

COMPANIES ACTS 1985 TO 2006

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

Of

NITH CATCHMENT FISHERY TRUST

CONTENTS		
GENERAL	general structure	article 1
MEMBERS	qualifications, application, subscription, register, withdrawal, expulsion, termination/transfer	articles 2-13
GENERAL MEETINGS (meetings of members)	general, notice, special/ordinary resolutions, procedure	articles 14-39
DIRECTORS	maximum number, eligibility, election/retiral/re-election, termination of office, register, office bearers, powers, personal interests	articles 40-57
DIRECTORS' MEETINGS	procedure	articles 58-68
ADMINISTRATION	committees, operation of bank accounts, secretary, minutes, accounting records and annual accounts, notices	articles 69-80
MISCELLANEOUS	winding-up, indemnity, interpretation	articles 81-85

General structure

1. The structure of the company consists of:-

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

(b) the DIRECTORS - who hold regular meetings during the period between annual general meetings, and generally control and supervise the activities of the company; in particular, the directors are responsible for monitoring the financial position of the company. The directors are also charity trustees.

Qualifications for membership

2. The members of the company shall consist of the subscribers to the memorandum of association and such other persons as are admitted to membership under articles 3 to 7.

3. Membership shall be open to:

- (a) Any individual who wishes to support the aims and activities of the company
- (b) Any individual who has been nominated for membership by an unincorporated body which supports the aims and activities of the company

4. Employees of the company shall not be eligible for membership; a person who becomes an employee of the company after admission to membership shall automatically cease to be a member.

Application for membership

5. Any person who wishes to become a member must sign, and lodge with the company, a written application for membership; in the case of an application under paragraph (b) of article 3, the application must also be signed by the appropriate office-bearer of the unincorporated body which is nominating him/her for membership.

6. The directors may, at their discretion, refuse to admit any person to membership.

7. The directors shall consider each application for membership at the first directors' meeting which is held after receipt of the application; the directors shall, within a reasonable time after the meeting, notify the applicant of their decision on the application.

Membership subscription

8. No membership fee shall be payable.

Register of members

9. The directors shall maintain a register of members, setting out the full name and address of each member, the date on which he/she was admitted to membership, and the date on which any person ceased to be a member; the entry against his/her name shall also include details of the unincorporated body which nominated him/her for membership.

Withdrawal from membership

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

Expulsion from membership

11. Any person may be expelled from membership by resolution of the directors, providing the following procedures have been observed:-

(a) the member has been given at least 21 days' notice in writing of the meeting of the directors at which the resolution will be proposed together with the reasons for the proposed expulsion.

(b) the matter is considered in the light of any written representations that the member submits within 14 clear days after receiving notice under article 11(a).

Termination/transfer

12. Membership shall cease on death.

12A An unincorporated body which has nominated an individual for membership may withdraw its nomination at any time by written notice to the company to that effect; on receipt of the notice by the company, the individual in question shall automatically cease to be a member of the company.

13. A member may not transfer his/her membership to any other person.

General meetings (meetings of members)

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

15. Not more than 15 months shall elapse between one annual general meeting and the next.

16. The business of each annual general meeting shall include:-

(a) a report by the chair on the activities of the company

(b) consideration of the annual accounts of the company

(c) the election/re-election of directors, as referred to in articles 42 to 44.

17. The directors may convene an extraordinary general meeting at any time.

18. The directors must convene an extraordinary general meeting if there is a valid requisition by members (under section 303 of the 2006 Act) or a requisition by a resigning auditor (under section 392A of the 1985 Act (so long as it is in force) or section 518 of the 2006 Act).

Notice of general meetings

19. An AGM or an EGM called for the passing of a special resolution shall be called by giving not less than 21 clear days notice. All other EGMs shall be called by giving not less than 14 clear days notice. A General Meeting may be called by shorter notice if it is so agreed:

- (a) in the case of an AGM by all the members entitled to vote at the meeting; and
- (b) in the case of an EGM by a majority 95% of the members entitled to vote at the meeting.

