



THE COMPANIES ACT 2006

**COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE
CAPITAL**

ARTICLES OF ASSOCIATION

Of

OSPREY HOUSING LIMITED

(Company number SC198586)

Supersedes articles of association dated 10 October 2005

Director: _____

Director: _____

Director: _____

Company Secretary: _____

Date: _____

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THE COMPANIES ACTS 2006
COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE
CAPITAL
ARTICLES OF ASSOCIATION
of
Osprey Housing Limited
(the "Company")

PRELIMINARY

- 1 None of the Regulations contained in the Companies (Model Articles) Regulations 2008 apply to the Company and these articles alone are the articles of association of the Company.
- 2 The registered office of the Company will be situated in Scotland.

INTERPRETATION

- 3 In these Articles, unless the subject matter or context requires otherwise:-
 - (a) "Act" meant the Companies Acts (as defined in the section 2 of the Companies Act 2006) in so far as they apply to the Company;
 - (b) "Board" shall mean the Board constituted in accordance with Articles 37 et seq and "Board member" or "member of the Board" shall mean a member of the Board for the time being who shall for the purposes of the Act be a director of the Company;
 - (c) "a body corporate" is a legal body which exists separate and distinct from its members, including without limitation, companies, building

societies, industrial and provident societies, local authorities and bodies incorporated by Act of Parliament or charter, under declaration that unincorporated organisations such as social clubs, branches of political parties or trade unions are not bodies corporate for the purposes of these Articles;

- (d) “Chairperson” shall mean the Board member appointed from time to time to act as the Chairperson of the Company in accordance with Article 48;
- (e) “Chairperson of the meeting” shall mean the Chairperson or any other Board member or member elected to be the Chairperson of a general meeting of the Company in accordance with Article 26(a);
- (f) "charitable" means a charitable purpose under section 7 of the Charities and Trustees Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the application of the Taxes Act and the expression "**charitable body**" or "**charitable institution(s)**" shall mean a body on the Scottish Charity Register which is also regarded as a charity in relation to the application of the Taxes Act;
- (g) “clear days” shall mean in relation to the period of notice, 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;
- (h) “Company” shall mean Osprey Housing Limited;
- (i) "Executive Board Member" shall mean an employee of the Company appointed as a Board member in accordance with Article 37(b);

- (j) “he”, “she”, “him” “her” (or derivatives of any of the foregoing) and “person” shall where appropriate include a body corporate;
- (k) “member” (when not prefixed by the word “Board” or suffixed by the words “of the Board”) shall mean one of the persons referred to in Article 11;
- (l) “member not entitled to vote” shall mean a member who has lost the right to vote as provided in Article 16(b) (iii);
- (m) "OHM" shall mean Osprey Housing Moray Limited, a registered society under the Co-operative and Community Benefit Societies Act 2014, with registered number 2567RS and its registered address at Clifton Road, Lossiemouth, Moray IV31 6DJ;
- (n) "OHM Board Member" shall mean a committee member of OHM who is appointed as a Board member of the Company in accordance with Article 37(d);
- (o) “officer” shall include the Chairperson, Vice Chairperson , the Chief Executive and the Company Secretary and any Board member for the time being and such other officers as the Board may appoint under Article 60;
- (p) “Chief Executive” shall mean the person appointed to act as the Chief Executive of the Company in accordance with Article 60(a);
- (q) “property” shall include all heritable and moveable estate (including loan stock certificates, books and papers);

- (r) “these Articles” shall mean these Articles of Association as amended from time to time;
- (s) “the Scottish Housing Regulator” means the Scottish Housing Regulator constituted under the provisions of the Housing (Scotland) Act 2010 and its statutory successors;
- (t) “Company Secretary” shall mean the person appointed from time to time by the Board to be the Secretary of the Company in accordance with Article 60(b);
- (u) “Other Representatives /Tenants’ Representatives” means those members and Board Members who shall either be tenants of the Company or shall be representatives with an interest in those parts of Scotland in which the Company carries on its undertaking. This representation may include the local enterprise company, the chambers of commerce, traders associations, traders and other commercial enterprises and individuals with a particular skill as is deemed acceptable by the Board; and community groups (including community councils, disability fora, ethnic minority groups and other groups deemed acceptable by the Board);
- (v) "subsidiary" means a subsidiary within the meaning ascribed to such expression by section 1159 of the Companies Act 2006;
- (w) "Taxes Act" means Part 11 of the Corporation Tax Act 2010 as read with Schedule 6 of the Finance Act 2010 and any statute or statutory provision which amends, extends, consolidates or modifies the same; and

(x) "Vice Chairperson" shall mean the Board member appointed from time to time to act as the Vice Chairperson of the Company in accordance with Article 48.

4 Unless otherwise required by the context of these Articles, a reference to an Article shall be deemed to be a reference to an article of these Articles and words importing the singular only shall include the plural and vice versa. References to any statute or section of any statute shall include a reference to any statutory amendment, extension, modification or re-enactment thereof for the time being in force.

LIABILITY OF MEMBERS AND WINDING UP

5 The liability of the members is limited.

6

6.1 Every member of the Company undertakes to contribute to the Company's assets if it should be wound up while he is a member or within one year after he ceases to be a member for payment of the Company's debts and liabilities contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound (£1);

6.2 If upon the winding up or dissolution of the Company there remains after the satisfaction of all its debts and liabilities any property whatsoever the same shall not be paid to or distributed among the members of the Company but shall be given or transferred to some other charitable institution or institutions having objects similar to the objects of the Company and which prohibit the distribution of its or their income or property amongst its or their members to an extent at least as great as is imposed on the Company under or by virtue of Article 10 hereof, such institution or institutions to be determined by the members of the Company

at or before the time of dissolution. If and in so far as effect cannot be given to the foregoing provisions, the said property shall be given or transferred to some other charitable object determined as aforesaid.

OBJECTS AND POWERS

- 7 The objects for which the Company is established are wholly charitable and are to carry on for the benefit of the Scottish community the following activities within the United Kingdom:-
 - 7.1 providing, constructing, improving or managing, or encouraging or facilitating the provision, construction, improvement or management of, affordable housing for persons in necessitous circumstances;
 - 7.2 providing, constructing, improving or managing for persons who are aged or infirm or disabled or handicapped (whether mentally or physically), and in need thereof, affordable housing and any associated amenities specially designed or adapted to meet the disabilities and requirements of such persons; and
 - 7.3 providing services of any description in arranging or carrying out works of maintenance, repair or improvement to their houses, and encouraging or facilitating the carrying out of such works for persons in necessitous circumstances who require those services.
- 8 In furtherance only of the foregoing objects of the Company, and not further or otherwise, the Company shall have the following powers: -
 - 8.1 to seek recognition by the HM Revenue and Customs as having the status of a charity,
 - 8.2 to empower tenants and local communities to assume a pro-active role in the provision and control of housing within the Scottish community of;
 - 8.3 to provide solutions to any housing problems and thereby create greater flexibility and accessibility in the housing market;

- 8.4 to consider the provision of housing having regard to the social and economic regeneration of the Scottish community;
- 8.5 to purchase, develop, take on lease or otherwise acquire and hold (including, without prejudice to the foregoing generality, to acquire from any local authority by any means, including pursuant to a large scale voluntary transfer or any small scale transfer or series of transfers (intermediate or otherwise) of such authority), sell, lease, mortgage, charge, hire or otherwise deal with or dispose of any lands, buildings, equipment, goods and other property, whether freehold, heritable, leasehold, moveable, real or personal, tangible or intangible or otherwise, and any rights or privileges necessary or convenient for the purposes of the Company and to erect, construct, lay down, enlarge, alter and maintain and from time to time renew any buildings necessary or convenient for the purposes of the Company;
- 8.6 to apply for and hold all necessary permissions, licences and authorities which are necessary or desirable for or in connection with the carrying out of the Company's activities and to submit to voluntary registration with The Scottish Housing Regulator or its successor organisation;
- 8.7 to make appeals for money, to receive and accept by way of gifts, donations, covenants, legacies, bequests, grants, subscriptions or otherwise money and property of any nature or description for the purpose of furthering the objects of the Company;
- 8.8 to undertake and organise schemes for the raising of money, other financial support and assistance in kind and appeals both public and private and resulting therefrom, to receive and accept by way of gifts, donations, legacies, bequests, grants, sponsorship, subscriptions or otherwise money, assistance in kind and property, both heritable and moveable, for the purpose of furthering the objects of the Company

and to accept the same either unconditionally or subject to such conditions as may be agreed but so that no such conditions shall be inconsistent with the objects of the Company;

