

Company Number : SC250012

# The Companies Acts 1985-1989

*Company limited by Guarantee and not having a share capital*

## Memorandum and Articles of Association

of

# *The Solway Firth Partnership*

Incorporated on 23rd May 2003  
and amended on 8th September 2004  
and 1st October 2007

J. & H. Mitchell, W.S.  
Pitlochry & Aberfeldy

# **The Companies Acts 1985-1989**

*Company Limited by Guarantee and not having a share capital*

## **Memorandum of Association of The Solway Firth Partnership**

1. The name of the Company is The Solway Firth Partnership (hereinafter referred to as “the Partnership”).
2. The registered office of the Partnership is situated in Scotland.
3. The Objects of the Partnership are:
  - (a) to promote and advance education of the public about working and living sustainably in the Solway Firth area of Southern Scotland and North West England; and
  - (b) to preserve and protect, for the public benefit, the environment covering the land, coastal zones and waters of the Solway Firth area by seeking to guide, encourage and enhance the integration of environmental, social and economic policies including the sustainable management of pollution, waste, land reclamation, provision of public amenities and other related activities;and to do so either independently and/ or in association with Local Authorities, environment agencies, public bodies, conservation bodies, voluntary organisations, local communities and others (hereinafter referred to as “the Objects”).
4. In furtherance of these Objects, but not otherwise, the Partnership shall have the following powers:
  - (a) To encourage, maintain and develop a network of organisations and individuals committed to and/ or interested in the Objects as an addition to any statutory or constitutional obligation, to establish an integration of interests, strategies and policies relating thereto and to provide services to other environmental bodies.
  - (b) To develop and manage amenities for the public, interpretative sites and educational centres.
  - (c) To conduct research, prepare and organise, promote and implement training courses, exhibitions, lectures, seminars, conferences, other meetings and other activities conducive to the Objects and to prepare, produce, edit, publish, exhibit and distribute articles, pamphlets, books and other publications, tapes, motion

and still pictures of any medium, music and drama of any medium and other materials conducive to the Objects.

- (d) To purchase, lease, hire, take in exchange, and otherwise acquire any property and rights which may be advantageous for the purposes of the activities of the Partnership.
- (e) To construct, convert, alter, demolish, improve, manage, exploit, develop, turn to account and otherwise deal with all or any part of the undertaking, property and rights of the Partnership.
- (f) To sell, let, hire, license, give in exchange and otherwise dispose of all or any part of the undertaking, property and rights of the Partnership, wheresoever situated.
- (g) To manage and operate or arrange for the professional management and operation of properties, lands and estates whether owned by the Partnership or not and the entering into and carrying out of agreements in relation thereto with statutory and other bodies, individuals, unincorporated associations, firms, corporate bodies and others and any groups thereof in furtherance of the Objects.
- (h) To manufacture, retail, sell, hire and supply equipment, items and goods generally conducive to the Objects.
- (i) To borrow money and give security for the payment of money by, or the performance of other obligations of, the Partnership or any other person.
- (j) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (k) To establish and administer a building fund or funds or guarantee fund or funds or endowment fund or funds in furtherance of the Objects.
- (l) To employ and train personnel in all aspects of the Objects and to remunerate any individual in the employment of the Partnership and to establish, maintain and contribute to, or co-operate with others in establishing, maintaining and contributing to, any pension or superannuation fund or scheme for the benefit of, and to give or procure the giving of any donation, pension allowance or remuneration to, and to make any payment for or towards the insurance of, any individual, who is or was at any time in the employment of the Partnership and the wife, widow, relatives and dependants of any such individual; and to establish, subsidise and subscribe to any institution, association, club and fund which may benefit any such person.
- (m) To promote any private Act of Parliament, Provisional Order and other authority to enable the Partnership to carry out its objectives, alter its constitution, and achieve any other purpose which may promote the Partnership's interests, and to oppose or object to any Parliamentary Bill, Local Authority Notice or Order, or any planning proposal, designation, application, notice or order, regulations or policies, whether issued by or on behalf of or by the authority of Parliament, any

Government or statutory agency or any organisation, whether incorporated or unincorporated, any association, other bodies, individuals or generally any application or proceedings which may prejudice the Partnership's interests, in agreement with the Advisory Committee (set up in terms of Article 52 to 57 hereof) and subject to the unanimous agreement of all Members of the Partnership.

- (n) To establish, subsidise, promote, co-operate or federate with or become affiliated to, act as trustees or agents for, or manage or lend money or provide other assistance to, or subscribe and make contributions to or otherwise support any association, trust, society or other body corporate or unincorporated and having primary objects wholly or partly similar to those of the Partnership, or otherwise connected with the activities of the Partnership or with the furtherance of any of its Objects.
- (o) To establish, operate and administer and/ or otherwise acquire separate trading companies or associations, whether charitable or not.
- (p) To enter into any arrangement with any organisation, government, authority or other body which may be advantageous for the purposes of the activities of the Partnership and to obtain from any such organisation, government, authority or other body any charter, right, privilege or concession.
- (q) To enter into partnership or any other arrangement for sharing profit, co-operation or mutual assistance with any charitable body, whether incorporated or unincorporated.
- (r) To give any debentures or securities and accept any shares, debentures or securities as consideration for any business, property and rights acquired or disposed of.
- (s) To effect insurance against risks of all kinds.
- (t) To invest monies of the Partnership not immediately required for the purposes of its activities in such investments and securities (including land in any part of the world) and that in such a manner as may from time to time be considered advantageous (subject to compliance with any applicable legal requirements) and to dispose of and vary such investments and securities.
- (u) To subscribe for, take, purchase or otherwise acquire and hold shares, stocks, debentures and other interests in any Partnership with which the Partnership is authorised to amalgamate and to acquire and take over the whole or any part of the undertaking, assets and liabilities of any company, association or other body with which the Partnership is authorised to amalgamate.
- (v) To accept subscriptions, grants, donations, gifts, legacies and endowments of all kinds, either absolutely or conditionally or in trust for any of the Objects.
- (w) To take such steps (by way of personal or written appeals, public meetings or otherwise) as may be deemed expedient for the purpose of procuring

contributions to the funds of the Partnership, whether by way of subscriptions, grants, loans, donations or otherwise.