20. The reference to "clear days" in article 19 shall be taken to mean that, in calculating the period of notice, the day after the notice is posted, (or, in the case of a notice sent by electronic means, the day after it was sent) and also the day of the meeting, should be excluded.

21. A notice calling a meeting shall specify the time and place of the meeting; it shall (a) indicate the general nature of the business to be dealt with at the meeting and (b) if a special resolution (see article 24) (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.

22. A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting; any other general meeting shall be called an extraordinary general meeting.

23. Notice of every general meeting shall be given

(a) in hard copy form

(b) in writing or, (where the individual to whom notice is given has notified the company of an address to be used for the purpose of electronic communication) in electronic form; or

(c) (subject to the company notifying members of the presence of the notice on the website, and complying with the other requirements of section 309 of the 2006 Act) by means of a website.

Special resolutions and ordinary resolutions

24. For the purposes of these articles, a “special resolution” means a resolution passed by 75% or more of the votes cast on the resolution at an annual general meeting or extraordinary general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with articles 19 to 23; 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.

25. In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Companies Acts allow the company, by special resolution,

(a) to alter its name

(b) to alter its memorandum of association with respect to the company's objects

(c) to alter any provision of these articles or adopt new articles of association.

26. For the purposes of these articles, an “ordinary resolution” means a resolution passed by majority vote (taking account only of those votes cast in favour as compared with those votes against), at an annual general meeting or extraordinary general meeting, providing proper notice of the meeting has been given in accordance with articles 19 to 23.

Procedure at general meetings

27. No business shall be dealt with at any general meeting unless a quorum is present; the quorum for a general meeting shall be twenty per cent of the individuals entitled to vote (each being a member or a proxy for a member).

28. If a quorum is not present within 3 minutes after the time at which a general meeting was due to commence - or if, during a meeting, a quorum ceases to be present - the meeting shall stand adjourned to such time and place as may be fixed by the chairperson of the meeting.

29. The chair of the company shall (if present and willing to act as chairperson) preside as chairperson of each general meeting; if the chair is not present and willing to act as chairperson within 15 minutes after the time at which the meeting was due to commence, the directors present at the meeting shall elect from among themselves the person who will act as chairperson of that meeting.

30. The chairperson of a general meeting may, with the consent of the meeting, adjourn the meeting to such time and place as the chairperson may determine.

31. Every member shall have one vote, which (whether on a show of hands or on a secret ballot) may be given either personally or by proxy.

32. Any member who wishes to appoint a proxy to vote on his/her behalf at any meeting (or adjourned meeting):

(a) shall lodge with the company, at the company's registered office, a written instrument of proxy (in such form as the directors require), signed by him/her; or

(b) shall send by electronic means to the company, at such electronic address as may have been notified to the members by the company for that purpose, an instrument of proxy (in such form as the directors require)

providing (in either case), the instrument of proxy is received by the company at the relevant address not less than 48 hours before the time for holding the meeting (or, as the case may be, adjourned meeting).

33. An instrument of proxy which does not conform with the provisions of article 32, or which is not lodged or sent in accordance with such provisions, shall be invalid.

34. A member shall not be entitled to appoint more than one proxy to attend on the same occasion.

35. A proxy appointed to attend and vote at any meeting instead of a member shall have the same right as the member who appointed him/her to speak at the meeting and need not be a member of the company.

36. A vote given, or ballot demanded, by proxy shall be valid notwithstanding that the authority of the person voting or demanding a ballot had terminated prior to the giving of such vote or demanding of such ballot, unless notice of such termination was received by the company at the company's registered office (or, where sent by electronic means, was received by the company at the address notified by the company to the members for the purpose of electronic communications) before the commencement of the meeting or adjourned meeting at which the vote was given or the ballot demanded.

37. If there are an equal number of votes for and against any resolution, the chairperson of the meeting shall not be entitled to a casting vote.

38. A resolution put to the vote at a general meeting shall be decided on a show of hands unless a secret ballot is demanded by the chairperson (or by at least two persons present in person at the meeting and entitled to vote (whether as members or proxies for members)); a secret ballot may be demanded either before the show of hands takes place, or immediately after the result of the show of hands is declared.