- 8.9 to provide and arrange facilities for travel, accommodation and catering for persons involved in the Company's activities;
- 8.10 to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, cheques, warrants, debentures and other negotiable or transferable instruments;
- 8.11 to undertake and execute any charitable trusts, gratuitously or otherwise, the undertaking whereof may be incidental to the attainment of the objects of the Company or any of them;
- 8.12 to print, publish, buy and sell books, magazines and other publications relating to or for the purposes of the Company, to hold conferences, meetings, lectures and exhibitions for the consideration and discussion of matters concerning or affecting or incidental to the objects of the Company and to issue reports of proceedings of conferences and meetings and generally to collect, collate, exchange and publish information and advice in furtherance of the objects of the Company;
- 8.13 to receive and raise money for the purposes of the Company by borrowing on such terms and whether by way of legal or equitable mortgage, fixed or floating charge or otherwise on such security as may be thought fit and by guarantees, gifts or donations in response to public or private appeals or otherwise in relation to such gifts or donations to accept the same either conditionally or subject to such conditions as may be agreed but so that no such conditions shall be inconsistent with the objects of the Company;
- 8.14 to amalgamate with or affiliate to the Company or acquire the assets of any company, society, institution, public body (including any local authority) or other person having any objects similar to those of the

Company and that in such manner and on such terms and conditions as may be found expedient and as may be approved by the Company in general meeting, and/or to sell or otherwise dispose of the whole or any part of the property, undertaking and assets of the Company to any such company, society, institution, public body (including any local authority) or other person and that in such manner and on such terms and conditions as may be approved by the Company in general meeting;

- 8.15 to lend or advance money or give credit with or without security to such persons and companies and on such terms as may be thought fit and to guarantee and/or give security for the payment of money by, or the performance of obligations of any kind (including without prejudice to the generality hereof the payment or repayment of principal, interest, dividends and premiums on, and any other monies due in respect of, any stocks, shares, debentures, debenture stock or other securities or borrowings) by, the Company;
- 8.16 to invest and reinvest the funds and assets of the Company not immediately required in such securities, shares, stocks, debentures, loan stock, other investments or property, whether freehold, heritable, leasehold, moveable, real or personal, tangible or intangible or otherwise as the Company shall think fit;
- 8.17 to form a guarantee fund or funds and to receive guarantees from public bodies, corporations, firms or other person, whether members of the Company or not, guaranteeing sums of money for the purposes of, or in connection with, the carrying out of the objects of the Company or promoting any entertainment function or event pursuant to the objects of the Company or any of them and defraying the expense incurred in promoting any such entertainment function or event or any loss resulting Therefrom and that on such terms as the members of the board of the Company may think fit, and which

- guarantee may be in favour of the Company or of any bank corporation, firm or person who shall lend money to the Company;
- 8.18 to operate, carry on and supply any ancillary businesses or services necessary or desirable in connection with the Company's activities,
- 8.19 to grant, pay or provide or procure the grant, payment or provision of donations, allowances, pensions or emoluments to and to procure the establishment and maintenance of or to participate in, or contribute to any non-contributory or contributory pension or superannuation fund or arrangement or life assurance scheme or arrangement for the benefit of any persons who are or shall have been, at any time, in the employment or service of the Company for the spouses and surviving spouses, families or dependants of such persons; to establish, subsidise, subscribe to or support or procure the establishment or subsidy of or subscription to any institution, associations, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid and to do or procure to be done any of the matters foresaid by the Company either alone or in conjunction with any other Company or person;
- 8.20 to make payments for or towards the insurance of any persons in respect of the performance of their duties to the Company, including without prejudice to the foregoing generality, to make payments for or towards insuring against any liability of any directors, officers or employees of the Company from time to time arising from their management or direction of (or otherwise arising in respect of the performance of their duties to) the Company;
- 8.21 to employ or engage all such officers, employees, consultants, advisers and agents as may be required for the purposes of the Company;
- 8.22 to enter into any agreements and/or arrangements with any government or authority, national, supreme, municipal, local or

otherwise and to obtain from any such government or authority any rights, concessions, or privileges that may seem to further any or all of the Company's objects or any of them;

- 8.23 to enter into partnership or into any arrangement for joint, shared or mutual promotion, investment or development, union of interests, reciprocal concessions or co-operation with any person, partnership or company carrying on, engaged in or about to carry on or engage in any business or transaction which the Company is authorised to carry on or engage in or any business capable of being conducted so as to directly or indirectly further the objects of the Company and to take or otherwise acquire and hold shares or stock in or securities of, and to make grants to or otherwise assist any such person, partnership or company and to sell, hold, re-issue with or without guarantee or otherwise deal with such shares, stock or securities;
- 8.24 to make such charge for any of its services as the Company thinks fit including without prejudice to the foregoing generality interest charges on loans made by the Company;
- 8.25 to carry on any other activity which may seem to the Company capable of being conveniently carried on in connection with any activity which the Company is authorised to carry on or may seem to the Company calculated directly or indirectly to benefit the Company or to enhance the value of or render profitable any of the Company's properties or rights;
- 8.26 to pay all or any expenses incurred in connection with the promotion, formation, incorporation, conduct and winding up of the Company or to contract with any person to pay the same;
- 8.27 to promote or establish or concur in promoting or establishing any other company for any purpose which may, directly or indirectly, benefit or advance the objects or interests of the Company and to acquire and hold as investments of the Company or otherwise deal

with as may be considered fit any shares, stock, debentures, debenture stock or securities or any such company; and

8.28 to do all such other acts and things as may be incidental or conducive to the attainment of the objects of the Company or any of them.

Provided that -

- (i) in case the Company shall take or hold any property which may be subject to any trusts, the Company shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts;
- (ii) the objects of the Company shall not extend to the regulation of relations between workers and employers or organisations of workers and organizations of employers;
- (iii) in case the Company shall take or hold any property subject to the jurisdiction of the Charity Commission for England and Wales the Company shall not sell, mortgage, charge or lease or otherwise dispose of any interest in the same without such authority, approval or consent as may be required by law, and as regards any such property the members of the board of the Company shall be chargeable for any such property that may come into their hands and shall be answerable and accountable for their own acts, receipts, neglects and defaults, and for the due administration of such property in the same manner and to the same extent as they would as such members of the board have been if no incorporation had been effected and the incorporation of the Company shall not diminish or impair any control or authority exercisable by the Court of Session, the Chancery Division or the Charity Commission over such members of the board but they shall as regards any such

property be subject jointly and separately to such control or authority as if the Company were not incorporated; and

- (iv) each and every Articles (including this Article 8) of the Articles and each and every Article of these Articles shall be read and interpreted as if there were embodied therein an overriding qualification to the effect that no expenditure of income by the Company shall be permitted for the purpose of carrying out any activities which are not wholly charitable and that in all cases in which activities permitted by the objects of the Company are in their nature capable of being exercised for purposes which are not charitable or only partially so, as well as for the purposes which are wholly charitable, the powers exercisable by the Company in furtherance of its objects shall be held to limit such activities to those which will not prejudice the charitable status of the Company.

In this Article 8 unless the context otherwise requires: references to members of the board of the Company shall for the purposes of the Act be deemed to be references to directors of the Company (tills interpretation applying equally to Article 10 hereof) and references to persons shall include companies and other bodies corporate, firms, associations, societies, institutions, organisations, clubs, funds, trusts, local authorities and other statutory, local and public bodies and authorities.

- 9 In furtherance of its objects the Company shall as landlord or managing agent have proper regard to the requirements of public accountability, to the proper use of the public or other monies loaned, granted or gifted to or held by it, to the welfare of the tenants or occupiers of the dwellings provided or managed by it.

10 The Company shall not trade for profit. Accordingly, the income and property of the Company howsoever derived shall be applied solely towards the promotion of its objects as set forth in these Articles and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to members of the Company.

Provided that nothing herein shall prevent any payment in good faith by the Company:-

- (a) of reasonable and proper remuneration to any member, agent, officer or employee of the Company for any services rendered to the Company;
- (b) of reasonable and proper remuneration to any member of the Board in accordance with Article 44 of these Articles;
- (c) of interest (at such rate as shall be determined by the board of the Company) on money lent to the Company;
- (d) of reasonable and proper rent for premises let by any member of the Company or any of the members of the board of the Company; and
- (e) of reasonable and proper out-of-pocket expenses to any member, agent, officer or employee or member of the board of the Company.

MEMBERSHIP

11 The Company shall keep a proper register of members containing the names and addresses and such other particulars of members as is required by the Act. The persons whose names are entered in the register of members shall be the members of the Company. The Company shall have at any given time a minimum of one member and a maximum of fifteen members. The members of the Company shall be comprised of –

- (a) Subject to Article 21(e) a maximum of 15 Other Representatives / Tenants' Representatives may be admitted to Membership in accordance with Article 11. The Board shall at all times aim for what it considers to be a representative governing body with a balance of Other Representatives and Tenants' Representatives who have the necessary expertise, knowledge, perspective and skills
- (b) A co-optee or an Executive Board Member need not be a Member.

