

COMPANIES ACTS 1985 and 1989
COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL
MEMORANDUM OF ASSOCIATION
of
MacDougall of Dunollie Preservation Trust
(As Amended)

1 Name

The name of the Company is MacDougall of Dunollie Preservation Trust ("the Charity").

2 Registered Office

The registered office of the Charity is to be in Scotland.

3 Objects

- 3.1 To advance the heritage of the historic castles and property belonging to the family of the MacDougalls of Dunollie, Oban, Argyll, hereditary chiefs of the Clan MacDougall and to preserve and retain in Scotland the artefacts, paintings and others also belonging to the MacDougalls of Dunollie.
- 3.2 To advance education through public display and interpretation of historic castles and property belonging to the family of the MacDougalls of Dunollie, Oban, Argyll, hereditary chiefs of the Clan MacDougall and to preserve and retain in Scotland the artefacts, paintings and others also belonging to the MacDougalls of Dunollie.

4 Powers

The Charity has the following powers, which may be exercised only in promoting the Objects:

- 4.1 To promote or carry out research.
- 4.2 To provide advice.
- 4.3 To publish or distribute information.
- 4.4 To co-operate with other bodies.

- 4.5 To support, administer or set up other charities.
- 4.6 To raise funds (but not by means of taxable trading).
- 4.7 To borrow money and raise money and accept money on deposit in such manner and on such terms as to security and otherwise as the Charity thinks fit, and in particular to grant mortgages, standard securities, floating charges and all other types of security over the Charity's undertaking and all or any of its property and assets (present and future).
- 4.8 To purchase, take on lease or otherwise acquire or hire property of any kind.
- 4.9 To sell, feu, let on lease or otherwise dispose of property of any kind (subject to such conditions and restrictions as are reasonably necessary to ensure the preservation of the property).
- 4.10 To repair, renovate, restore, rebuild and generally promote the preservation of any property and so far as may be considered necessary or desirable, engage in the construction of new buildings.
- 4.11 To make arrangements where appropriate to enable the public to view and enjoy any property (whether free or at a charge).
- 4.12 To make grants or loans of money and to give guarantees.
- 4.13 To set aside funds for special purposes or as reserves against future expenditure.
- 4.14 To deposit or invest funds in any manner.
- 4.15 To delegate the management of investments to a financial expert, but only on terms that:
 - 4.15.1 the investment policy is set down in writing for the financial expert by the Trustees;
 - 4.15.2 every transaction is reported promptly to the Trustees;
 - 4.15.3 the performance of the investments is reviewed regularly with the Trustees;
 - 4.15.4 the Trustees are entitled to cancel the delegation arrangement at any time;
 - 4.15.5 the investment policy and the delegation arrangement are reviewed at least once a year;
 - 4.15.6 all payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the Trustees on receipt;

- 4.15.7 the financial expert must not do anything outside the powers of the Trustees.
- 4.16 To arrange for investment or other property of the Charity to be held in the name of a nominee under the control of the Trustees or of a financial expert acting under their instructions and to pay any reasonable fee required.
- 4.17 To insure the property of the Charity against any foreseeable risk and take out other insurance policies to protect the Charity when required.
- 4.18 To insure the Trustees against the costs of a successful defence to a criminal prosecution brought against them as Trustees or against personal liability incurred in respect of any act or omission which is or is alleged to be a breach of trust or breach of duty, unless the Trustee concerned knew that, or was reckless as to whether, the act or omission was a breach of trust or breach of duty.
- 4.19 Subject to clause 5, to employ paid or unpaid agents, staff or advisers.
- 4.20 To enter into contract to provide services to or on behalf of other bodies.
- 4.21 To establish subsidiary companies to assist or act as agents for the Charity.
- 4.22 To pay the costs of forming the Charity.
- 4.23 To do anything else within the law which promotes or helps to promote the Objects.