- (x) To undertake various activities including, without prejudice to the foregoing generality:
  - (i) promoting the Objects and activities of the Partnership, locally and further afield, including attending events and promotions;
  - (ii) providing advice and support on issues and activities related to the Objects;
  - (iii) supporting community-led initiatives relating to the Solway Firth area;
  - (iv) undertaking, commissioning and otherwise supporting practical works associated with the Objects;
  - (v) publishing and disseminating information, advice and other materials which contribute to the Objects;
  - (vi) undertaking, commissioning and otherwise supporting research, feasibility and monitoring studies and other development work relating to the Objects;
  - (vii) organising and supporting events, meetings, exhibitions, training courses and similar activities; and
  - (viii) undertaking other lawful activities directly relating to the Objects including, where relevant, outwith the Solway Firth area.
- (y) To carry out any of the Objects in any part of the world as principal, agent, contractor, trustee or in any other capacity and through an agent, contractor, sub-contractor, trustee or any person acting in any other capacity and either alone or in conjunction with others.
- (z) To do anything which will further the attainment of any of the Objects.

And it is declared that in this whole Clause where the context so admits, “property” means any property, heritable or moveable, real or personal, wherever situated in the world.

- 5. (a) Subject to Clause 5 (b):
  - (i) the income and property of the Partnership shall be applied solely towards the promotion of its Objects as set out in Clause 3 hereof;
  - (ii) no part of the income and property of the Partnership shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit to the Members of the Partnership;
  - (iii) no member of the Board of Trustees of the Partnership shall be appointed to any office under the Partnership in respect of which a salary or fee is payable; and
  - (iv) no benefit in money or money’s worth shall be given by the Partnership to any member of the Board of Trustees for his or her services as a Trustee, except repayment of out-of-pocket expenses.
- (b) The Partnership shall, notwithstanding the provisions of Clause 5(a), be entitled:

- (i) to pay reasonable and proper remuneration to any Member of the Partnership or of its Board of Trustees in return for services actually rendered to the Partnership (other than those carried out normally or habitually by any Trustee, officer or employee of the Partnership) and to reimburse any out-of-pocket expenses incurred by any such person on behalf of the Partnership in furtherance of its Objects;
- (ii) to pay interest at a rate not exceeding the commercial rate on money lent to the Partnership by any Member of the Partnership or any Trustee;
- (iii) to pay rent at a rate not exceeding the open market rent for premises let to the Partnership by any Member of the Partnership or any Trustee;
- (iv) to purchase assets from any Member of the Partnership or its Board of Trustees providing such purchase is at or below market value and to sell assets to any Member of the Partnership or any Trustee providing such sale is at or above market value; and
- (v) to pay out in respect of any indemnity, where appropriate.

6. The liability of Members is limited.

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

8. (a) The winding-up of the Partnership may take place only on the decision of not less than three-fourths of the Members of the Partnership who are present or represented at a General Meeting called specifically (but not necessarily exclusively) for the purpose.
- (b) If on the winding-up of the Partnership any property remains after satisfaction of all the Partnership's debts and liabilities, such property shall be given or transferred to some charitable body or bodies (whether incorporated or unincorporated) whose objects are altogether or in part similar to the Objects and whose constitution restricts the distribution of income and assets among members to an extent at least as great as does Clause 5 of this Memorandum of Association.
- (c) The charitable body or bodies to which property is transferred under sub-clause (b) hereof, who may include one or more of the Members of the Partnership provided that they themselves are charities, shall be determined on the decision of not less than three-fourths of the Members of the Partnership at or before the time of dissolution or, failing such determination, by a decision of not less than three-fourths of the Board of Trustees or, failing such determination by them, by an arbiter to be nominated by the Crown Estate Office.

WE, the Subscribers to this Memorandum of Association, wish to be formed into a Partnership pursuant to this Memorandum.

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Names and Addresses of Subscribers

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1.     **Robert Sievewright Johnstone Edgar**  
*County Councillor/retired Police Officer*  
Meadowville  
West Road  
Wigton  
Cumbria  
CA7 9RH
  
  2.     **John Donald Jefferson**  
*retired*  
Raydale  
Gretna  
Dumfries-shire  
DG16 5DQ
  
  3.     **Gordon Laurence Mann, O.B.E.**  
*Managing Director*  
Barrview  
Amisfield  
Dumfries  
DG1 3LL
  
  4.     **Dr. David John Tervet, Ph.D.**  
*Lecturer*  
67 Albert Road  
Dumfries  
DG2 9DL
- 

Dated the 16th day of April 2003

Witness to the above signatures:

*name:*                     Richard Jennings

*occupation:*             *Project Officer*

*address:*                 Carmont House  
The Crichton  
Bankend Road  
Dumfries  
DG1 4ZF

The Companies Acts 1985-1989

*Company Limited by Guarantee and not having share capital*

**Articles of Association  
of  
The Solway Firth Partnership**

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**GENERAL**

1. (a) The regulations contained in Table C in the Companies (Tables A to F) Regulations 1985 shall not apply to the Partnership. In these presents the words standing in the first column of the Table next hereinafter contained shall bear the meaning set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context:

<b>WORDS</b>	<b>MEANINGS</b>
The Act	– The Companies Act 1985 as amended and every statutory modification and re-enactment thereof for the time being in force.
These Articles	– These Articles of Association, and the regulations of the Partnership from time to time in force.
The Partnership	– The Solway Firth Partnership.
The Board of Trustees	– The Board of Directors for the time being of the Partnership.
Trustee(s)	– Director(s) for the time being of the Partnership.
The Office	– The Registered Office of the Partnership.
Members	– The Members of the Partnership, comprising Corporate and Ordinary Members in terms of Article 3.
The Subscribers	– Those persons and/ or bodies who have subscribed both these Memorandum and Articles of Association of the Partnership.
The United Kingdom	– Great Britain and Northern Ireland, including, for these Articles, the Isle of Man
Month	– Calendar month.

In writing – Written, printed or lithographed, or partly one and partly another, and other modes of representing or producing words in a visible and non-transitory form.

Clear days – In relation to a 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.

(b) Words importing the singular number only shall include the plural number, and *vice versa*; and

(c) Words importing the masculine gender only shall include the feminine gender.

(d) Subject as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meanings in the Articles.

2. The Partnership is established for the purposes expressed in the Memorandum of Association.

## MEMBERS

3. Membership of the Partnership shall be open to:

(a) **Corporate Members:** comprising those organisations listed in Article 4 hereof, and their respective successors, and such other organisations (and their respective successors) as are admitted to Corporate Membership on being proposed in writing to the Office by at least four existing Corporate Members and approved by not less than three-quarters of the Corporate Members present and voting at any General Meeting occurring more than one month after delivery of said written proposal to the Office.

(b) **Ordinary Members:** any individual who or organisation which supports the Objects, applies to the Office to become an Ordinary Member (by signing a written application for membership in the form prescribed, if any) and whose application is approved by the Board, who must do so as soon as is reasonable. The Board may, at its discretion, refuse to admit any individual or organisation to Ordinary Membership, except for reasons of gender, sexuality, race, religion or politics.

4. The first Corporate Members of the Partnership are to be the following organisations (listed alphabetically):

- Allerdale Borough Council
- Annan District Salmon Fishery Board
- Associated British Ports
- Carlisle City Council
- Copeland Borough Council
- The Crown Estate
- Cumbria County Council
- Cumbria Sea Fisheries Committee
- Dumfries and Galloway Council
- Environment Agency
- Marine and Fisheries Agency

- Natural England
  - Nith District Salmon Fishery Board
  - Scottish Environment Protection Agency
  - Scottish Natural Heritage
  - Scottish Water.
5. (a) Each member which is an organisation (whether Corporate or Ordinary) shall appoint one named Authorised Representative and one named Depute within one month of admission to membership of the Partnership. The Authorised Representative, or Depute, shall attend General Meetings on behalf of the appointing member which is an organisation and shall vote on its behalf, if relevant in accordance with any instructions provided by the appointing Member. The named Depute, where appointed, may act for and represent such member at any meeting of the Partnership only in the absence of the named Authorised Representative.
- (b) Any change in the appointment of an Authorised Representative, and/ or of a named Depute, may be made at any time by the appointing member, but only by way of written notice served by the appointing member at the Office. Such notice will take effect two clear days after its receipt at the Office to allow sufficient time for the appointing member to serve a copy of the notice to anyone named therein.
- (c) Any such notice of appointment or change shall remain valid until withdrawn or superseded by the member in terms of Article 6 (b) hereof.
- (d) In the case of any dispute as to the correct Authorised Representative and/ or named Depute serving at any time, the matter will be settled by the Secretary in accordance with the most recent notice validly received at the Office.
6. The members at each Annual General Meeting shall fix any subscriptions (and, if relevant, different rates thereof). Only those members who have paid their current subscription (where any are fixed) are entitled to take part in and vote at any General Meeting.
7. The Partnership shall keep a Register of its current members, containing their names and postal addresses, where relevant of their Authorised Representatives and named Deputes and the class of membership to which they belong.
8. Any member may no longer remain as such in any one or more of the following events:
- (a) if by notice in writing to the Office the member resigns his, her or its membership; or
  - (b) if, being an individual, he or she becomes insolvent or apparently insolvent or makes any arrangement or composition with his or her creditors generally; or
  - (c) if, being an individual, he or she becomes prohibited from being a charity trustee by virtue of section 69(2) of the Charities and Trustee Investment (Scotland) Act 2005 (and any statutory amendment or re-enactment thereof); or

- (d) if a resolution that an Ordinary Member be expelled is passed by a majority of at least 75% of the members present and voting at a General Meeting, of which not less than 21 days' previous notice specifying the intention to propose such resolution and the grounds on which it is proposed shall have been sent to all Trustees, all members and the Company Secretary and also to the Ordinary Member whose removal is in question, such member being entitled to be heard at that meeting; or
  - (e) if a resolution that a Corporate Member be removed from the Partnership is passed by a majority of at least three-quarters of the Corporate Members present and voting at a General Meeting of which due notice has been given, specifying the intention to propose such resolution and the general grounds on which it is proposed shall have been sent to all Corporate Members and also to the Corporate Member whose removal is in question, such Corporate Member being entitled to be heard by the Meeting.
  - (f) if, being an individual, he or she dies; or
  - (g) if, being an organisation, it goes into receivership, goes into liquidation dissolves or otherwise ceases to exist.
9. An Authorised Representative, or named Depute, may no longer serve as such for any Member in any one or more of the following events:
- (a) if he or she becomes prohibited from being a charity trustee by virtue of section 69(2) of the Charities and Trustee Investment (Scotland) Act 2005 (and any statutory amendment or re-enactment thereof); or
  - (b) if he or she becomes a bankrupt person, or insolvent or apparently insolvent or makes any arrangement or composition with his or her creditors generally; or
  - (c) if he or she becomes incapable for medical reasons of fulfilling the duties of his or her office and such incapacity as certified by two medical practitioners is expected to continue for a period of more than six months from the date or later date of such certification; or
  - (d) if by notice in writing to the Office he or she resigns his or her office; or
  - (e) if the member, he or she represents resigns or is deemed to have resigned by virtue of Article 8.
10. The rights and privileges of membership shall not be transferable by any act or operation of law and shall cease on the member's ceasing to be a member for whatever reason.