39. If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such a manner as the chairperson may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded.

Maximum number of directors

40. The maximum number of directors shall be ten; out of that number, no more than two shall be directors who were co-opted under the provisions of articles 44A and 44B.

Eligibility

41. A person shall not be eligible for election/appointment as a director under articles 42 to 44 unless he/she is a member of the company; a person appointed as a director under articles 44A 44B or 44C need not, however, be a member of the company.

41 (a) A person shall not be eligible for election/appointment as a director if he/she is an employee of the company

41A. A person who has served as a director for a period of six years shall automatically vacate office on expiry of that six year term and shall then not be eligible for re-election until a further year has elapsed

41B. For the purposes of article 41A:

- (a) the period from the date of the formation of the company to the first annual general meeting shall be deemed to be a period of one year, unless it is of less than six months' duration in which case it shall be disregarded
- (b) the period between the date of appointment of a director and the annual general meeting which next follows shall be deemed to be period of one year, unless it is of less than six months duration in which case it shall be disregarded
- (c) the period between one annual general meeting and the next shall be deemed to be a period of one year
- (d) if a director ceases to hold office but is re-appointed as a director within a period of six months, he/she shall be deemed to have held office as a director continuously

Election, retiral, re-election

42. At each annual general meeting, the members may (subject to article 40) elect any member (providing he/she is willing to act) to be a director.

43. The directors may at any time appoint any member (providing he/she is willing to act) to be a director (subject to article 40).

44. At the first annual general meeting, one third (to the nearest round number) of the directors [disregarding for this purpose those appointed under article 44A] shall retire from office; the question of which of them is to retire shall be determined by some random method

44 AA. At each annual general meeting (other than the first)

- (a) any director appointed under article 43 during the period since the preceding annual general meeting shall retire from office.
- (b) out of the remaining directors (disregarding for this purpose those appointed under article 44A and/or 44C), one third (to the nearest round number) shall retire from office.

44 AB. The directors to retire under paragraph (b) of article 44AA shall be those who have been longest in office since they were last elected or re-elected; as between person who were last/elected on the same date, the question of which of them is to retire shall be determined by some random method.

44 AC. A director who retires from office under article 44 or 44AA shall be eligible for re-election.

Appointment/re-appointment of co-opted directors

44 A. In addition to their powers under article 43, the directors may (subject to article 40) at any time appoint any non-member to the company to be a director (providing he/she is willing to act) either on the basis that he/she has been nominated by a body with which the company has close contact in the course of its activities or on the basis that he/she has specialist experience or skills that could be off assistance to the directors

44 B. At each annual general meeting, all the directors appointed under article 44A shall retire from office – but shall then be eligible for re-appointment under article 44A

Appointment of directors nominated by the Nith District Salmon Fishery Board

44 C. The Nith District Salmon Fishery Board shall be entitled to nominate a person to serve as a director; the directors shall, at the directors' meeting which follows receipt of any such notice, appoint the individual(s) named in the notice (subject to article 44 D) as a director with immediate effect

44 D. No more than two persons nominated under article 44 C may serve as a director at any given time

44 E. For the avoidance of doubt, a director appointed under article 44 C shall not require to retire from office at any annual general meeting

Termination of office

45. A director shall automatically vacate office if:-

(a) he/she ceases to be a director through the operation of any provision of the Companies Acts or becomes prohibited by law from being a director

(b) he/she becomes debarred under any statutory provision from being a charity trustee

(c) he/she becomes incapable for medical reasons of fulfilling the duties of his/her office and such incapacity is expected to continue for a period of more than six months

(d) (in the case of director elected/appointed under articles 42 to 44) he/she ceases to be a member of the company

(e) he/she becomes an employee of the company

(f) he/she resigns office by notice to the company

(g) he/she is absent (without permission of the directors) from more than three consecutive meetings of the directors, and the directors resolve to remove him/her from office

(h) he/she is removed from office by ordinary resolution (special notice having been given) in pursuance of section 168 of the 2006 Act.

