent of the Scottish Ministers, which consent shall not be unreasonably withheld.