

THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION
of
THE MOUNT STUART TRUST

1. The name of the Company (hereinafter called "the Company") is "THE MOUNT STUART TRUST".
2. The registered office of the Company will be situate in Scotland.
3. The objects for which the Company is established are:-
 - (a) To promote the education of members of the public in Art and Fine Art whether in Scotland or the United Kingdom or elsewhere in the world.

- (b) To promote public interest in and knowledge and appreciation of such Art so that members of the public might gain or increase their understanding of the nature, creation, history, aesthetic qualities, preservation and conservation, and the technical and all other details and aspects of such Art.
- (c) To promote public interest in, knowledge of appreciation and understanding of the nature, history, and use of land by man animals and other living creatures, and the effect thereon of weather and climate.
- (d) To promote public interest in, knowledge of appreciation and understanding of the nature, structure, history, purposes and uses of buildings and other structures above and below ground made by man, the animals or other living creatures with emphasis in the first instance on buildings and land situated in Scotland and in particular, in the West of Scotland.
- (e) To preserve, conserve, maintain and where appropriate, improve for the benefit of the public, buildings of Historical, Architectural or Scientific interest or importance, and land, including woodland of natural or scenic beauty, or geological, geophysical or other scientific interest.

(f) To advance education in all or any of its aspects and to advance, promote and aid any such other purpose or purposes as are recognised by Scots Law to be Charitable, (provided always that such purposes are regarded as Charitable for the purposes of Section 505 of the Income and Corporation Taxes Act 1988 or any re-enactment thereof) and in particular, but without prejudice to any of the foregoing generalities, and as a first or preliminary step, to:-

- (i) To acquire for preservation and maintenance for the public benefit the whole of Mount Stuart House and its policies and gardens (hereinafter called "Mount Stuart House") and such part or parts of the land and property in the Island of Bute known as The Bute Estate in the County of Argyll and Bute as shall or may hereafter be vested in the Company or in respect of which the Company shall have any interest.
- (ii) To protect and improve the amenities of Mount Stuart House and any other property from time to time in possession of the Company in pursuance of the objects of the Company.

- (iii) To preserve for the public benefit as adjuncts to Mount Stuart House such furniture, paintings and other moveable items which are or form part of collections customarily kept within Mount Stuart House together with such other items as may be given or loaned to the Company and which the Company shall decide are appropriate to be kept at Mount Stuart House PROVIDED that in the case of items which are loaned to the Company, the Company shall be bound to provide in the appropriate Loan Agreement, that any expenditure by the Company on the preservation or enhancement of such furniture, painting and other moveable items, is recoverable from the persons or body lending such items in the event of the termination of the loan.
- (iv) To facilitate and encourage access to and study and appreciation of Mount Stuart House and of the surrounding land on the Island of Bute together with its historically associated and essential contents and other items associated therewith as an outstanding example of an historic island estate

representing a family property and collection of chattels and objets d'art assembled over many generations.

- (v) To preserve for the benefit of the public such other land, buildings and items whether heritable or moveable, real or personal, corporeal or incorporeal as may be given, loaned or otherwise transferred to and accepted by the Company whether at Mount Stuart House or elsewhere in Scotland or the United Kingdom or the World.
- (vi) To facilitate and encourage research into natural history, horticulture, agriculture, forestry and allied sciences both at Mount Stuart House and elsewhere in Scotland, the United Kingdom and the World and to make the results of such research in so far as practicable available for public study and enjoyment.
- (vii) To facilitate, encourage and promote the study of art, music, architecture and literature in Scotland and elsewhere in the World.

- (viii) To facilitate and encourage the use and occupation of the whole or part of Mount Stuart House stately home, castle, or large house or building which the Company may have under its control, with or without its essential contents and others for the advancement of education and learning.
- (ix) To facilitate and encourage the use and occupation of the whole or any part of any other land and/or buildings in the possession of the Company from time to time and the use for study of such other items and objects whether upon the said land or within the said buildings, from time to time in the possession of the Company.
- (d) In furtherance of the said objects the Company shall have and may exercise (but only to the extent to which the same may lawfully be exercised by a company having exclusively charitable objects) all or any of the following powers namely the power:-

 - (i) To promote, arrange, organise and conduct conferences, meetings, discussion, seminars, and the reading of learned papers at Mount Stuart House or elsewhere in Scotland, the United Kingdom or the World.