12 PROVIDED THAT, the total number of Board members does not exceed fifteen (including co-optees, Executive Board Members and OHM Board Members) the following shall apply:

- (a) an applicant for membership shall forward to the registered office an application for membership in such form as the Board requires executed and every application shall be considered by the Board at its next meeting after it is made, or as soon thereafter as is practicable.
- (b) (for the purposes of Article 12(a)), if the application is approved by the Board, membership shall take effect from that time and within seven working days the name of the applicant shall be entered in the register of members.
- (c) at all times, every member of the Company shall be a Board member and every Board member shall be a member other than a person appointed as a co-optee or an Executive Board Member who need not be a member of the Company. Any member who ceases to be a member of the Company for whatever reason shall be deemed to have retired as a Board member at the same time as such cessation of membership. Any Board member who ceases to be a Board

member for whatever reason shall be deemed to have withdrawn from membership of the Company at the same time as such cessation of Board membership.

- 13 (a) Any member who changes his/her main residence or a body corporate which changes its registered office is required to furnish in writing to the Company's registered office within three calendar months of such change the address of such new main residence or registered office.
- (b) A person who is a representative of a body corporate (other than OHM) shall not be admitted into membership of the Company as an individual member of the Company.
- (c) The membership of an individual (other than any members of OHM) shall be suspended so long as he/she is a representative of a body corporate (other than OHM).
- 14 A person shall not be admitted to membership if he/she is under the age of eighteen years.
- 15 A member representing an unincorporated body shall for all purposes be treated as an individual member but shall have entered against his/her name in the register of members the name of the unincorporated body which he/she represents.

WITHDRAWAL FROM MEMBERSHIP

- 16 (a) Any member may withdraw from the Company by giving to the Company Secretary 7 days notice in writing of his/her intention to do so.

- (b) (i) Where the Board is satisfied that a member has failed to notify the Company of a change in main residence (in the case of a member who is an individual) or change in registered office (in the case of a member who is a body corporate) as required under Article 13(a) that member shall be deemed to have withdrawn from membership of the Company.
- (ii) In circumstances where a member, who is also a tenant of the Company or of any subsidiary of the Company, changes his/her main residence by way of transfer or exchange of tenancy, he/she shall be deemed to have given the required notification under Article 13(a).
- (iii) In circumstances where a member, who is also a tenant of the Company or of any subsidiary of the Company, shall (a) have received service of a notice of proceedings for recovery of possession in terms of Part I of Schedule 2 to the Housing (Scotland) Act 2001 or (b) become insolvent or apparently insolvent, he/she shall thereupon cease to have any entitlement to vote at any general meeting of the Company from the date of service of such notice or the date of insolvency or apparent insolvency (as the case may be).
- (iv) In circumstances where a member, who is also a tenant of the Company or of any subsidiary of the Company, ceases for any reason whatsoever to be a tenant, he/she shall be deemed to have withdrawn from membership of the Company at the date of such cessation.

- (v) For five annual general meetings in a row which that member has not attended, submitted apologies, exercised a postal vote or appointed a representative to attend and vote on behalf of the member by proxy.
- (vi) All withdrawals of membership pursuant to this Article 16(b) shall be recorded in the register of members.
- (vii) The decision of the Board as to compliance with the terms of this Article 16(b) shall be final.
- (c) The rights and privileges of a member shall be personal to the member and not transferable by the member's own act or by operation of the law and shall cease upon the member ceasing to be a member.
- (d) Where a member has obtained his/her membership by virtue of or in connection with his/her association in any way with any of the parties contemplated by the definitions of Other Representatives / Tenants' Representatives and he/she ceases to be associated with that party for any reason whatsoever, he/she shall immediately upon the cessation of such association be deemed from the date of such cessation automatically to have withdrawn from membership of the Company, without any obligation on the part of either the Company or the relevant withdrawing member to intimate such withdrawal to the other.
- (e) Any person ceasing to be a member shall remain liable to pay all sums which he/she is personally liable to the Company at the date of his/her ceasing to be a member.

EXPULSION OF MEMBERS

- 17 (a) A member may be expelled by a resolution carried by the votes of two-thirds of the members present in person or by proxy and voting on a poll at a general meeting of the Company of which notice has been duly given, provided that a complaint in writing of conduct detrimental to the interests of the Company had been communicated to him/her by the Company Secretary not less than one calendar month before the meeting. Such complaint shall contain particulars of the conduct complained of and shall call upon the member to answer the complaint and to attend the meeting called under this Article 17(a). At the meeting the members shall consider evidence in support of the complaint and such evidence as the member may wish to place before them. If on due notice having been served upon him/her the member fails to attend the meeting without adequate reason being provided the meeting at its discretion may proceed in his/her absence. In cases where such a complaint is made in writing supported by the signatures of at least ten per cent of the total number of tenants of the Company (or 30 individual tenants, whichever is the lesser) that complaint shall be dealt with in accordance with the terms of this Article and the decision communicated to the signatories in writing as soon as is reasonably practicable thereafter.
- (b) No person who has been expelled from membership shall be re-admitted except by resolution carried by the votes of two-thirds of the members present in person or by proxy and voting on a poll at any general meeting of which notice has been duly given.

REPRESENTATIVES OF BODIES CORPORATE

- 18 For the purposes of these Articles a body corporate, may by resolution of its governing body appoint and revoke the appointment of any person it thinks fit as its representative at meetings of the Company or for membership of the Company and/or for membership of the Board who shall during the continuance of his/her appointment as such representative be entitled to exercise at any general meeting of the Company all the rights and powers available to the member of the Company so appointing him/her and/or who shall during the continuance of his/her appointment as such member be entitled to exercise at any Board meeting of the Company all the rights and powers available to a director under the Act (as the case may be). A copy of any such resolution signed by two members of the governing body or in the case of the local authority by the Chief Executive of that local authority shall be sent to the Company Secretary.

FUNDING

- 19 The Company may accept subscriptions, grants, donations, gifts, legacies and endowments of all kinds, either absolutely or conditionally in trust for any of the objects of the Company and 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 Company, whether by way of subscriptions, grants, loans, donations or otherwise.
- 20 (a) The holder of loan stock shall transfer all or any part thereof by instrument in writing in such form as the Board may approve.
- (b) The instrument of transfer shall be executed by or on behalf of the transferor and the transferee and properly stamped, and upon delivery thereof at the registered office, the certificate of the loan

stock and such evidence of identity or title as the Board may reasonably require, the transfer shall be registered.

- (c) A transfer of loan stock shall not be valid until registered.

GENERAL MEETINGS

21 The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it; and the annual general meeting shall be held within six months after the end of each financial year of the Company. The annual general meeting shall be held at such time and place as the Board shall approve. The functions of the annual general meeting shall be:-

- (a) to receive the Chairperson's report on the affairs of the Company for the preceding year;
- (b) to receive the accounts and balance sheet together with the report of the auditor thereon;
- (c) to elect Board members as provided in Articles 37 et seq;
- (d) to appoint the auditor as provided in Articles 71, 72 and 73; and
- (e) to approve any change in the number of Other Representatives /Tenants Representatives for the purposes of Articles 11(a) or 39(c), and/or
- (f) to transact any other general business of the Company included in the notice convening the meeting.

- 22 (a) All general meetings other than annual general meetings shall be called general meetings. They shall be convened by the Company Secretary either:-
- (i) upon an order of the Board, or
 - (ii) upon a written requisition signed by not less than four members,
- stating the purpose for which the meeting is to be convened.
- (b) Where a general meeting is called for by a written requisition, the Secretary of the Company shall be under a duty to convene the meeting in accordance with paragraph (c) of this Article 22 and without prejudice to said duty shall in consultation with the Board (or the Chairperson) if practicable, but if such consultation is not practicable at his/her own discretion decide the time, date and place for the meeting.
- (c) Such meeting shall be held within twenty eight days after receipt of such an order or requisition. Should the Company Secretary fail to give notice to convene a general meeting within ten days after delivery to him/her of the order or requisition, the Board, or the members who signed the requisition, may themselves give notice and convene the meeting.
- (d) A general meeting shall not transact any business other than that mentioned in the notice convening the meeting.
- 23 (a) An annual general meeting and a general meeting (including a meeting called for the passing of a special resolution (or any other

resolution which in the terms of the Act requires a majority equivalent to that required to pass a special resolution)) shall be called by the Company Secretary by notice in writing posted or sent by fax or email to every member at his/her registered address, fax number or email address given in the Register of Members not less than fourteen clear days before the date of the meeting. Each such notice shall state the time, date and place of the relevant meeting and the business for which it is convened. The Board may direct the Company Secretary to include with the notice or send separately to members in advance of the general meeting any relevant written reports or papers or annual accounts as specified in the notice as the case may be. The accidental omission to send notice of a general meeting or papers relating to the notice to any member, or the non-receipt of notice of a general meeting or papers relating to the notice by any member, shall not invalidate the proceedings of that general meeting.