### **GENERAL MEETINGS**

11. The Partnership shall hold a General Meeting in every calendar year as its Annual General Meeting at such time and place as may be determined by the Board of Trustees and shall specify the meeting as such in the notices calling it, provided that every Annual General Meeting except the first shall be held not more than fifteen months after

the holding of the last preceding Annual General Meeting, and that so long as the Partnership holds its first Annual General Meeting within eighteen months after its incorporation it need not hold it in the year of its incorporation nor in the following year.

12. All General Meetings, other than Annual General Meetings, shall be called Extraordinary General Meetings.
13. The Board of Trustees may whenever they think fit convene an Extraordinary General Meeting, and must convene one within twenty-eight days of receipt at the Office of a valid requisition. To be valid, such requisition must be signed by not less than either 25% of the Corporate Members or not less than 5% of the Ordinary Members, must clearly state the purpose(s) of the Meeting and must be deposited at the Office. The requisition may consist of several documents in like form each signed by one or more requisitionists. If any of the purposes stated by the requisitionists requires to be determined by Special Resolution, the Board of Trustees must give not less than twenty-one clear days' notice of the meeting in writing.
14.
  - (a) Twenty-one clear days' notice in writing at the least shall be given of every General Meeting.
  - (b) The notice shall specify the place, the day and the hour of meeting and, in the case of special business, the general nature of that business.
  - (c) The notice shall be sent to all Members, Trustees and the Independent Financial Examiner.
  - (d) With the consent of all the members having the right to attend and vote thereat, or of not less than three-quarters of the members in the case of meetings other than Annual General Meetings, a meeting may be convened by such shorter notice as those members may think fit in the circumstances.
15. The accidental omission to give notice of a General Meeting to, or the non-receipt of such notice by, any members shall not invalidate any resolution passed at or proceedings of any such Meeting.

#### **PROCEEDINGS AT GENERAL MEETINGS**

16. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and all that is transacted at an Annual General Meeting shall also be deemed special, with the exception of the consideration of the income and expenditure account and balance sheet, the reports of the Board of Trustees and of the Independent Financial Examiner, the fixing of the annual subscription(s) (if any), the election of Trustees in the place of those retiring and the appointment of, and the fixing of the remuneration of, the Independent Financial Examiner.
17. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. The quorum shall be (a) not less than 25% of the Corporate Members, each being represented by its Authorised Representative or named Depute and (b) not less than 5% of the Ordinary Members.

18. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the Meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or at such other day, time or place as the Board of Trustees may determine.
19. The Convenor of the Board of Trustees shall chair all General Meeting, but in his or her absence the Members of the Partnership present shall choose a Trustee who shall be present to chair the Meeting in question.
20. The person chairing the meeting 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 business which might have been transacted at the meeting from which the adjournment took place. Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as for an original meeting. Save as aforesaid, the Members shall not be entitled to any notice of an adjournment, or of the business to be transacted at an adjourned meeting.

### **VOTES OF MEMBERS**

21. The person chairing the General Meeting shall endeavour to achieve consensus wherever possible but, wherever necessary, questions arising shall be decided by being put to the vote.
22.
  - (a) Each Corporate Member of the Partnership shall have five votes.
  - (b) Each Ordinary Member of the Partnership shall have one vote.
  - (c) Where the member is an organisation, its vote shall be exercised by its Authorised Representative (which failing its named Depute) appointed in terms of Article 5 hereof.
23. 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 person chairing the meeting, whose decision shall be final and conclusive.
24. At any General Meeting a resolution put to the vote shall be decided on a show of hands only and voting thereon shall be as follows:
  - (a) Resolutions relating to the following matters shall require a special decision of not less than three-fourths of the Members present or represented at the meeting, namely:
    - (i) the purchase or sale of any heritable property owned by the Partnership or any of its subsidiaries and the purchase of heritable property wherever situated; or

- (ii) the amendment of the Memorandum of Association and/ or these Articles in any way; or
  - (iii) the winding up of the Partnership in terms of Clause 8(a) of the Memorandum of Association and, where relevant, any decision requiring to be taken in terms of Clause 8(c) thereof; or
  - (iv) the formation, acquisition or disposal of any subsidiary; or
  - (v) the granting by the Partnership of any guarantee or indemnity to any party, other than any wholly-owned subsidiary of the Partnership; or
  - (vi) the creation or issue or allowing to come into being of any mortgage, security, charge or other encumbrance upon any part or parts of the property or assets of the Partnership or the obtaining of any advance or credit in any form other than normal trade credit, or the creation or issue by any subsidiary of any debenture or loan stock; or
  - (vii) the acquisition or disposal by the Partnership or by any of its subsidiaries of any shares of any other company or the participation or cessation of participation by the Partnership or by any of its subsidiaries in any formal partnership or joint venture; or
  - (viii) any other Special Resolutions.
- (b) Ordinary business and ordinary resolutions shall be determined by a simple majority of the Members present or represented at the meeting in question.
25. In the case of an equality of votes, the person chairing the General Meeting shall not be entitled to a casting vote, except in terms of Article 32(e) hereof.
26. Subject to the provisions of the Act, a resolution in writing signed by or on behalf of all the Members for the time being entitled to receive notice of and to attend and vote at General Meetings shall be as valid and effective as if the same had been passed at a General Meeting of the Partnership duly convened and held. Such resolution may consist of several documents in the same form, each signed by one or more Members. This Article shall not apply in respect of any decision required in terms of Clause 8 of the Memorandum of Association of the Partnership and Article 74 hereof.
27. There shall not be any voting by proxy (other than by the recognised Authorised Representative or named Depute of a member which is an organisation).