- (ii) To establish, form, promote, conduct and maintain exhibitions and displays of furniture, pictures and other chattels and of literature, manuscripts, statistics, exhibits and other material and information of an educational nature at Mount Stuart House or elsewhere in the World.
- (iii) To establish and maintain libraries and collections of books, furniture, pictures and other chattels, exhibits, replicas and other material and to afford facilities for the use and study of the same.
- (iv) To institute, establish and promote scholarships, grants, prizes and awards and to encourage research and education in any branch or branches of the arts or sciences.
- (v) To allow any buildings or other real or personal property for the time being owned, occupied or held by the Company to be used for such purpose as the Company shall determine, either gratuitously or upon payment by any person or persons, corporation, society or other body to whom the use thereof shall be so granted or permitted of such sums or sum of money in

the nature of an entrance fee or rent or other periodical payment or otherwise howsoever as the Company shall think fit.

- (vi) To solicit, receive and accept financial assistance, donations, endowments, gifts (both inter vivos and testamentary) and loans of or of any interest in money, rents, heritable and other property whatsoever real or personal subject or not to any specific trusts or conditions or burdens including in particular learned papers in Mount Stuart House or elsewhere or any interest therein and the contents thereof or any part or parts thereof respectively.
- (vii) To provide refreshment, transport and other facilities and services for the convenience of persons or bodies obtaining admission to or using or occupying any buildings or other real or personal property for the time being owned, occupied or held by the Company and to make charges in respect of any such facilities or services.
- (viii) To commission, produce, publish, distribute, deal in and sell all kinds of books, pamphlets, brochures, magazines, postcards,

maps, prints, pictures, photographs, drawings and other literature of whatever description, all types of sound and visual recordings, reproduction models, replicas, facsimiles and copies of works of art or objects of historical or cultural interest.

- (ix) To apply at any time or times the whole or any part or parts of the profits of the Company for the promotion of all or any of the objects specified in Clause 3 (a) hereof.
- (x) To advertise in such manner as may be thought expedient with a view to promoting the objects of the Company.
- (xi) To borrow and raise money and secure or discharge any debt or obligations of or binding on the Company in such manner as may be thought fit, and in particular by mortgages of or charges upon the whole or any part of the undertaking property and rights (including property and rights to be subsequently acquired) of the Company.

- (xii) To undertake, execute and perform any charitable trust or other conditions affecting any property of any description of the Company whether acquired by gift or otherwise.
- (xiii) To invest funds of the Company not immediately required for its purpose in or upon such investments securities or property as it may think fit subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law.
- (xiv) To grant or renew leases of any land, buildings or property.
- (xv) To grant and pay such salaries, pensions, gratuities or other sums in respect of services as may from time to time be thought reasonable and proper and to establish pension funds or other pension arrangements for the benefit of and to make reasonable and proper payments towards insurance of employees (including directors) of the Company or any charitable institution which

may at any time be incorporated within or associated with the Company or the dependants or families of such persons.

(xvi) To construct, erect, alter, improve, demolish, furnish, equip, insure and maintain buildings, chattels and property of every description and to manage, develop, sell, lease, let, mortgage, dispose of or otherwise deal with all or any part of the same in furtherance of the objects of the Company.

(xvii) To draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, warrants and other negotiable or transferable documents.

(xviii) To pay out of the funds of the Company all reasonable costs and expenses, preliminary or incidental to the formation of the Company and its registration.

(xix) To establish, support or aid in the establishment and support of any companies, associations or institutions and to donate, subscribe or guarantee obligations or the payment of money for any purposes in any

way connected with the purposes of the Company or calculated to further its charitable objects.

- (xx) To promote and incorporate or to join in the promotion or incorporation of any company with limited or unlimited liability for the purpose of carrying out any object which the Company itself could carry out and to subscribe for or otherwise acquire the shares stock or other securities of such company or to lend money to such company on such terms as may be thought fit.
- (xxi) To associate, affiliate or co-operate with any other authority, company, association, institution or body whether resident in the United Kingdom or not in the furtherance of the objects of the Company and to enter into any arrangement or agreement and join in any venture in conjunction with any such body for such purposes.
- (xxii) To enter at any time or times at the absolute and unfettered discretion of the Company into an arrangement or arrangements with the National Trust for Scotland or any successor thereof or any body similar in purpose and

intent thereto in any part of the United Kingdom whereby Mount Stuart House or any other stately home, castle or building over which the Company has control or part of it, with any other heritable or moveable property held by the Company and associated with such building, is transferred to the National Trust for Scotland or such other body as is mentioned above for its purposes.