- (b) A notice sent by post shall be deemed to have been given on the day following that on which the envelope containing the notice was posted. Proof that the envelope was properly addressed, prepaid and posted shall be conclusive evidence that notice was given. Each communication sent to a Member by fax or email shall be deemed to have arrived on the day it is sent.

PROCEEDINGS AT GENERAL MEETINGS

- 24 (a) No business shall be transacted at any general meeting of the Company unless a quorum of members is present in person at the time the meeting proceeds to business. Seven members shall form a quorum.

- (b) If no quorum is present within half an hour after the time appointed for the meeting, the meeting shall stand adjourned to the same day in the next week at the same time and place, and if at the adjourned meeting a quorum is not present within half an hour after the time appointed for the meeting the members present shall be deemed to have formed a quorum.
- 25 (a) The Chairperson of the meeting may with the consent of a majority of the members present adjourn any meeting but no business shall be transacted at any adjourned meeting other than the business not reached or left unfinished at the meeting from which the adjournment took place.
- (b) Every adjourned meeting shall be deemed a continuation of the original meeting and any resolution passed at an adjourned meeting shall for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date. It shall not be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 26 (a) At all general meetings of the Company the Chairperson shall preside as Chairperson of the meeting, or if there be no such Chairperson, or if he/she be not present, or is unwilling to act, the Vice Chairperson shall act as the Chairperson of the meeting. If at any general meeting of the Company both the Chairperson and Vice Chairperson are not present or unwilling to act the members present shall elect a member of the Board present to be the Chairperson of the meeting.

- (b) Should the Chairperson appear at a later time during the meeting, the acting Chairperson of the meeting at his/her discretion may continue in that position but only until the current or particular item on the agenda is disposed of before vacating the chair for the Chairperson.
- 27 Except in the case of a special resolution (or any other resolution which in the terms of the Act requires a majority equivalent to that required to pass a special resolution), which shall be decided by not less than a three-fourths majority of those voting, either upon a show of hands, or where a poll is agreed or directed, a resolution put to the vote of a general meeting shall be decided by a simple majority of those voting, either upon a show of hands, or where a poll is agreed or directed. In the case of a poll votes may be given personally or by a proxy who need not be a member of the Company.
- 28 At all general meetings of the Company every member other than a member not entitled to vote present in person shall have one vote upon a show of hands. Where however an appointed proxy is present and so declares, the Chairperson of the meeting shall direct a poll. On a poll every member present in person or by proxy shall have one vote. In the case of an equality of votes the Chairperson of the meeting shall have a second or casting vote.
- 29 Unless a poll be demanded, a declaration by the Chairperson of the meeting that a resolution on a show of hands has been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry made to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of, or against, such resolution.

- 30 (a) A poll may be demanded either before or immediately after a vote by a show of hands, by not less than one-tenth of the members present at the meeting (in person or by proxy), or may be directed by the Chairperson of the meeting whether pursuant to Article 28 or otherwise. A demand for a poll may be withdrawn.
- (b) If a poll is to take place, it shall be conducted forthwith at the meeting in such manner as the Chairperson of the meeting shall direct. The result of such a poll shall be deemed to be the resolution of the Company in general meeting.
- 31 (a) The instrument appointing a proxy shall be in substantially the form set out in the Appendix attached to these Articles given under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a body corporate, under its official document execution procedures, and shall be deposited at the registered office of the Company not less than two clear days before the date fixed for holding the meeting at which the person named in such instrument is authorised to vote on behalf of the member so appointing. Any question as to the validity of a proxy shall be determined by the Chairperson of the meeting.
- (b) The member who has appointed a proxy may revoke such proxy in the form set out in the Appendix attached to these Articles given under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a body corporate, under its official document execution procedures, and shall be deposited at the registered office of the Company not less than one clear day before the date fixed for the holding the meeting at which the person named

in the instrument appointing the proxy was authorised to vote on behalf of the member so appointing.

- (c) Only those instruments in the form set out in the Appendix appointing a proxy, which are properly completed as aforesaid, shall be treated as valid. The Chairperson of the meeting shall report to the meeting the details of those instruments of proxy which are void.

CONDUCT OF GENERAL MEETINGS

- 32 All speakers shall address the Chairperson of the meeting and all members shall observe order in such instance. No member shall be allowed to speak more than once on any motion, unless on a point of clarification, until every other member has had the opportunity to speak on the same issue. He/she shall then have only the opportunity to speak a second time by permission of the Chairperson of the meeting unless he/she was the person who raised the point initially and wishes to have a final reply as regards his/her original position.
- 33 No amendments shall be made to any motion of business involving the passing of a special resolution (or any other resolution which in terms of the Act requires a majority equivalent to that required to pass a special resolution). Amendments to any original motion of business involving an ordinary resolution (that is, a resolution requiring a simple majority) may be made by a member verbally by addressing the Chairperson of the meeting. Amendments shall be taken in order of intimation; one amendment shall be disposed of before another is moved.
- 34 The time limit for speakers shall be at the discretion of the Chairperson of the meeting.

- 35 If any point arises which is not provided for in these Articles, the Chairperson of the meeting shall give an opinion on the point. Should his/her opinion not be accepted by a challenge which has a seconder, the Chairperson of the meeting shall then vacate the Chair and a vote shall be taken and the matter determined by a simple majority. If the vote is tied, the Chairperson's original ruling is carried.
- 36 No meeting shall continue for more than two hours beyond the time for which the meeting is called, unless with approval of at least two-thirds of the members present, after the expiry of that time.

BOARD MEMBERS

- 37 (a) The Board shall be comprised of not less than seven and not more than fifteen persons (including co-optees, Executive Board Members and OHM Board Members) PROVIDED THAT there shall be not more than three Executive Board Members or more than three OHM Board Members serving on the Board at any one time.

EXECUTIVE BOARD MEMBERS

- (b) (i) The Board may appoint to the Board any employees the Board considers are suitable to the role of Executive Board Members subject to Article 37(a). Executive Board Members shall serve until removed by the Board and shall not be subject to retiral in terms of Article 39 or the provisions of Article 43(a)(xi). Executive Board Members may also serve on any committee of the Board.
- (ii) Executive Board Members can take part in discussions at the Board or any committee of the Board and vote at Board and committee meetings on all matters except those which directly affect

the membership of the Company or the election of the Company's officers. Executive Board Members may not stand for election, nor be elected as an officer. The presence of Executive Board Members at Board Meetings will not be counted when establishing whether the minimum number of Board members are present to allow the meeting to take place as required by Article 46 and the presence of Executive Board Members will not count towards the quorum for meetings of any committee of the Board. No meetings of the Board or a committee of the Board can take place if Executive Board Members constitute the majority of those Board members present. Executive Board Members shall comprise a minority of the total number of Board members at all times.

CO-OPTees

- (c) (i) The Board can co-opt to the Board anyone the Board consider is suitable to become a Board member. Co-optees do not need to be members, but they can only serve as co-optees on the Board until the next annual general meeting or until removed by the Board. A person co-opted to the Board can also serve on any committee of the Board.

- (ii) A person appointed as a co-optee shall undertake the role of Board member and accordingly will be subject to the duties and responsibilities of a Board member. Co-optees can take part in discussions at meetings of the Board or any committee of the Board and vote at meetings of the Board or any committee of the Board on all matters except those which directly affect the Articles, the membership of the Company or the election of the officers. Co-optees may not stand for election, nor be elected as an officer of the Company.

- (iii) Board Members co-opted in this way must not make up more than one-third of the total number of the Board or committee members at any one time. The presence of co-optees at Board Meetings will not be counted when establishing whether the minimum number of Board Members is present to allow the meeting to take place as required by Article 46 and the presence of co-optees will not count towards the quorum for meetings of a committee of the Board.

OHM BOARD MEMBERS

- (d) (i) The Board may appoint to the Board any committee member of OHM the Board consider is suitable to become a OHM Board Member subject to Article 37(a). OHM Board Members shall serve until removed by the Board and shall not be subject to retiral in terms of Article 39 or the provisions of Article 43(a)(xi). OHM Board Members may also serve on any committee of the Board.
- (ii) OHM Board Members can take part in discussions at the Board or any committee of the Board and vote at Board and committee meetings on all matters.
- (iii) Any OHM Board Member who ceases to be a committee member of OHM shall be deemed to have retired as an OHM Board Member and any offices he/she holds in the Company at the same time as such OHM Board Member ceases to be a committee member of Osprey Housing Moray.

- 38 Only persons who have attained eighteen years of age shall be eligible to become Board members.