### **BOARD OF TRUSTEES**

28. The affairs of the Partnership shall be directed and managed by a Board of Trustees appointed in manner hereinafter provided.
29. Unless otherwise determined by ordinary resolution at a General Meeting, the number of members of the Board of Trustees shall not be less than three nor more than twelve.
30. The Board of Trustees shall comprise:

- (a) up to six individual persons elected as Trustees by the Corporate Members in terms of Article 31 hereof; and
- (b) up to three individual persons elected as Trustees by the Ordinary Members in terms of Article 32 hereof; and
- (c) up to three individuals co-opted by the Board of Trustees itself in terms of Article 33 hereof.

**Corporate Trustees**

31. The election of the Trustees in terms of Article 30(a) hereof shall be regulated as follows:

- (a) At the General Meeting at which this Article is first introduced into the Articles of Association of the Company, the Corporate Members may elect up to six Trustees (known for the purposes of this Article as the “Corporate Trustees”).
- (b) At each Annual General Meeting thereafter, one-third of the Corporate Trustees (or the nearest number upwards) elected by the Corporate Members shall retire from office. A Corporate Trustee retiring shall retain office until the close or adjournment of the Meeting. A retiring Corporate Trustee shall be eligible for re-election after one or two terms of office, but no Corporate Trustee can serve more than three consecutive terms of office, without at least one year out of office before being eligible again.
- (c) The Corporate Trustees to retire at each Annual General Meeting shall be those who have been longest in office since their last election but, as between persons who were elected or last re-elected Corporate Trustees on the same day, the one or ones to retire shall (unless they otherwise agree amongst themselves) be determined by lot.
- (d) Each Corporate Member may nominate up to one person (who can, but does not need to be, an employee, official, Authorised Representative, named Depute or otherwise associated with the nominating Corporate Member), but only if it does not already have a nominee who will continue to serve on the Board of Trustees after the Annual General Meeting in question.
- (e) The election of Corporate Trustees shall be by vote of the Corporate Members at the Annual General Meeting. Each Corporate Member shall have one vote for each vacancy of Corporate Trustees on the Board of Trustees. Nominees shall be elected to the vacancy or vacancies on the Board of Trustees in order of the number of votes cast and, in the event of any equality, the person chairing the Meeting shall in this circumstance only have a casting vote at a General Meeting.

**Ordinary Trustees**

32. The election of the Trustees in terms of Article 30(b) hereof shall be regulated as follows:

- (a) At the General Meeting at which this Article is first introduced into the Articles of Association of the Company, the Ordinary Members may elect up to three Trustees (known for the purposes of this Article as the “Ordinary Trustees”).

- (b) At each Annual General Meeting thereafter, one-third of the Ordinary Trustees (or the nearest number upwards) elected by the Ordinary Members shall retire from office. A Ordinary Trustee retiring shall retain office until the close or adjournment of the Meeting. A retiring Ordinary Trustee shall be eligible for re-election after one or two terms of office, but no Ordinary Trustee can serve more than three consecutive terms of office, without at least one year out of office before being eligible again.
- (c) The Ordinary Trustee to retire at each Annual General Meeting shall be the one who has been longest in office since their last election but, as between persons who were elected or last re-elected Ordinary Trustees on the same day, the one or ones to retire shall (unless they otherwise agree amongst themselves) be determined by lot.
- (d) Each Ordinary Member may nominate up to one person (who can, but does not need to be, an employee, official, Authorised Representative, named Depute or otherwise associated with the nominating Ordinary Member), but only if it does not already have a nominee who will continue to serve on the Board of Trustees after the Annual General Meeting in question.
- (e) The election of Ordinary Trustees shall be by vote of the Ordinary Members at the Annual General Meeting. Each Ordinary Member shall have one vote for each vacancy of Ordinary Trustees on the Board of Trustees. Nominees shall be elected to the vacancy or vacancies on the Board of Trustees in order of the number of votes cast and, in the event of any equality, the person chairing the Meeting shall in this circumstance only have a casting vote at a General Meeting.

**Co-opted Trustees**

33. In terms of Article 30(c) hereof, the Board of Trustees may from time to time co-opt up to three additional Trustees (known for the purposes of this Article as the “Co-opted Trustees”) as follows:
- (a) Subject to Article 33(c), a Co-opted Trustee shall serve until the next AGM after his or her co-option.
  - (b) A Co-opted Trustee can be re-co-opted at such next AGM.
  - (c) A Co-opted Trustee can be removed from office at any time by a simple majority of the Board.
  - (d) For the avoidance of doubt, a Co-opted Trustee may participate fully in and vote at all Board meetings which he or she attends.

**Convenor**

34. The Board of Trustees shall from time to time elect a Convenor of the Partnership. The Board may do so by electing someone from its own number, or in terms of Article 33 it may co-opt an individual as a Co-opted Trustee specifically to be the Convenor. Where possible, the Convenor shall serve as Convenor for a period of three years, unless the Board of Trustees at any time resolves otherwise, or if being an elected Trustee the Convenor loses office as an elected Trustee. If co-opted in terms of Article 33 hereof, the Convenor shall be eligible for re-election at the end of his or her period of three years.