(i) (in the case of a director appointed under article 44 C) Nith District Salmon Fisher Board withdraws its nomination by written notice to the company to that effect

Register of directors

46. The directors shall maintain a register of directors, setting out full details of each director, including the date on which he/she became a director, and also specifying the date on which any person ceased to hold office as a director.

Officebearers

47. The directors shall elect from among themselves a chair and a treasurer, and such other office bearers (if any) as they consider appropriate

48. All of the office bearers shall cease to hold office at the conclusion of each annual general meeting, but shall then be eligible for re-election.

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

Powers of directors

50. Subject to the provisions of the Act, the memorandum of association and these articles, and subject to any directions given by special resolution, the company and its assets and

undertaking shall be managed by the directors, who may exercise all the powers of the company.

51. A meeting of the directors at which a quorum is present may exercise all powers exercisable by the directors.

Personal interests

52. A director who has a personal interest in any transaction or other arrangement which the company is proposing to enter into, must declare that interest at a meeting of the directors; he/she will be debarred (in terms of article 64) from voting on the question of whether or not the company should enter into that arrangement.

53. For the purposes of the preceding article, a director shall be deemed to have a personal interest in an arrangement if any partner or other close relative of his/hers **or** any firm of which he/she is a partner **or** any limited company of which he/she is a substantial shareholder or director (or any other party who/which is deemed to be connected with him/her for the purposes of the Companies Acts), has a personal interest in that arrangement.

54. Provided

(a) he/she has declared his/her interest

(b) he/she has not voted on the question of whether or not the company should enter into the relevant arrangement and

(c) the requirements of article 56 are complied with,

a director will not be debarred from entering into an arrangement with the company in which he/she has a personal interest (or is deemed to have a personal interest under article 53) and may retain any personal benefit which he/she gains from his/her participation in that arrangement.

55. No director may serve as an employee (full time or part time) of the company, and no director may be given any remuneration by the company for carrying out his/her duties as a director.

56. Where a director provides services to the company or might benefit from any remuneration paid to a connected party for such services, then

(a) the maximum amount of the remuneration must be specified in a written agreement and must be reasonable

(b) the directors must be satisfied that it would be in the interests of the company to enter into the arrangement (taking account of that maximum amount); and

(c) less than half of the directors must be receiving remuneration from the company (or benefit from remuneration of that nature).

57. The directors may be paid all travelling and other expenses reasonably incurred by them in connection with their attendance at meetings of the directors, general meetings, or meetings of committees, or otherwise in connection with the carrying-out of their duties.

Procedure at directors' meetings

58. Any director may call a meeting of the directors or request the secretary to call a meeting of the directors.

59. Questions arising at a meeting of the directors shall be decided by a majority of votes; if an equality of votes arises, the chairperson of the meeting shall have a casting vote.

60. No business shall be dealt with at a meeting of the directors unless a quorum is present; the quorum for meetings of the directors shall be 4.

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

62. Unless he/she is unwilling to do so, the chair of the company shall preside as chairperson at every directors' meeting at which he/she is present; if the chair is unwilling to act as chairperson or is not present within 15 minutes after the time when the meeting was due to commence, the directors present shall elect from among themselves the person who will act as chairperson of the meeting.

63. The directors may, at their discretion, allow any person who they reasonably consider appropriate, to attend and speak at any meeting of the directors; for the avoidance of doubt, any such person who is invited to attend a directors' meeting shall not be entitled to vote.

64. A director shall not vote at a directors' meeting (or at a meeting of a committee) on any resolution concerning a matter in which he/she has a personal interest which conflicts (or may conflict) with the interests of the company; he/she must withdraw from the meeting while an item of that nature is being dealt with.

65. For the purposes of article 64, a person shall be deemed to have a personal interest in a particular matter if any partner or other close relative of his/hers **or** any firm of which he/she is a partner **or** any limited company of which he/she is a substantial shareholder or director, has a personal interest in that matter.

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

67. The company may, by ordinary resolution, suspend or relax to any extent – either generally or in relation to any particular matter – the provisions of articles 64 to 66.