(xxiii) To effect and maintain insurances on the life or lives of any director, directors and other officers or servants of the Company.

(xxiv) To effect and maintain insurances on the life of any person as a result of whose death any fiscal liability might be imposed on the Company provided that the aggregate of all such sums assured in respect of any one such person shall not exceed the expected amount of such liability and shall be payable only in the event of the death of such person before any date or dates specified in such policy or policies.

- (xxv) To purchase, take on lease or otherwise acquire and hold for the purposes of the Company any heritable or moveable property in the United Kingdom or elsewhere.

- (xxvi) To sell, feu, lease, excamb or grant securities over and to redeem any debts, obligations, burdens, securities or restrictions in any way affecting all or any of the land or chattels vested or about to be vested in the Company from time to time for the pursuance of the objects of the Company.

- (xxvii) To do all such things that are necessary for the attainment of the above objects or any of them.

Provided that if 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 is allowed by law having regard to such trusts.

- 4. The income and property of the Company whencesoever derived shall be applied towards the promotion of the objects of the Company as set forth in this Memorandum of Association 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 any member of the Company who or which is not a charity. The foregoing provisions shall nevertheless be subject to the following exceptions:-

- (a) Directors and Members may be reimbursed any out of pocket expenses incurred by them in connection with their attendance to any matter affecting the Company.
- (b) Directors and Members of the Company may be paid interest at a rate not exceeding a commercial rate upon money lent by them to the Company.
- (c) Directors and Members of the Company may be paid a rent not exceeding a commercial rent for premises leased or lent by them to the Company.
- (d) Any part of the buildings or other real property for the time being owned by the Company may be let at a proper rent and on proper terms to a Director or Member of the Company.
- (e) Reasonable and proper remuneration may be paid or benefits given to any officer or servant of the Company (including Directors) in return for service actually rendered in the performance of their duties to the Company.

Provided that in each case (i) no Director shall be entitled to attend any meeting or part thereof at which a resolution regarding the payment of such remuneration to him or the provision of such benefits for him is to be proposed; (ii) no such Director shall be entitled to vote upon such a resolution relating to his remuneration or benefits; and (iii) any resolution providing remuneration or benefits for a Director shall be passed by a majority of Directors none of whom is in receipt of a salary from the Company.

- (f) Payment may be made by the Company on a normal commercial basis to any company or partnership or firm entitled thereto for services rendered to the Company notwithstanding that a Director or Member of the Company may hold a share or shares or be otherwise interested in such company partnership or firm and such Director or Member shall not be bound to account for any share of the profits he may directly or indirectly receive in respect of such payment.

Provided in each case that no Director shall be entitled to vote upon any resolution as a result of which such company partnership or firm is awarded any Contract by the Company.

5. The liability of the Members is limited.

6. Every Member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up while he is a Member, or within one year after he ceases to be a Member, for payment of the debts and liabilities of the Company contracted before he ceases to be a Member and of the costs, charges and expenses of winding up the same and for the adjustment of the rights of the Members among themselves such amount as may be required not exceeding One Pound.

7. If upon the winding up or dissolution of the Company there remains after the satisfaction of all the 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 the National Trust for Scotland or some other charitable institution or institutions having objects similar to the objects of the Company, and which shall prohibit the distribution of its or their income, and the property among its or their members to an extent at least as great as is imposed on the Company under or by virtue of Clause 4 hereof and if and so far as effect cannot be given to such provisions then to some other charitable object or objects.

We, the several persons whose names and addresses are subscribed,

are desirous of being formed into a Company in pursuance of this Memorandum of Association.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

Sgd. John Anthony William Jennings
39 Cloth Fair
London
EC1A 7JQ
Chartered Accountant

Sgd. Kenneth Robert Grimston
48 Castle Street
Edinburgh
Writer to the Signet

DATED the 26th day of May 1989

WITNESS to the above signatures:-

Sgd. John Forester Stuart
48 Castle Street
Edinburgh
Writer to the Signet

THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE
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ARTICLES OF ASSOCIATION
OF
THE MOUNT STUART TRUST

INTERPRETATION

1. In these Articles:-

"the Company" means The Mount Stuart Trust.

"the Act" means the Companies Act, 1985.

"the Statute" means the Companies Act, 1985 and every other Act for the time being in force concerning joint stock companies and affecting the Company.

"the Directors" means the members of the Board of Directors of the Company as provided in the Articles.

"the Articles" means these Articles of Association as originally adopted or as from time to time altered.