35. The office of Trustee shall *ipso facto* be vacated:
- (a) if he or she is prohibited from being a member in terms of Article 8; or
  - (b) if he or she without the consent of the Partnership in General Meeting holds any office of profit under the Partnership, except as permitted in terms of Clause 5 of the Memorandum of Association; or
  - (c) if he or she becomes prohibited from being a Trustee by virtue of section 69(2) of the Charities and Trustee Investment (Scotland Act 2005 (and any statutory amendment or re-enactment thereof)); or
  - (d) if, in terms of section 66(5) of the Charities and Trustee Investment (Scotland Act 2005 (and any statutory amendment or re-enactment thereof), he or she is considered by the Board to have been in serious or persistent breach of either or both of the duties listed in sections 66(1) and 66(2) of the said Act; or
  - (e) if he or she becomes incapable for medical reasons of fulfilling the duties of his or her office and such incapacity as certified if necessary by two medical practitioners is expected to continue for a period of more than six months from the date or later date of such certification; or
  - (f) if he or she absents himself from three or more consecutive meetings of the Board of Trustees without special leave of absence from the Board of Trustees and the Board of Trustees resolves that he or she vacate office; or
  - (g) if by notice in writing to the Partnership he or she resigns his or her office; or
  - (h) if he or she is directly or indirectly interested in any contract with the Partnership and fails to declare the nature of his or her interest in manner required by section 317 of the Act, or contravenes the provisions of section 66(1)(c) of the Charities and Trustee Investment (Scotland Act 2005 (and any statutory amendment or re-enactment thereof), and in either event the Board of Trustees resolves that he or she vacate office; or
  - (i) if he or she ceases to be ordinarily resident in the United Kingdom.
36. The Members of the Partnership may by ordinary resolution remove any Trustee before the expiration of his or her period of office. The vacancy created thereby may be filled as a casual vacancy by ordinary resolution by the same class of membership which elected the Trustee who has been removed. A person so appointed to take the place of a Trustee so removed is treated, for the purpose of determining the time at which he, she or any other Trustee is to retire, as if he or she had become a Trustee on the day on which the person in whose place he or she is appointed was last appointed a Trustee.

#### **POWERS OF THE BOARD OF TRUSTEES**

37. The direction, strategy and business of the Partnership shall be managed by the Board of Trustees who may pay all such expenses of, and preliminary and incidental to, the promotion, formation, establishment and registration of the Partnership as they think fit,

and may exercise all such powers of the Partnership, and do on behalf of the Partnership all such acts as may be exercised and done by the Partnership, and as are not by the Act or by these Articles required to be exercised or done by the Partnership in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the Act and to such regulations (being not inconsistent with the said regulations and/ or provisions) as may be made by the Partnership in General Meeting provided that no such regulation or provision made by the Partnership in General Meeting shall invalidate any prior act of the Board of Trustees which would have been valid if such regulation had not been made.

38. The Board of Trustees for the time being may act notwithstanding any vacancy in their body.
39. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Partnership, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board of Trustees shall from time to time by resolution determine.
40. The banking account or accounts of the Partnership shall be kept in such bank or building society and/ or banks or building societies as the Board of Trustees shall from time to time by resolution determine.

#### **PROCEEDINGS OF THE BOARD OF TRUSTEES**

41. The Board of Trustees may meet together for the despatch of business and adjourn and otherwise regulate its meetings as it thinks fit. One-half of its number at any time shall be a quorum. A Trustee shall not be counted in the quorum present at a meeting in relation to a resolution on which, whether because of personal interest or otherwise, he or she is not entitled to vote, unless all other Trustees present agree unanimously that, having duly had his or her interest noted and minuted, such Trustee can continue to participate in (but not vote on) the subject matter in question. Questions arising at any meeting shall be decided by a majority of votes of the Trustees present. In case of an equality of votes, the Convenor (or person chairing the meeting) shall have a second or casting vote at Board meetings.
42.
  - (a) Questions arising at any meeting of the Board of Trustees shall be decided by a simple majority of votes of the Trustees present.
  - (b) The following matters may be decided only by the special decision of not less than three-quarters of all of the Trustees (and must also be passed as a Special Resolution by the Ordinary Members in terms of Article 24 hereof), namely:
    - (i) the purchase or sale of any heritable property owned by the Partnership or any of its subsidiaries and the purchase of heritable property wherever situated; or
    - (ii) the amendment of the Memorandum of Association and/ or these Articles in any way; or