- 39 (a) At the conclusion of every annual general meeting (each an “Annual General Meeting”), one third or the nearest number thereto of Board members shall retire from office in accordance with Article 39(b) (and, in accordance with Article 12(c) shall contemporaneously be deemed to have withdrawn from membership of the Company). Anybody appointed as a co-optee or to fill a casual vacancy under Article 41 shall not count towards the one third provision.
- (b) The Board members required to retire for the purposes of Article 39(a) are those who:-
- (i) have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed Board Members on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot;
 - (ii) have filled casual vacancies under Article 41; and
 - (iii) anybody appointed as a co-optee under Article 37(c).
- (c) The vacancies created by retirements pursuant to Article 39(b) shall be filled as follows subject always to the provisions of Articles 37:-
- (i) prior to the Annual General Meeting assist the tenants of the Company in organising elections for the purposes of electing further Other Representatives / Tenants’ Representatives to serve as Board Members (and, pursuant to Article 12(c), as members) with effect from the conclusion of such Annual General Meeting.

- (d) A retiring Board member shall be eligible for re-election without nomination.
- 40
- (a) If at any time the number of representatives on the Board falls below the minimum permitted under Article 37, the Board shall take all necessary steps to fill the vacancies, by inviting nominations therefor. Nominations shall be in writing, state the full name, address and occupation of the person nominated, contain a signed statement by the person nominated of his/her willingness to be elected and be delivered to the Company Secretary or left at the registered office of the Company.
 - (b) At the next quorate meeting of the Board the Chairperson shall propose the nomination which will be ratified on a majority vote of the Board members present. Such appointments shall take effect from the date of the Board meeting at which they are proposed and ratified.
 - (c) The proceedings of the Board shall not at any time be invalidated due to the fact that the number of representatives on the Board is less than the maximum provided for in Article 37.
- 41
- A casual vacancy occurring on the Board may be filled by the Board and that person shall be a Board member for the purposes of these Articles until the next Annual General Meeting of the Company, provided always that the maximum number of representatives specified in Article 37(a) shall not be exceeded.
- 42
- A Board member may be removed from office by a resolution carried by a majority of the members present in person or by proxy and voting at a general meeting which may proceed to fill the vacancy. If the vacancy is

not filled at the meeting it may be filled by the Board unless otherwise directed by the meeting.

- 43 (a) A person shall not be eligible for election or re-election to the Board, and a Board member shall be deemed to have vacated his/her office, if –
- (i) he/she has been adjudged bankrupt, has granted a trust deed for or entered into an arrangement with creditors or his/her estate has been sequestrated and has not been discharged;
 - (ii) he/she has been convicted of an offence involving dishonesty which is not spent by virtue of the Rehabilitation of Offenders Act 1974 or an offence under the Charities and Trustee Investment (Scotland) Act 2005; or
 - (iii) he/she is a party to any legal proceedings in any Court of Law by or against the Company; or
 - (iv) he/she is or will be unable to attend meetings of the Board for a period of 12 months; or
 - (v) he/she has been removed from the Board of another registered social landlord within the previous five years; or
 - (vi) he/she has resigned from the Board in the previous five years in circumstances where the resignation was submitted after the date of his/her receipt of notice of a special meeting of the Board convened to consider a resolution for his/her removal from the Board; or

- (vii) he/she has been removed from the Board in terms of Article 16 or 17 within the previous five years; or
- (viii) he/she has been removed or suspended from a position of management or control of a charity under the provisions of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 or the Charities and Trustee Investment (Scotland) Act 2005; or
- (ix) he/she has been removed from the office of charity trustee or trustee for a charity by an order made by the Charity Commissioners for England and Wales or by Her Majesty's High Court of Justice in England on the grounds of any misconduct in the administration of the charity for which he/she were responsible or to which he/she were privy, or which his/her conduct contributed to or facilitated; or
- (x) a disqualification order or disqualification undertaking has been made against that person under the Company Directors' Disqualification Act 1986 or the Company Directors Disqualification (Northern Ireland) Order 2002 (which relate to the power of a Court to prevent someone from being a director, liquidator or administrator of a company or a receiver or manager of company property or being involved in the promotion, formation or management of a company); or
- (xi) after 1 April 2015, at an annual general meeting, he/she has served as a Board Member for a continuous period in excess of nine years and the Board has not resolved to permit him/her to stand again or otherwise be nominated for re-election; or

- (xii) that person ceases to be a Member unless he/she is a co-optee, or Executive Board Member, or ceases to be a representative of any association or body or corporation which is a Member.
- (b) A Board member shall cease immediately and automatically to be a member of the Board if:
- (i) he/she resigns his/her office by notice in writing to the Company Secretary,
 - (ii) in the case of a Board member who is a representative of any of the parties specified in Article 37(b) his/her appointment by a body corporate is revoked in accordance with Article 18 (or, if he/she is not a representative of a body corporate his/her representation is withdrawn by notice in writing to the Company Secretary by the relevant party) or he/she ceases to be connected in any way whatsoever (whether in terms of membership, employment, appointment or otherwise) with such parties,
 - (iii) in the case of a Board member who is also a member of the Company, he/she ceases to be a member of the Company other than co-optees, Executive Board Members, and/or
 - (iv) he/she is removed under Article 42 or becomes ineligible as a Board member in terms of Article 43, and/or
 - (v) the majority of those remaining Board members present and voting at a special meeting of the Board convened for the purpose decide to remove him/her as a Board member. The resolution to remove him/her as a Board member must relate to one of the following issues:

- failure to perform to the published standards laid down by the Scottish Federation of Housing Associations and/or the Scottish Housing Regulator adopted and operated by the Company;
 - failure to sign or failure to comply with the Company's Code of Conduct for Board Members; or
 - a breach of these Articles or standing orders or other policy requirements;
- (vi) if he/she absents himself/herself from four consecutive meetings of the Board without special leave of absence previously granted by the Board.
- (c) (i) Provided that The Scottish Housing Regulator is satisfied that the Company has failed to act in accordance with its Articles of Association in respect of the provisions detailed in Articles 43(a) and (b), The Scottish Housing Regulator may through its powers under the Housing (Scotland) Act 2010 take a range of interventionary actions.
- (ii) When The Scottish Housing Regulator is satisfied that there has been misconduct or mismanagement in the affairs of the Company it may by order remove any Board member who has been responsible for or privy to the misconduct or mismanagement or has by his/her conduct contributed to it or facilitated it.
- (iii) Where a Board member is removed in terms of this Article 43(c), The Scottish Housing Regulator may appoint another Board member in his place.
- (d) (i) In the event that the Company fails to be awarded a satisfactory Performance Audit Grading by The Scottish

Housing Regulator and within a period of one year thereafter is unable to demonstrate to The Scottish Housing Regulator's satisfaction that it has improved its performance sufficiently to achieve a satisfactory Performance Rating, The Scottish Housing Regulator may where it considers it necessary for the proper management of the company's affairs appoint a person or persons to be Board members and members of the Company (the "Appointee").

- (ii) Notwithstanding the provisions of Article 43(d)(i), if in the opinion of The Scottish Housing Regulator the Company is or will be unable to achieve a satisfactory Performance Audit Grading within one year The Scottish Housing Regulator may immediately appoint a person or persons to be Board Members in accordance with Article 43(d)(i).
- (iii) The Appointee may be appointed whether or not he/she is a member of the Company.
- (iv) The Appointee shall hold office for such period and on such terms as The Scottish Housing Regulator may specify and on the expiry of the appointment The Scottish Housing Regulator may renew the appointment for such period as it may specify it being understood that the Appointee may elect to retire in accordance with the provision of these Articles.
- (v) An Appointee shall be entitled to attend, speak and vote at all general meetings of the Company, including Board meetings and to receive all notices, papers or communications relating to any such meetings which any member of the Company or Board member is entitled to receive.

- (vi) An Appointee shall be entitled to require a general meeting of the Company or a Board meeting to be convened within twenty one days of a request to that effect made in writing to the Company's Board;
- (ii) In the event that The Scottish Housing Regulator appoint an Appointee the proper and reasonable expenses of the Appointee shall be borne by the Company.

44

- (a) Directors and officers may be remunerated in money or moneys worth from the Company for services provided to the Company but only if such remuneration is made in accordance with the policy on payments and benefits set and periodically reviewed by the Board and is permitted under the Charities and Trustee Investment (Scotland) Act 2005. If a person is a Member, employee or serves on the Board or any committee of the Board he/she must not receive any payment or benefit unless it is permitted by the policy. In making any payment or conferring any benefit the Company shall act at all times with transparency, honesty and propriety.
- (b) If a person serves on the Board or any committee of the Board he/she must declare any personal or other external interests on an annual basis in accordance with the Company's Code of Conduct for Board Members. If while serving on the Board that person has any conflict of interest in any contract or other matter about to be discussed at a meeting, he/she must tell the Board. He/she will be required to leave the meeting while the matter is discussed and will not be allowed to vote on the matter or to stay in the meeting while any vote on the matter is being held. If that person is inadvertently

allowed to stay in the meeting and vote on the matter, his/her vote will not be counted.