"the Board" means the Board of Directors of the Company as a body or a quorum of the Directors at a meeting of the Board.

"Members" means the members of the Company for the purposes of the Act as defined in the Articles.

"the Secretary" means the Secretary of the Company as provided in the Articles.

"By-laws" means By-laws made by the Board pursuant to the powers in that behalf conferred upon it by the Articles.

"the Seal" means the Common Seal of the Company.

"the Register" means the Register of Members of the Company.

"the Office" means the Registered Office for the time being of the Company.

Unless the context otherwise requires or the contrary intention appears:-

(a) Expressions referring to writing shall be construed as including references to printing, lithography, photography and other modes of representating or reproducing words in a visible form; and

(b) Words importing the singular number only shall include the plural number and vice versa and words importing the masculine gender only shall include the feminine gender; and

(c) Words or expressions contained in the Articles shall bear the same meaning as in the Act or any statutory modification thereof at the date at which the Articles became binding on the Company.

PATRONS OF THE COMPANY

2. Such person or persons as the Board in its absolute discretion from time to time may admit to being Patrons of the Company (hereinafter called "Patrons") shall be Patrons provided that the Company shall have no more than six Patrons at any one time.

3. (a) A Patron shall assist the furtherance of the objects of the Company by any means to which such Patron and the Board consent in writing provided that subject to any written agreement between such Patron and the Board such consent may be withdrawn at any time and provided that, notwithstanding that such Patron is a Patron, a Patron shall not be under any obligation to do or consent to anything in the furtherance of the objects of the Company or which is in the interests of the Company nor shall such Patron be under any obligation to refrain from doing anything which is contrary to such objects or interests.

(b) Notwithstanding Article 3 (a) hereof a statement that a person is a Patron while he continues to be such a Patron (which statement shall include his name, title and honours) may be used in any letter, publication, notice or other writing of the Company or otherwise for the purposes of the Company as the Board shall think fit and as such Patron shall approve in writing.

4. A Patron shall not, by virtue of being a Patron, be a Member for the purposes of the Act nor shall such Patron thereby be within any other class of membership which the Board may from time to time set up as is hereinafter provided.
5. A Patron shall cease to be such on giving to, or on being given by the Board, one month's notice in writing; or if he becomes insane; or on his death. Patronage of the Company and any rights of a Patron shall be personal to such Patron and shall not be transferable.

MEMBERS

6. For the purposes of registration the number of Members of the Company shall be unlimited.
7. For the purposes of the Act there shall be only one class of membership. Another class or classes of membership (hereinafter called "non-statutory membership") may be set up from time to time by the Board but persons admitted to any class of non-statutory membership shall not be Members for the purposes of the Act. The Board shall also have power at its discretion to discontinue admissions to any class of non-statutory membership or to close down any such class.

Particulars of persons admitted to any class of non-statutory membership will be entered in the Register of Members kept pursuant to Section 352 of the Act.

8. (a) The Members shall be the subscribers to the Memorandum of Association and such other persons as the Board shall admit, provided that the majority of Members at any one time shall be resident in the United Kingdom. A Member shall be entitled to attend and vote at all General Meetings of the Company so long as all subscriptions or other moneys payable by him to the Company have been paid.

(b) Any person wishing to become a Member of the Company must complete and sign a form of application in terms prescribed by the Board. All applications for membership shall be considered by the Board and no person shall be admitted to membership unless his admission has been approved by the majority of the Board.

9. Membership of the Company and all rights of a Member shall be personal to him and shall not be transferable and the name of a Member shall be removed from the Register upon his death.

10. Every member shall be bound to further to the best of his ability the objects, interests and influence of the Company and shall observe all By-laws of the Company made pursuant to the powers in that behalf hereinafter contained.

11. A Member of the Company shall cease to be a Member:-

(a) If such Member resigns by giving one week's notice in writing of his resignation to the Office.

(b) If he becomes a patient for the purposes of Part VIII of the Mental Health Act 1959.

(c) If after the issue of at least two requests for payments there shall be default for a period of three months in the payment of any entrance fee or subscription payable by him to the Company unless the Board considers there to be extenuating circumstances.

(d) If he is excluded from membership under Article 12 hereof.

(e) If he otherwise ceases to qualify for membership under these presents.

Provided always that any Member who ceases to be a Member shall remain liable for any entrance fee or subscription due from him up to the date when he shall cease to be a Member.