- (iii) the winding up of the Partnership in terms of Clause 8(a) of the Memorandum of Association and, where relevant, any decision requiring to be taken in terms of Clause 8 (c) thereof;
  - (iv) the formation, acquisition or disposal of any subsidiary; or
  - (v) the granting by the Partnership of any guarantee or indemnity to any party, other than any wholly-owned subsidiary of the Partnership; or
  - (vi) the creation or issue or allowing to come into being of any mortgage, security, charge or other encumbrance upon any part or parts of the property or assets of the Partnership or the obtaining of any advance or credit in any form other than normal trade credit, or the creation or issue by any subsidiary of any debenture or loan stock; or
  - (vii) the acquisition or disposal by the Partnership or by any of its subsidiaries of any shares of any other company or the participation or cessation of participation by the Partnership or by any of its subsidiaries in any formal partnership or joint venture.
- (c) In case of an equality of votes, the person chairing the meeting shall have a second or casting vote.
43. (a) Whenever a Trustee finds that there is a personal interest, as defined in Article 58, he or she has a duty to declare this to the Board meeting in question. In that event, such intimation of a potential or real conflict must be noted in the Minutes of any relevant meeting and the Trustee in question cannot partake in discussions or decisions relating to such matter.
- (b) The chairman of the meeting shall determine whether the Trustee in question should be required to be absent during that particular element of the meeting and, in terms of Article 46 (b), where a Trustee leaves, or is required to leave, the meeting in question, he or she no longer forms part of the quorum thereat.
44. A Trustee may, and on the request of a Trustee the Secretary shall, at any time, summon a meeting of the Board of Trustees by notice served upon all Trustees, to take place at a reasonably convenient time, date and location within the Solway Firth area. A Trustee who is absent from the United Kingdom shall not be entitled to notice of a meeting. Not less than fourteen clear days' notice in writing shall be given of any meeting of the Board of Trustees at which a decision in relation to any of the matters referred to in Article 42 is to be made, which notice shall be accompanied by an agenda and any papers relevant to the matter to be decided.
45. The Convenor shall be entitled to preside at all meetings of the Board of Trustees at which he or she shall be present, but if no such Convenor be elected, or if at any meeting the Convenor be not present within fifteen minutes after the time appointed for holding the meeting and willing to preside, the Board of Trustees may choose one of its number to chair the meeting.
46. The Board of Trustees may delegate any of its powers (other than those listed in Article 42 hereof) to sub-committees consisting of such member or members of the Board of

Trustees as may be able to serve thereon (on the understanding that, where possible, at least one Trustee should serve on each sub-committee) and such other persons as it thinks fit, and any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations imposed on it by the Board of Trustees. The meetings and proceedings of any such committee shall be governed by the provisions of these Articles for regulating the meetings and proceedings of the Board of Trustees so far as applicable and so far as the same shall not be superseded by any regulations made by the Board of Trustees.

47. All acts *bona fide* done by any meeting of the Partnership or of any committee of the Board of Trustees, or by any person acting as a Trustee shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such Trustee or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Trustee.
48. The Board of Trustees shall cause proper minutes to be made of all appointments of officers made by the Board of Trustees and of the proceedings of all meetings of the Partnership and of the Board of Trustees and of committees of the Board of Trustees, including the names of those present, and all business transacted at such meetings and any such minutes of any meeting, if purporting to be signed by the Convenor of such meeting, or by the Convenor of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated.
49. A resolution in writing (whether one single document signed by all Trustees or all the members of any sub-committee of the Board of Trustees who are entitled to receive notice of a meeting of the Board of Trustees or of such sub-committee or whether several documents in the same form each signed by one or more Trustees or members of any relative sub-committee as appropriate so that all have signed together or separately) shall be as valid and effectual as if it had been passed at a meeting of the Board of Trustees or of such sub-committee duly convened and constituted.
50. No alteration of the Memorandum or Articles of Association of the Partnership and no direction given by Special Resolution shall invalidate any prior act of the Board of Trustees which would have been valid if that alteration had not been made or that direction had not been given.
51. The Board of Trustees may invite or allow any person to attend and speak, but not to vote, at any meeting or meetings of the Board of Trustees or of its sub-committees. The principal employee (if any) of the Partnership shall attend each meeting of the Board of Trustees (except any part or parts thereof dealing with his or her employment or remuneration, or any other matter which the Board of Trustees wish to keep confidential to themselves), but shall have no vote.

#### **ADVISORY COMMITTEE**

52. The Advisory Committee of the Partnership shall have an advisory role to assist the Board of Trustees generally, and specifically on matters referred to it by the Board of Trustees. In particular, but without prejudice to the foregoing generality, the Advisory Committee may itself identify issues in relation to the Objects and establish such Working Groups as it requires from time to time to examine these, reporting its or their

findings to the Board and providing the Board with any recommendations in relation thereto.

53. (a) Each Corporate Member of the Partnership may appoint up to one person (who can, but does not need to be, an employee, official, Authorised Representative, named Depute or otherwise associated with the appointing Member) to serve on the Advisory Committee and may remove and replace such person at any time.
- (b) The Advisory Committee may itself elect up to a further five persons (or such other number as the Board of Trustees may resolve from time to time) onto the Committee in order to reflect fully the range of geographical and technical skills required to fulfil its advisory role.
54. Meetings of the Advisory Committee shall be chaired by the Convenor of the Partnership. If the Convenor of the Partnership is unable or unwilling to do so for any reason, the Advisory Committee shall elect a Chairperson thereof from its own number. The person chairing the meeting shall endeavour to achieve consensus at all times, but if necessary questions arising shall be decided by being put to the vote, in which event each Advisory Committee member shall have one vote and the person chairing the meeting shall have a second or casting vote as well as a deliberative vote.
55. The Advisory Committee shall normally meet not less than two times in each calendar year and shall invite all Trustees to attend its meetings.
56. The Advisory Committee may invite such observers and technical advisers to attend its meetings as pertinent to its business from time to time.
57. The Advisory Committee is a sub-committee of the Board, in terms of Article 46 hereof and is therefore bound to adhere to the Articles as such a sub-committee.