- (c) If a person serves on the Board or any committee of the Board he/she must not receive any payment or benefit unless it is permitted by the Charities and Trustee Investment (Scotland) Act 2005 and as set out in the Company's policy referred to in Article 44(a). He/she shall also comply with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 in respect of any conflict of interest that might arise.

- (d) Notwithstanding the provisions of Article 44(a) the Company shall be entitled to make the following payments or to grant the following benefits:-
 - (i) payments of benefits made to an officer or employee under his contract of employment with the Company;

 - (ii) the payment of proper and reasonable expenses actually incurred in carrying out the business of the Company to a Board member or to an officer of the Company who does not have a contract of employment with the Company;

 - (iii) payment of a sum which in accordance with the Company's Articles of Association is paid as interest on capital loaned to the Company;

 - (iv) where a tenancy of a house has been granted to a person or the close relative of a person who subsequently becomes a Board member, or an officer or employee of the Company, the

grant to that tenant of a new tenancy whether of the same or another house;

(v) payments made or benefits granted in accordance with any determination made by The Scottish Housing Regulator;

(e) In the event that the Company makes a payment or grants a benefit contrary to the provisions of this Article 44, The Scottish Housing Regulator may direct the Company to institute proceedings for its recovery.

45 (a) Any Board member or member of any committee of the Board who shall have any financial interest personally or as a member of a firm or as a director or other officer of a business trading for profit or in any other way whatsoever in any contract or other transaction with the Company shall disclose the nature of his/her interest to the Board and shall not remain at a meeting of the Board during its discussion of the matter, nor vote upon the matter and if by inadvertence he/she does so remain and vote, his/her vote shall not be counted and the Company shall not make any payment, except where reimbursement requires to be made to such Board member under Article 55(f) or grant any benefit including a tenancy to a Board member, except as unanimously agreed by the Board subject to the overriding proviso that such decision by the Board is in compliance with the provisions of these Articles, the Act, and any other statutory requirements (including Schedule 7 of the Housing (Scotland) Act 2001, taking into account any relaxations thereof granted by The Scottish Housing Regulator from time to time) and with any directions given by special resolution of the Company.

- (b) Any Board member or member of any committee of the Board having an interest, other than a financial interest, or any conflict or duality of interest, in any contract or other transaction about to be discussed at a meeting shall disclose the nature of his/her interest to the Board and shall not remain during its discussion of the matter nor vote upon the matter and if by inadvertence he/she does so remain and vote, his/her vote shall not be counted.

- (c) Any Board member or a member of any committee of the Board who has any financial interest as described in Article 45(a) and who does not disclose it to the Board or who has accepted a payment, other than under Article 44(a) or Article 55(f), or the grant of a benefit from the Company (under the terms of Article 45) shall be deemed by resolution of the Board to have vacated his/her office. Any Board member who fails to disclose any interest he/she is required to disclose under Article 45(a) shall vacate his/her office if required to do so by a majority of the remaining members of the Board at a Board meeting specially convened for that purpose.

PROCEEDINGS OF BOARD

- 46 Subject to the provisions of these Articles and the Act and to any direction given by special resolution of the Company the Board may regulate its proceedings as it thinks fit. Meetings of the Board shall be held at such times and places as the Board shall from time to time decide but not less than six meetings shall be held in each calendar year. Four Board members shall form a quorum.

- 47 Notwithstanding any vacancies on the Board the remaining Board members may continue to act, but if at any time the number of Board members falls below seven the Board may act by a majority of its

remaining members for a maximum period of two months. If at the end of that period the Board has not filled such vacancies to make up the membership to seven the only power which the Board may thereafter exercise shall be that of filling such vacancies as may be required to bring the number of members of the Board up to seven.

- 48 (a) The members of the Board shall, at a specially convened meeting immediately following each annual general meeting, elect a Chairperson and Vice Chairperson from their own number to hold office until the conclusion of the next annual general meeting, unless he/she shall cease in the meantime to be a Board member and provided that a co-optee or Executive Board Member cannot hold office of Chairperson or Vice Chairperson. He/she shall be the Chairperson of the Company or as the case may be the Vice Chairperson and shall be removable from the office of Chairperson or as the case may be the Vice Chairperson only by a vote of two-thirds of those members of the Board present at a special meeting called for that purpose. If at any meeting of the Board the Chairperson is absent or unwilling to act the Vice Chairperson shall act as the Chairperson of the meeting. If at any meeting of the Board both the Chairperson and Vice Chairperson are absent or unwilling to act the members of the Board present shall elect another Board member to be Chairperson or as the case may be the Vice Chairperson for that meeting. In any case of an equality of votes the Chairperson of the relevant Board meeting shall have a second or casting vote.
- (b) The Chairperson or as the case may be the Vice Chairperson may resign his/her office by notice in writing to the Company Secretary and shall vacate his/her office if for any reason he/she is deemed to have vacated his/her office as a Board member or he/she ceases to be a member of the Board or otherwise is ineligible under Article 43

and in any of these events the Board shall forthwith elect any Board member to be Chairperson or as the case may be the Vice Chairperson in his/her place.

- (c) The Chairperson may be re-elected but must not hold office continuously for more than five years. On the expiry of five continuous terms of office, the retiring Chairperson shall not be eligible for election as Chairperson during the ensuing twelve months.

- (d) The Chairperson is responsible for the leadership of the Board and ensuring its effectiveness in all aspects of the Board's role and to ensure that the Board properly discharges its responsibilities as required by law, the Articles and the standing orders of the Company. The Chairperson will be delegated such powers as is required to allow the Chairperson to properly discharge the responsibilities of the office. Among the responsibilities of the Chairperson are that:
 - (i) the Board works effectively with the senior staff;
 - (ii) an overview of business of the Company is maintained;
 - (iii) the Agenda for each meeting is set;
 - (iv) meetings are conducted effectively;
 - (v) minutes are approved and decisions and actions arising from meetings are implemented;
 - (vi) the standing orders, code of conduct for Board members and other relevant policies and procedures affecting the governance of the Company are complied with;

- (vii) where necessary, decisions are made under delegated authority for the effective operation of the Company between meetings;
 - (viii) the Board monitors the use of the delegated powers;
 - (ix) the Board receives professional advice when it is needed;
 - (x) the Company is represented at external events appropriately;
 - (xi) appraisal of the performance of Board Members is undertaken, and that the senior staff officer's appraisal is carried out in accordance with the agreed policies and procedures of the Company; and
 - (xii) the training requirements of Board members, and the recruitment and induction of new Board members is undertaken.
- (e) From 1 April 2015, the Board shall assess annually the skills, knowledge, diversity and objectivity that it needs for its decision making and what is contributed by the Board Members by way of annual performance reviews. The Board must satisfy itself that any Board Member seeking re-election to the Board after service as a Board Member for a continuous period in excess of 9 years can demonstrate his/her continued effectiveness as a Board Member.
- 49 A special meeting of the Board may be called by a notice in writing given to the Company Secretary by the Chairperson of the Board, or by two Board members, specifying the business to be transacted. The Company Secretary shall send a copy of the notice to all Board members within three days of receiving it, and the meeting shall be held at the ordinary place for meetings of the Board not earlier than ten days and not later than fourteen days after the receipt by the Company Secretary of the notice. No other business shall be done at the meeting than the business named in the

notice. Should the Company Secretary fail to convene the special meeting as prescribed above, the Chairperson or the Board members who have given the notice may call the meeting. If the Chairperson or the two Board members call the meeting the notice shall be sent to all Board members not less than seven days before the date of the meeting. If a Board member does not receive notice of the meeting, this will not prevent the meeting going ahead.

CONDUCT OF BOARD MEETINGS

- 50 If any point arises which is not provided for in these Articles, the Chairperson shall give a ruling on the point and his/her decision shall be final.
- 51 Notice of meetings of the Board shall be sent to Board members not less than seven days before the date of the meeting.
- 52 (a) All matters of business for the agenda shall be in the hands of the Company Secretary not later than 4pm on the day preceding that on which the notice of meeting is issued, unless in relation to a matter or urgency and accepted by the majority of the meeting as such, but where urgency is known or anticipated before a meeting, notice in writing of the urgent business of the motion shall be transmitted to the Company Secretary as early as practicable before the meeting. The term “urgency” shall be interpreted by the Chairperson who shall have due regard to the reasonable intent of this Article.
- (b) The Company Secretary shall ensure that there is included on the agenda of the next appropriate Board meeting any written representation or request to reconsider policies or procedures of the Company (including the terms of these Articles) where such

representation or request is supported by the signatures of at least ten per cent of the total number of tenants of the Company (or 30 individual tenants, whichever is the lesser). The Board shall consider such representation on request within a reasonable timescale and shall undertake such further consultation with the local housing authority, The Scottish Housing Regulator or other body as it considers appropriate. Thereafter the Board shall provide to the signatories a response in writing.