12. Any Member may be excluded from membership of the Company by resolution of a majority representing at least three-fourths of the Board present and voting at a Special Board Meeting at which not less than two-thirds of the total number of Directors shall be present. Such Member shall have seven clear days' notice sent to him of the Board Meeting and he shall be entitled to attend the Meeting and be heard in defence but shall not be entitled to be present at the voting or take part in the proceedings otherwise than as the Board shall permit.
13. The annual subscriptions (if any) payable by Members and by persons admitted to non-statutory membership shall be such as may from time to time be determined by the Company in General Meeting upon the recommendation of the Board.
14. All subscriptions shall become due and payable on such date or dates in the year as the Board may determine.
15. The Board shall have power from time to time to make By-laws prescribing entrance fees payable by persons admitted as Members or admitted to any class of non-statutory membership.

GENERAL MEETINGS

16. The Company in each calendar year shall 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. Not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next provided that so long as the Company holds the first Annual General Meeting within eighteen months of incorporation it need not hold one in the year of its incorporation or in the following year. The Annual General Meeting shall be held at such time and place as the Board shall appoint.

17. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings, and all General Meetings of whatever description shall take place in the United Kingdom.

18. The Board may, whenever it thinks fit, convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened on such requisition or in default may be convened by such requisitionists as is provided by Section 368 of the Act.

NOTICE OF GENERAL MEETINGS

19. An Annual General Meeting and a meeting called for the passing of a Special Resolution shall be called by twenty-one days' notice in writing at the least and a meeting of the Company other than an Annual General Meeting or a Meeting for the passing of a Special Resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served, and of the day on which it is given and shall specify the place, the day and the hour of the meeting and, in case of special business, the general nature of that business and shall be given in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in General Meeting, to such persons as are under the Articles entitled to receive such notices from the Company.

PROVIDED that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed:-

- (a) in the case of a meeting called as the Annual General Meeting by all the Members entitled to attend and vote thereat; and

(b) in the case of any other meeting by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together representing not less than 95% of the total voting rights at that meeting of all the Members.

20. The accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate the proceedings of that meeting.

PROCEEDINGS AT GENERAL MEETINGS

21. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all that is transacted at an Annual General Meeting with the exception of the consideration of the Accounts, Balance Sheets and the reports of the Board and Auditors and the appointment of and the fixing of the remuneration, if any, of the Auditors.
22. Save as herein otherwise provided the quorum at any General Meeting shall be seven Members or one half of the total number of Members (whichever is the less) present in person.
23. If within half an hour from the time appointed for a meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved; in any other case

the meeting shall be adjourned to such day, time and place as shall be determined in accordance with the provisions hereinafter appearing and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum.

24. No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Provided that notwithstanding that no quorum is present the Members present at any General meeting may elect a Chairman to hold office until such meeting is adjourned and may determine the day, place and time to which such meeting shall be adjourned.
25. The Chairman of the Board shall preside as Chairman at every General Meeting of the Company, or, if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the Vice-Chairman, if any, of the Board shall if present and willing to act preside failing which the Members present shall elect one of their number to be Chairman of the meeting.
26. The Chairman may, with the consent of any meeting (and shall if so decided by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the

business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

27. At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or by at least three Members present in person or by proxy and entitled to vote or by a Member or Members present in person or by proxy and representing one-tenth of the total voting rights of all the Members entitled to vote at the Meeting and unless a poll be so demanded a declaration by the Chairman of the Meeting that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority and an entry to that effect in the Minute Book 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 that resolution. The demand for a poll may be withdrawn.
28. Subject to the provisions of the Articles if a poll be demanded in manner aforesaid it shall be taken at such time and place and in such manner as the Chairman of the

Meeting shall direct and the result of the poll shall be deemed to be the resolution of the Meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

29. No poll shall be demanded on the election of a Chairman of a meeting or on any question of adjournment.
30. In the case of an equality of votes whether on a show of hands or on a poll the Chairman of the Meeting shall be entitled to a second or casting vote.
31. Subject to the provisions of the Statutes a resolution in writing signed by all the Members for the time being entitled to receive notice of and to attend and vote at General Meetings or being corporations by their duly authorised representatives (which resolution may consist of several documents in the like form each signed by one or more of the said Members) or a resolution to which every such Member has signified his approval in writing or by cable, telegram or telex shall be a valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held.