### **CONFLICTS OF INTERESTS**

58. (a) Any Trustee and/ or employee who has a personal interest in any prospective or actual contract or other arrangement with the Trust must declare that interest either generally to the Board or specifically at any relevant meeting of the Trust and, in that event, the provisions of Article 43 shall apply.
- (b) A personal interest includes the following interests:
  - (i) those of the Trustee or employee in question; and
  - (ii) those of his or her partner or close relative; and
  - (iii) those of any business associate; and
  - (iv) those of any firm of which he or she is a partner or employee; and
  - (v) those of any limited company of which he or she is a director, employee or shareholder of more than 5% of the equity; and

- (vi) those of any person or organisation responsible for his or her appointment as a Trustee.
- (c) Additionally, the Board may resolve at any time to require all Trustees and employees to deliver a Notice of Relevant Interests to the Registered Office (or elsewhere), as they arise and at least annually. In that event, the Board shall determine from time to time what interests shall be relevant interests and shall ensure that a Register of Notices of Relevant Interests is maintained, which shall be open for inspection by both the Board and members of the Trust and, with the express prior written approval of the Trustee or employee concerned, by members of the public.

### **SECRETARY**

- 59. The Secretary shall be appointed by resolution of the Board of Trustees for such time at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board.
- 60. The Board of Trustees may from time to time appoint a Minute Secretary or Secretaries for the purposes of Article 48 hereof.

### **ACCOUNTS**

- 61. The Board of Trustees shall cause accounting records to be kept in accordance with the requirements of the Act.
- 62. The accounting records shall be kept at the Office, or, subject to the provisions of the Act, at such other place or places as the Board of Trustees shall think fit, and shall always be open to the inspection of the officers of the Partnership.
- 63. The Board of Trustees shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting records of the Partnership or any of them shall be open to the inspection of the Members not being officers of the Partnership.
- 64. At least once in every year the accounts of the Partnership shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by an Independent Financial Examiner.
- 65.
  - (a) At each Annual General Meeting in every year the Board of Trustees shall lay before the Partnership an income and expenditure account for the period since the last preceding accounting reference date or (in the case of the first account) since the incorporation of the Partnership together with a proper balance sheet made up as at the same date.
  - (b) Every such balance sheet shall be accompanied by proper reports of the Board of Trustees and the Independent Financial Examiner thereof.
  - (c) Copies of such account, balance sheet and reports (all of which shall be framed in accordance with any statutory requirements for the time being in force), and of any other documents required by law to be annexed or attached thereto or to

accompany the same, shall not less than twenty-one clear days before the date of the meeting at which they are to be laid be delivered or sent by post to the Independent Financial Examiner and to all Members and to all Trustees in the manner in which notices are hereinafter directed to be served.

### **PATRONS**

66. The members in General Meeting may, on a proposal from the Board of Trustees, agree to the appointment of one or more Honorary Patrons of the Partnership, who would be appointed either for such fixed period as the Members determine or for an unspecified period until such appointment be terminated by them. The Honorary Patron or Patrons would be entitled to notice of all General Meetings and to attend and contribute to discussion but not vote thereat.

### **NOTICES**

67. A notice may be served by the Partnership upon any Member, either personally or by sending it by post, fax, e-mail or other appropriate electronic means, addressed to such Member at its registered address as appearing in the Register of Members.
68. Any notice, whether served by post or otherwise, shall be deemed to have been served on the day following that on which the letter containing the same is put into the post or is otherwise despatched.
69. A Member present or represented at any General Meeting of the Partnership shall be deemed to have received notice of the meeting and, where requisite, of the purpose for which it was called.
70. The business of the Partnership and all its correspondence with and notification to or from Members may, notwithstanding the terms of any Article hereof (including Articles 67 and 68 hereof), be conducted equally validly and effectively as by post if transmitted by fax or e-mail to or from any Member of the Partnership (except where that Member specifically requests all such correspondence and notification by post only) or otherwise if publicised on the Partnership's website on the Internet where the Partnership has advised each Member of this and has taken due steps to notify by other reasonable means all those Members who do not have access to the Internet.

### **INDEMNITY**

71. Subject to the terms of the Companies Act and without prejudice to any other indemnity, the Trustees, or member of any sub-committee, the Company Secretary, Treasurer and all employees of the Trust shall be indemnified out of the funds of the Trust against any loss or liability (including the costs of defending successfully any court proceedings) which he, she or they may respectively incur or sustain, in connection with or on behalf of the Trust and each of them shall be chargeable only for so much money as he or she may actually receive and they shall not be answerable for the acts, receipts, neglects or defaults of each other, but each of them for his or her own acts, receipts, neglects or defaults only.

### **ALTERATION OF MEMORANDUM & ARTICLES OF ASSOCIATION**

72. No alteration in these Memorandum and Articles of Association may at any time be made unless by the decision of three-fourths of the Members of the Partnership present at a General Meeting called specifically (but not necessarily exclusively) for the purpose.

### **DISSOLUTION**

73. Clause 8 of the Memorandum of Association of the Partnership relating to the winding up and dissolution of the Partnership shall have effect as if the provisions thereof were repeated in these Articles.

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Names and addresses of the Subscribers

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1.     **Robert Sievewright Johnstone Edgar**  
      *County Councillor/retired Police Officer*  
      Meadowville  
      West Road  
      Wigton  
      Cumbria  
      CA7 9RH
  
2.     **John Donald Jefferson**  
      *retired*  
      Raydale  
      Gretna  
      Dumfries-shire  
      DG16 5DQ
  
3.     **Gordon Laurence Mann, O.B.E.**  
      *Managing Director*  
      Barrview  
      Amisfield  
      Dumfries  
      DG1 3LL
  
4.     **Dr. David John Tervet, Ph.D.**  
      *Lecturer*  
      67 Albert Road  
      Dumfries  
      DG2 9DL

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Dated the 16th day of April 2003

Witness to the above signatures:

*name:*                     Richard Jennings

*occupation:*             *Project Officer*

*address:*                 Carmont House  
                              The Crichton  
                              Bankend Road  
                              Dumfries  
                              DG1 4ZF