Conduct of directors

68. Each of the directors shall, in exercising his/her functions as a director of the company, act in the interests of the company; and, in particular, must

(a) seek, in good faith, to ensure that the company acts in a manner which is in accordance with its objects (as set out in the memorandum of association)

(b) act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person

(c) in circumstances giving rise to the possibility of a conflict of interest of interest between the company and any other party

(i) put the interests of the company before that of the other party, in taking decisions as a director

(ii) where any other duty prevents him/her 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

(d) ensure that the company complies with any direction, requirement, notice or duty imposed on it by the Charities and Trustee Investment (Scotland) Act 2005.

Delegation to sub-committees

69. The directors may delegate any of their powers to any sub-committee consisting of one or more directors and such other persons (if any) as the directors may determine; they may also delegate to the chair of the company (or the holder of any other post) such of their powers as they may consider appropriate.

70. Any delegation of powers under article 69 may be made subject to such conditions as the directors may impose and may be revoked or altered.

71. The rules of procedure for any sub-committee shall be as prescribed by the directors.

Operation of bank accounts

72. Bank accounts shall be operated strictly according to such rules for financial transactions as shall be prescribed by the directors in writing from time to time.

Secretary

73. The directors shall (notwithstanding the provisions of the 2006 Act) appoint a company secretary, and on the basis that: the term of the appointment, the remuneration (if any) payable to the company secretary, and such conditions of appointment, shall be as determined by the directors; the company secretary may be removed by them at any time.

Minutes

74. The directors shall ensure that minutes are made of all proceedings at general meetings, directors' meetings and meetings of committees; a minute of any meeting shall include the names of those present, and (as far as possible) shall be signed by the chairperson of the meeting.

Accounting records and annual accounts

75. The directors shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements.

76. The directors shall prepare annual accounts, complying with all relevant statutory requirements; if an audit is required under any statutory provisions or if they otherwise think fit, they shall ensure that an audit of such accounts is carried out by a qualified auditor.

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

Notices

78. Any notice which requires to be given to a member under these articles shall be given either in writing or by electronic means; such a notice may be given personally to the member or be sent by post in a pre-paid envelope addressed to the member at the address last

intimated by him/her to the company *or* (in the case of a member who has notified the company of an address to be used for the purpose of electronic communications) may be given to the member by electronic means.

79. Any notice, if sent by post, shall be deemed to have been given at the expiry of 24 hours after posting; for the purpose of proving that any notice was given, it shall be sufficient to prove that the envelope containing the notice was properly addressed and posted.

80. Any notice sent by electronic means shall be deemed to have been given at the expiry of 24 hours after it is sent; for the purpose 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.

Winding-up

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

Indemnity

82. Every director or other officer or auditor of the company shall be indemnified (to the extent permitted by section 310 of the 1985 Act (for so long as it is in force) and sections 232, 234, 235, 532 and 533 of the 2006 Act) out of the assets of the company against any loss or liability which he/she may sustain or incur in connection with the execution of the duties of his/her office; that may include, without prejudice to that generality, (but only to the extent permitted by those sections of the Companies Acts), any liability incurred by him/her in defending any proceedings (whether civil or criminal) in which judgement is given in his/her favour or in which he/she is acquitted **or** any liability in connection with an application in which relief is granted to him/her by the court from liability for negligence, default or breach of trust in relation to the affairs of the company.

83. The Company shall be entitled to purchase and maintain for any director insurance against any loss or liability which any director or other officer of the company may sustain or incur in connection with the execution of the duties of his/her office, and such insurance may extend to liabilities of the nature referred to in section 232(2) of the 2006 Act (negligence etc. of a director).

Interpretation

84. In these articles

“the 1985 Act” means the Companies Act 1985;

“the 2006 Act” means the Companies Act 2006;

any reference in these articles to a statutory provision shall be taken to include any statutory modification or re-enactment of that provision which is in force at the time.

85. Reference in these articles to the singular shall be deemed to include the plural.

Names and addresses of subscribers

1.

2.

3.

Dated

Witness to the above signatures:-