VOTES OF MEMBERS

32. Subject as hereinafter provided every Member shall have one vote.
33. Save as herein expressly provided no Member other than one duly registered, who shall have paid every sum (if any) which shall be due and payable to the Company in respect of his membership, shall be entitled to vote on any question either personally or by proxy or as a proxy for another Member at any General Meeting.
34. Votes may be given on a poll either personally or by proxy. On a show of hands a Member present only by proxy shall have no vote. A corporation may vote by its duly authorised representative as provided by Article 39 hereof. A proxy need not be a Member.
35. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation under its Common Seal, if any, and if none then under the hand of some other officer duly authorised in that behalf.
36. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy thereof shall be deposited at the Office not less than forty-eight hours before the time

appointed for holding the Meeting or adjourned Meeting at which the person named in the instrument proposes to vote or in the case of a poll not less than twenty-four hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

37. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of the death, insanity or revocation as aforesaid shall have been received at the Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used.
38. An instrument appointing a proxy may be in the usual common form or in such other form as the Board may accept and shall be deemed to confer authority to demand or join in demanding a poll. It need not be witnessed and shall, unless the contrary is stated thereon, be valid as well for any adjournment of the Meeting as for the Meeting to which it relates.

CORPORATIONS ACTING BY REPRESENTATIVES

39. Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company.

DIRECTORS AND THE BOARD

40. (a) The Directors of the Company shall be such persons as may be appointed in terms hereof:-
- (i) One person nominated in writing by the person who for the time being is entitled to the name, style and dignity of Marquess of Bute; and
 - (ii) such other persons (being Members of the Company) as shall from time to time be elected thereto by the Board whether such persons are residents of the United Kingdom or not, provided that the majority of Directors at any one time shall be residents of the United Kingdom.

(b) The Directors shall appoint one of their number to be Chairman of the Board. The Chairman shall hold office until he shall cease to be a Director or for such shorter period as the Board shall decide.

(c) The Directors may appoint one or more of their number to the office of Vice-Chairman or Treasurer or Secretary upon such terms and for such period as the Board may think fit.

(d) The office of the Director shall ipso facto be vacated:-

(i) if a receiving order is made against him or he makes any arrangement or composition with his creditors; or

(ii) if he becomes a patient for the purposes of Part VIII of the Mental Health Act 1959; or

(iii) save as provided by any contract between him and the Company to the contrary, if by notice in writing sent by registered letter to the Office, he resigns his office; or

(iv) if he becomes prohibited from being a Director by reason of any order made under, or by virtue of any provisions of, the Statutes; or

(v) if he is removed from office by resolution duly passed pursuant to Section 303 of the Act; or

(vi) if he absents himself from attendance at meetings of the Board and committee meetings thereof continuously for a space of twelve months without special leave of absence from the Board and it passes a resolution that he has by reason of such absence vacated office; or

(vii) if he ceases to be a Member; or

(e) No person shall act as a Director until he shall have agreed to become a member and his name has been entered in the Register.

(f) A Director shall not vote in respect of any contract in which he is interested or any matter arising thereout, and if he does so vote his vote shall not be counted, provided always that a director shall be deemed not to be interested in any contract or any matter arising thereout if

his interest therein arises solely by virtue of his being a member, officer or representative of a local authority or a member of the Company or a member of a company in which he holds not more than one hundredth part of the capital.

(g) None of the provisions of Section 293 of the Act shall apply to the Company.

(h) The Directors may act notwithstanding that any one or more of the bodies or persons referred to in Article 40 (a) shall not have nominated any person, Provided that if the number of Directors is reduced below the minimum number fixed by these Articles the continuing Director or Directors may act for the purpose of increasing the number of Directors.

41. The Directors shall be entitled to be paid out of the funds of the Company all their travelling, hotel and other expenses properly incurred by them in attending to any matter connected with the Company, including their expenses of travelling to and from any meetings of Directors or committee meetings or General Meetings.

42. The Board may from time to time appoint one or more Directors or any other person to be Manager of the Company or to hold such other office in the management, administration or conduct of the affairs of the Company as and for such period and on such terms as it thinks fit and,

subject to the terms of any agreement entered into in any particular case, may revoke such appointment. Subject to the terms of any such agreement a Director appointed to be Manager of the Company or to any other office as aforesaid shall be subject to the same provisions as to retirement, resignation and removal from office as the other Directors and shall ipso facto and immediately cease to be Manager of the Company or to hold such other office in the management, administration or conduct of the affairs of the Company if he ceases to be a Director from any cause.

43. A Director who is Manager of the Company or who holds any other office in the management, administration or conduct of the affairs of the Company may be paid all reasonable and proper remuneration to which he would be entitled if he were not a Director and such remuneration shall from time to time (subject to the provisions of any agreement between him and the Company) be fixed by the Board and may without prejudice to any other means of payment be by way of fixed salary or by way of retiring salary or provision for a pension or pensions for himself and his dependants or by all or any of these modes.