- 53 Proceedings at any meeting shall not be invalidated by an accidental omission to send notice of the meeting to any member.

POWERS OF THE BOARD

- 54 The business of the Company shall be conducted by the Board which may exercise all such powers as may be exercised by the Company and are not prohibited by these Articles or by the Act or by any directions given by special resolution of the Company required to be exercised by the Company in general meeting. In conducting the business of the Company each Board member shall be bound by these Articles. Any person acting in good faith and without prior notice shall not be concerned to see or inquire whether the powers of the Board have been restricted by any other regulations so made unless he/she had prior knowledge of the existence of some such restriction. The Board shall in all things act for and in the name of the Company. The Board is responsible for the leadership, strategic direction and control of the Company with the aim of achieving good outcomes for its tenants and other service users in accordance with Regulatory Standards and Guidance issued by the Scottish Housing Regulator from time to time.

55 Without prejudice to its general powers conferred by those Articles the Board may exercise the following powers:-

- (a) to purchase, sell, feu, build upon, lease or exchange any land, including the agreeing or accepting of any liability for any expenses whatsoever in connection therewith and to enter into any contracts and settle the terms thereof;
- (b) to settle the terms of engagement and remuneration of the Chief Executive, the Company Secretary and/or other officers of the Company appointed under Article 60 and its policy on payments and benefits to members of the Board and the terms of engagement and remuneration of any consultant, agent or employee employed in connection with the construction, improvement or management or dwellings provided or to be provided or managed or to be managed by the Company;
- (c) to grant heritable securities over any land and floating charges over the whole or any part of the undertaking property and assets of the Company both present and future including the agreeing or accepting of any liability for any expenses whatsoever in connection therewith;
- (d) to determine from time to time the terms and conditions upon which the property of the Company is to be let, managed or otherwise disposed of, and to make, revoke, and alter and at all times enforce as it thinks fit such terms and conditions;
- (e) to appoint and remove all solicitors, architects, surveyors and other consultants, managing agents and employees of any description;

- (f) to reimburse such out of pocket expenses including travelling expenses as are reasonable and proper and incurred by a Board member or a member of a committee of the Board in the execution of his/her duties;
 - (g) to compromise, settle, conduct, enforce or resist either in a court of law or by arbitration any suit, liability or claim by or against the Company;
 - (h) to affiliate the Company to any other organisation having objects similar to the objects of the Company; and
 - (i) to promote or establish or concur in promoting or establishing any company for any purpose which may, directly or indirectly, benefit or advance the objects or interests of the Company and to acquire and hold as investments of the Company or otherwise deal with as may be considered fit any shares, stock, debentures, debenture stock or securities of any such company.
- 56 (a) The Board can delegate its powers to committee(s) or to staff. The Board will establish the terms of reference for such delegation, which will be set down in writing and communicated to the recipient of the delegated powers. Such delegation will be set down in writing in standing orders, schemes of delegated authority or other appropriate documentation. In the case of a committee such delegation shall include the purposes of the committee, its composition and quorum for meetings. A minimum number of members for a committee of the Board shall be three. There must be at least three of the members of a committee present for the meeting to take place. The Board shall be responsible for the on-going monitoring and evaluation of the use of delegated powers.

- (b) The meetings and procedures of committee(s) or otherwise must comply with the relevant terms of reference.
- (c) Any decision made by a committee must be reported to the next Board meeting.
- (d) The Board can establish and delegate powers to committees, designated as Area Committees, to take decisions relating to the management and maintenance of properties within a particular geographical area. The Board will determine the membership and delegated responsibility of an Area Committee in its terms of reference.

57 The Board may additionally delegate any of its powers to any officer of the Company as it thinks fit who shall in the functions entrusted to him/her conform to the instructions given to him/her in writing by the Board.

58 All acts done in good faith by any Board meeting or of any committee of the Board shall, notwithstanding that it shall afterwards be discovered that there was any defect in the appointment of the Board member or Board members or that any one of more of them were disqualified, be as valid as if every Board member had been duly appointed and was duly qualified to serve.

59 A resolution in writing signed by all Board members or by all the Board members of a committee of the Board shall be as valid and effectual as if it had been passed at a Board meeting or committee of the Board duly called and constituted.

CHIEF EXECUTIVE, COMPANY SECRETARY AND OTHER OFFICERS

60 (a) The Board may appoint such person as it deems appropriate to the office of Chief Executive of the Company and, subject to the

provisions of the these Articles and the Act and to any directions given by special resolution of the Company, any such appointment may be made for such terms, at such remuneration and on such other conditions as the Board thinks fit.

- (b) Notwithstanding section 270 of the Act, the Company shall have a Company Secretary, and such other officers as the Board may from time to time determine who shall be appointed and may be removed by the Board and any such appointment or removal may be on such terms (including, in the case of appointment, those as to remuneration) and on such other conditions as the Board thinks fit.
- (c) In circumstances where the Company Secretary is unavailable to carry out his/her functions to the Board or in cases of emergency the Chairperson may appoint any officer or employee to carry out the Company Secretary's functions until such time as the Company Secretary is able or available to recommence his/her duties.
- (d) The Company Secretary and other officers, if any, shall act under the superintendence, control and direction of the Board, and without prejudice thereto the Company Secretary shall in particular:-
 - (i) summon and attend all general meetings of the Company and all meetings of the Board and keep the minutes referred to in Article 63;
 - (ii) as regards Article 60(d)(i), issue the notice together with any relevant reports or papers;
 - (iii) prepare and send all returns required to be made to the Registrar of Companies, and

- (iv) unless the Board otherwise directs, keep the register of members and other registers required to be kept by these Articles and by the Act, keep all the books of accounts and receive all contributions and other payments due to the Company and pay over the amount so received as the Board directs.

- (e) The Company Secretary or other officer shall produce or give up all books, registers, documents and property of the Company in his/her possession whenever required to do so by a resolution of the Board or by resolution of a general meeting.

SECURITY BY OFFICERS/INSURANCE

- 61 The Board shall take out and continue a fidelity guarantee and/or indemnity insurance in respect of all officers (including, for the avoidance of doubt, Board members) and employees having receipt or charge of money or alternatively shall require such officers and employees to become bound either with or without a surety as the Board determines in a bond or to give security in such sum as the Board directs conditioned for his/her rendering a just and true account of all monies received by him/her on account of the Company as a general meeting or the Board require him/her to do and for the payment by him/her of all sums due to him/her to the Company.

- 62 No officer shall be liable for any loss suffered by the Company through the execution of the duties of his/her office, unless the loss be the consequence of his/her gross negligence or his/her dishonesty and in the latter case the Company shall inform the police or other appropriate authority and shall seek to recover any loss it has suffered. For the purposes of this Article the Company shall have the powers to make

payments for or towards insuring against any liability of any directors, officers or employees of the Company from time to time arising from their management or direction of (or otherwise arising in respect of the performance of their duties to) the Company.

MINUTES, REGISTERS AND BOOKS

- 63 Minutes of every general meeting and of every meeting of the Board and any committee of the Board shall be kept and such minutes may be read at the next of such meetings respectively and signed by the Chairperson of the meeting at which they are so read and all minutes so signed shall be conclusive evidence of any fact stated therein as between the Company and every member.
- 64 The Company shall keep at its registered office:-
- (a) a register of members in which shall be entered the following particulars:-
 - (i) the names and addresses of its members,
 - (ii) a statement of other property in the Company whether in loans or loan stock held by each member,
 - (iii) the date at which each person was entered in the register as a member and the date at which any person ceased to be a member,
 - (iv) the names and addresses of the officers of the Company with the offices held by them respectively and the dates on which they assumed and vacated office;

- (b) a register of loan stock and of the holders thereof;
 - (c) a register in which shall be entered particulars of all loans and charges on land of the Company; and
 - (d) all other registers as may be required under the Act
- 65 (a) The registered name of the Company shall be painted or affixed in a conspicuous position in letters easily legible on the outside of every office or place in which the business of the Company is carried on and the registered name of the Company shall be mentioned in legible characters on all business letters of the Company, notices, advertisements and other official publications of the Company and in all bills of exchange, promissory notes, endorsements, cheques and orders for money or goods, purporting to be signed by or on behalf of the Company and in all bills, invoices, receipts and letters of credit of the Company.
- (b) The Company may change its name by resolution of the Board. If the Company changes its name it must: (i) submit an application to the Office of the Scottish Charity Regulator for approval not less than 42 days before the date on which the Company intends to change its name and (ii) notify the Scottish Housing Regulator in writing within 14 days after the change of name has taken effect.
- 66 All books of account, registers, securities and documents of the Company shall be kept at the registered office or such other place and in such manner and with such provision for their security as the Board shall from time to time determine.