44. The Board may grant special remuneration to any Director who shall render any special or extra service to the Company. Such special remuneration may be made payable to

such Director by a lump sum or by way of salary or provision of other suitable benefits or by any or all of these modes.

45. (a) The Board may procure the establishment and maintenance of or participate in or contribute to any non-contributory or contributory pension or superannuation funds or life assurances scheme for the benefit of, and pay, provide for or procure the grant of pensions, allowances or emoluments to any persons (including Directors and other officers) who are or shall have been at any time in the employment or service of the Company or of any company which is a subsidiary of the Company and the wives, widows, families or dependants of any such persons being in necessitous circumstances.

(b) The powers vested in the Board by this Article shall be in addition to any other provisions in these Articles.

BORROWING POWERS

46. The Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking and property or any part thereof and to issue bonds, debentures, debenture stock or other securities whether outright or as security for any debt or obligation of the Company or in

pursuance of any guarantee which the Company has agreed to give in accordance with its powers under its Memorandum of Association.

POWERS AND DUTIES OF THE BOARD

47. The affairs of the Company shall be managed by the Board, who may exercise all such powers of the Company as are not by the Statutes or by the Articles required to be exercised by the Company in General Meeting subject nevertheless to the provisions of the Statutes and the Articles and to such regulations being not inconsistent with the aforesaid provisions as may be prescribed by the Company in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if the regulation had not been made.
48. The Board may delegate all or any of its powers either generally or for a specific purpose to any committee established by the Board and whether consisting of Directors or other persons and subject to such terms and conditions as the Board may think fit provided that such committees shall report back to the Board. The Board may grant such powers of sub-delegation as it may think fit.

49. Subject to the delegation by the Board of any of its functions or powers pursuant to Article 48 the Board may delegate all or any of its powers either generally or for a specific purpose to one person only whether a Director or the Manager and subject to such terms and conditions as the Board shall think fit.
50. The Board may from time to time and at any time appoint any corporation, firm or person or body of persons, whether nominated directly or indirectly by the Board to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under the Articles and not including any of its powers to make By-laws) and for such period and subject to such conditions as they may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.
51. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts of moneys paid to the Board shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be in such manner as the Board shall from time to time by resolution determine.

58. Questions arising at a meeting shall be determined by a majority of votes of the Directors present and in the case of an equality of votes the Chairman of the meeting shall have a second or casting vote.
59. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (which resolution may consist of several documents in the like form each signed by one or more of the Directors) or a resolution to which a Director so entitled has signified his acquiescence in writing or by cable, telegram or telex shall be valid and effectual as if it had been passed at a meeting of the Board duly called and constituted.

THE SECRETARY

60. The Board shall from time to time by resolution appoint a person to be the Secretary on such terms as the Board shall think fit.
61. A provision of the Statutes or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

52. The Board shall cause minutes to be made in books provided for the purpose:-

- (a) of all appointments of Directors;
- (b) of the names of the Directors present at each meeting of the Board and of any Committee established by the Board;
- (c) of all By-laws by the Board;
- (d) of all resolutions and proceedings at all meetings of the Company and of the Board, and of committees.

PROCEEDINGS OF THE BOARD

53. The Board may meet together for the dispatch of business, may adjourn and may regulate its meetings as it shall from time to time think fit provided that all meetings of the Board shall take place in the United Kingdom. The Secretary, on the requisition of the Chairman or of any two or more of the Directors, shall summon a meeting of the Board by sending a notice thereof to such persons and in such manner as the Board may prescribe.

54. Subject to the provisions of Article 53:

(a) The quorum necessary for the transaction of the business of the Board may be fixed by a resolution of the Board and unless so fixed shall be five Directors.

(b) If no quorum is present within fifteen minutes of the time for which the meeting was called it shall be adjourned to such day, time and place as shall be determined in accordance with the provisions hereinafter appearing and a fresh notice stating the day, time and place for the adjourned meeting shall be given to the Directors entitled to notice of meetings. Only business which could have been transacted at the original meeting may be transacted at the adjourned meeting.

(c) No business shall be transacted at any meeting of the Board unless a quorum is present at the time when the meeting proceeds to business. Provided that notwithstanding that no quorum is present the Directors present may determine the day, time and place to which such meeting shall be adjourned.

55. The Chairman of the Board shall preside as Chairman at every meeting of the Board or if he shall not be present or be unwilling to act, the Vice-Chairman shall if present and

willing to act preside, failing which the Directors present shall elect one of their number to be chairman of the Meeting.

56. (a) Each Director shall have the power to nominate any other Director or, with the approval of a majority of the other Directors, any other person to act as alternate Director in his place at any meeting of the Board at which he is unable to be present and at his discretion to remove such alternate Director and as such appointment being made the alternate Director shall (except as regards the power to appoint an alternate) be subject in all respects to the terms and conditions existing with reference to the other Directors of the Company and each alternate Director, whilst acting in the place of an absent Director, shall exercise and discharge all the duties of the Director he represents but shall look to such Director solely for his remuneration as alternate Director. Any Director of the Company who is appointed an alternate Director shall be entitled to vote at a meeting of the Board on behalf of the Director so appointing him as distinct from the vote to which he is entitled in his own capacity as a Director of the Company. Any person appointed as an alternate Director shall vacate his office as such alternate Director if and when the Director by whom he has been appointed vacated his office as Director or removes him by written notice to the Company.

(b) Every instrument appointing an alternate Director shall, as nearly as circumstances will admit, be in the following form or to the following effect:-

THE MOUNT STUART TRUST

I,
a director of the above-named Company, in pursuance of the power in that behalf contained in the Articles of Association of the Company, do hereby nominate and appoint
of
to act as alternate Director in my place at any meeting of the Board of Directors of the Company which I am unable to attend, and to exercise and discharge all my duties as a Director of the Company.

As witness my hand this day of 19 .

57. All acts done by any meeting of the Board or of a Committee or by any person acting as a Director shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a Director.

THE STAFF

62. The Board may appoint such staff as they shall think fit upon such terms and conditions as the Board shall prescribe.

BY-LAWS

63. The Board shall have power to make By-laws concerning such matters regarding the government and management of the Company as it shall from time to time think fit. Provided that no By-laws shall have effect if and to the extent that they shall be inconsistent with the Memorandum of Association of the Company or these Articles. Subject as aforesaid every By-law made by the Board shall have the like effect as if the same were contained in the Articles save that they may at any time or times be revoked or varied by the Board in like manner as they may be made.

THE SEAL

64. The Board shall provide for the safe custody of the Seal which shall only be used by the authority of the Board or of a committee authorised by the Board in that behalf and every instrument to which the Seal shall be affixed shall be

signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Board for that purpose.

ACCOUNTS

65. The Board shall cause proper books of account to be kept with respect to:-

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
- (b) all sales and purchases by the Company; and
- (c) the assets and liabilities of the Company.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the affairs of the Company and to explain its transactions.

66. The books of account shall be kept at the Office or subject to Section 222 of the Act, at such other place or places as the Board think fit and shall always be open to the inspection of the Directors.

67. The Directors shall from time to time in accordance with Sections 227, 228, 238 and 239 of the Act and as otherwise required by the Statutes cause to be prepared and to be laid before the Company in General Meeting such income and expenditure accounts, balance sheets, group accounts (if any) and reports as are referred to in those Sections and the Statutes.
68. A copy of every Balance Sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting, together with a copy of the Auditor's report, shall not less than twenty-one days before the date of the meeting be sent to every Member of the Company PROVIDED THAT this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware.

AUDIT

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

NOTICES

70. A notice may be given by the Company to any Member either personally or by sending it by post to him or to his address as appearing in the Register of (if he has no such address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company for the giving of notice to him. Where a notice is sent by post service of the notice shall be deemed to be effected by properly addressing preparing and posting by first class mail a letter containing the notice and to have been effected in the case of a meeting at the expiration of forty-eight hours after the letter containing the same is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post.
71. Notice of every General Meeting shall be given in any manner hereinbefore authorised to:-
- (a) every Member except those Members who (having no address appearing in the Register with the United Kingdom) have not supplied to the Company an address within the United Kingdom for the giving of notices to them;

(b) the Auditor for the time being of the Company.

72. No other person shall be entitled to receive notices of General Meetings.

DISSOLUTION

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

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

Sgd. John Anthony William Jennings
39 Cloth Fair
London
EC1A 7JQ
Chartered Accountant

Sgd. Kenneth Robert Grimston
48 Castle Street
Edinburgh
Writer to the Signet

DATED the 26th day of May 1989

WITNESS to the above signatures:-

Sgd. John Forester Stuart
48 Castle Street
Edinburgh
Writer to the Signet