67 At the last meeting of the Board before the annual general meeting the Company Secretary shall to the extent within his/her knowledge confirm in writing to the Board that all the requirements of Articles 63 to 66 have been complied with or if they have not been complied with the Company Secretary shall report in writing to the Board the reasons for such non-compliance. The confirmation or report required by this Article 67 shall be recorded in the minutes of the meeting.

ACCOUNTS

68 For each financial year, the Company shall:

- (i) keep proper books of accounts with respect to its transactions (including payments made by the Company to members of the Board) and to its assets and liabilities and shall establish and maintain a satisfactory system of control of its books of account, its cash holdings and all its receipts and remittances;
- (ii) cause a statement of account to be prepared as required by the Act and the Charities and Trustees Investment (Scotland) Act 2005;
- (iii) cause a report on the activities of the Company to be prepared; and
- (v) cause the accounting records and statements of account to be preserved for a period of 6 years from the end of the financial year to which they relate.

69 The Board shall submit the Company's accounts and balance sheet for audit to the Company's auditor and the auditor shall make a report to the Company on the accounts examined by him/her and on the revenue account or accounts and the balance sheet for the year of account in respect of which he/she is appointed.

- 70 The Company must provide The Scottish Housing Regulator with a copy of its accounts and the auditors report within 6 months of the period to which they relate.

APPOINTMENT AND DUTIES OF AUDITOR

- 71 (a) There shall be appointed in each year of account a qualified auditor to audit the Company's accounts and balance sheet for that year
- (b) None of the following persons shall be appointed or re-appointed as auditor of the Company:-
- (i) an officer or servant of the Company, or
 - (ii) a person who is a partner of or in the employment of or who employs an officer, servant or agent of the Company.
- (c) Nothing in this Article 71 shall prevent the appointment as auditor of the Company of a Scottish firm provided none of the partners of the firm is ineligible for appointment as auditor of the Company by virtue of any of the provisions of this Article.
- 72 Every appointment of an auditor shall be made by resolution of a general meeting of the Company or otherwise as permitted by the Act. The Board shall take such steps as it considers necessary to ensure the continuing independence of the Company's Auditor including the periodic review of the need for audit rotation.
- 73 (a) An auditor appointed to audit the accounts and balance sheet of the Company for the preceding year of account (whether by general

meeting or by the Board) shall be re-appointed as auditor of the Company for the current year of account (whether or not any resolution expressly re-appointing him/her has been passed) unless:-

- (i) a resolution has been passed at a general meeting of the Company appointing somebody instead of him/her or providing expressly that he/she shall not be re-appointed, or
- (ii) he/she has given to the Company notice in writing of his/her unwillingness to be re-appointed, or
- (iii) he/she is not a qualified auditor or is a person mentioned in Article 71(b), or
- (iv) he/she has ceased to act as auditor to the Company by reason of incapacity

Provided that a retiring auditor shall not be automatically re-appointed if notice of an intended resolution to appoint another person in his/her place has been given in accordance with Article 73(b) and the resolution cannot be proceeded with because of the death or incapacity of that other person or because that other person is not a qualified auditor or is a person mentioned in Article 71(b).

- (b) (i) A resolution at a general meeting of the Company appointing another person as auditor in place of a retiring auditor or providing expressly that a retiring qualified auditor shall not be re-appointed shall not be effective unless notice of the intention to move it has been given to the Company not less than twenty eight days before the meeting at which it is to be moved.

- (ii) Where such proper notice has been given the Company shall forthwith send a copy to the retiring auditor, and if it is practicable to do so, shall give notice to its members of the intended resolution at the same time and in the same manner as it gives notice in accordance with these Articles of the meeting at which the resolution is to be moved or, if that is not practicable, by advertisement not less than fourteen days before the said meeting in a newspaper circulating in the area in which the Company conducts its business.

- (iii) Where the retiring auditor makes representations to the Company or notifies the Company that he/she intends to make representations with respect to the intended resolution the Company shall notify its members.

ANNUAL RETURNS AND BALANCE SHEET

- 74 Every year within the time allowed by law the Company Secretary shall send to the Registrar of Companies the annual return in the form prescribed by the Registrar together with all such documentation as is required under the Act.

- 75 The Company shall supply free of charge to every member or person interested in the funds of the Company on his/her application a copy of the last annual return of the Company together with a copy of the report of the auditor on the accounts and balance sheet.

- 76 The Company shall keep a copy of the last balance sheet for the time being together with the report made thereon by the auditor always hung up in a conspicuous place at its registered office.

PROFITS

- 77 (a) The profits of the Company shall not be distributed either directly or indirectly in any way whatsoever among members of the Company.
- (b) An annual general meeting may out of the net profits:-
- (i) set aside to reserve such amount (not exceeding the amount recommended by the Board) as it may direct which may be applied in or towards carrying out the objects of the Company.
 - (ii) if any amount has been set aside by the annual general meeting to reserve as aforesaid, allocate to a common fund out of any balance remaining such amount (not exceeding the amount recommended by the Board) as it may direct which may be used in the furtherance of the Company's objects and purposes for such charitable purposes.
- (c) Any part of the profits not set aside or allocated in accordance with the preceding paragraph shall be carried forward.

INSPECTION OF BOOKS

- 78 Any member or person having an interest in the funds of the Company shall be allowed to inspect his/her own account and the books containing the names of the members, including all particulars in the register of members, at all reasonable hours at the registered office of the Company or at any place where the same are kept, subject to such conditions as to the time and manner of such inspection as may be made from time to time by the Board.

PROCEEDINGS ON DEATH OF A MEMBER

- 79 Upon a claim being made by the personal representative of a deceased member, or the trustee in bankruptcy of a bankrupt member, to any property in the Company belonging to the deceased or bankrupt member, the Board shall transfer or pay such property to which the personal representative or trustee in bankruptcy has become entitled as the personal representative or trustee in bankruptcy may direct them.

WINDING UP

- 80 (a) Subject to Article 80(b), the Company may be dissolved in the following ways:
- (i) by an order or resolution to wind up the Company as set out in the Act, Insolvency Act 1986 and/or Section 105 of the Housing (Scotland) Act 2010; or
 - (ii) by special resolution of the Members.
- (b) The prior approval of the Office of the Scottish Charity Regulator is required before the Company can be dissolved. The Company must submit its application for approval to the Office of the Scottish Charity Regulator not less than 42 days before the date on which the Company intends to dissolve.
- (c) If any property remains after the Company has paid its debts, such property will be transferred to such other charitable registered social landlord as determined by the Scottish Housing Regulator.

AMALGAMATION OR DISSOLUTION

- 81 The Company may not pass any resolution for amalgamation, transfer of engagements, voluntary winding up or dissolution without the prior written consent of The Office of the Scottish Charity Regulator and the Scottish Housing Regulator which consent shall be given only if the interests of any

third parties, including tenants of the Company will not be adversely affected and shall not be unreasonably withheld or delayed. In the event that the Company's assets are transferred in terms of this Article, such transfer shall be to another charitable Registered Social Landlord and shall only be carried out after consultation with the tenants of the Company.

CHANGING THESE ARTICLES OF ASSOCIATION

- 82 These Articles can only be amended if:
- (i) the Members have passed a special resolution in accordance with the Act and these Articles; and
 - (ii) The Scottish Housing Regulator has approved the change(s).
- 83 Where an amendment of these Articles affects the purposes of the Company the prior approval of the Office of the Scottish Charity Regulator is required. The Company must submit its application for approval to the Office of the Scottish Charity Regulator not less than 42 days before the date on which the Company intends to amend its purposes. Any other amendment of these Articles requires to be notified to them within three months of the change having been made.
- 84 The Company Secretary shall register any amendment of these Articles with the Registrar of Companies.

**THIS IS THE APPENDIX REFERRED TO IN THE FOREGOING
ARTICLES OF ASSOCIATION
OF
OSPREY HOUSING LIMITED
FORMS OF INSTRUMENTS**

PROXY

The instrument referred to in Article 31 shall be in the following form:-

I, _____ residing at _____
being a member of Osprey Housing Limited, hereby appoint
_____ of _____ as my proxy to vote for
me and on my behalf at the annual/ general meeting of the Company to be held
on the _____ day of _____ and at any adjournment
thereof.

Signed

Date.....

REVOCATION

I, _____ residing at _____
being a member of Osprey Housing Limited hereby revoke the
instrument of proxy made by me on the _____ day of _____

Signed

Date.....