5 Benefits to Members and Trustees

- 5.1 The property and funds of the Charity must be used only for promoting the Objects and do not belong to the members of the Charity but:
- 5.1.1 members who are not Trustees may be employed by or enter into contracts with the Charity and receive reasonable payment for goods or services supplied;
 - 5.1.2 members (including Trustees) may be paid interest at a reasonable rate on money lent to the Charity;
 - 5.1.3 members (including Trustees) may be paid a reasonable rent or hiring fee for property let or hired to the Charity;
 - 5.1.4 individual members who are not Trustees but who are beneficiaries may receive charitable benefits in that capacity.
- 5.2 A Trustee must not receive any payment of money or other material benefit (whether directly or indirectly) from the Charity except:

- 5.2.1 as mentioned in clauses 4.18, 5.1.2, 5.1.3 or 5.3;
 - 5.2.2 reimbursement of reasonable out of pocket expenses (including hotel and travel costs) actually incurred in running the Charity;
 - 5.2.3 an indemnity in respect of any liability properly incurred in running the Charity (including the costs of a successful defence to criminal proceedings);
 - 5.2.4 payment to any company in which a Trustee has no more than a 1 per cent shareholding;
 - 5.2.5 in exceptional cases, other payments or benefits (but, where appropriate, only with the written approval of the Inland Revenue in advance).
- 5.3 Any Trustee (or any firm or company of which a Trustee is a member or employee) may enter into a contract with the Charity to supply goods or services in return for a payment or other material benefit but only if:
- 5.3.1 the goods or services are actually required by the Charity;
 - 5.3.2 the nature and level of the remuneration is no more than is reasonable in relation to the value of the goods or services and is set in accordance with the procedure in clause 5.4;
 - 5.3.3 no more than one half of the Trustees are subject to such a contract in any financial year.
- 5.4 Any Trustee and/or employee who has a personal interest in any prospective or actual contract or other arrangement with the Company must declare that interest either generally to the Board or specifically to any relevant meeting of the Company. A personal interest includes not only the interest of the Trustee or employee in question, but also his or her partner, close relative or business associate, or any firm of which he is a partner or employee, or any limited company of which he is a director, employee or shareholder of more than 5% of the equity.
- 5.5 Additionally, the Board may resolve at any time to require all Trustees and employees to deliver a Notice of Relevant Interests to the Registered Office, as they arise and at least annually. In that event, the Board shall determine from time to time what interests shall be relevant interests and shall ensure that a Register of Notices of Relevant Interests is maintained, which shall be open for inspection by both the Board and members of the Company and, with the express prior written approval of the Trustee or employee concerned, by members of the public.
- 5.6 Whenever a Trustee finds that there is a personal interest, as defined in Article

5.4, he or she has a duty to declare this to the Board meeting in question. It will be up to the chairman of the meeting in question to determine:

- 5.4.1 whether the potential or real conflict simply be noted in the Minutes of any relevant meeting, or;
- 5.4.2 whether the Trustee in question, whilst being permitted to remain in the meeting in question, must not partake in discussions or decisions relating to such matter, or;
- 5.4.3 whether the Trustee in question should be required to be absent during that particular element of the meeting and, in terms of Article 4.3, where a Trustee leaves, or is required to leave, the meeting he or she no longer forms part of the quorum thereat.

6 Limited Liability

The liability of members is limited.

7 Guarantee

Every member promises, if the Charity is dissolved while he, she or it remains a member or within 12 months afterwards, to pay up to £1 towards the costs of dissolution and the liabilities incurred by the Charity while the contributor was a member.

8 Dissolution

8.1 If the Charity is dissolved the assets (if any) remaining after provision has been made for all its liabilities must be applied in one or more of the following ways:

- 8.1.1 by transfer to one or more other bodies established for exclusively charitable purposes within, the same as or similar to the Objects;
- 8.1.2 directly for the Objects or charitable purposes within or similar to the Objects;
- 8.1.3 in such manner consistent with charitable status.

8.2 A final report and statement of account shall be sent to the Office of the Scottish Charity Regulator

9 Interpretation

- 9.1 Words and expressions defined in the Articles have the same meanings in this Memorandum.
- 9.2 References to an Act of Parliament are references to the Act as amended or re-enacted from time to time and to any subordinate legislation made under it.

WE, representing a quorum of the current Trustees of the MacDougall of Dunollie Preservation Trust and subscribers to this Memorandum of Association, wish to revise this Memorandum

Names of Subscribers

Signed _____ Print Name _____

Signed _____ Print Name _____

Signed _____ Print Name _____

Signed _____ Print Name _____

Signed _____ Print Name _____

Signed _____ Print Name _____

Signed _____ Print Name _____

DATED: August 2014

Witness to the above signature

Jane Isaacson _____

At Address _____

COMPANIES ACTS 1985 AND 1989
COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL
ARTICLES OF ASSOCIATION
of
MacDougall of Dunollie Preservation Trust
(As Adopted)

1 Membership

- 1.1 The number of members with which the company proposes to be registered is unlimited.
- 1.2 The Charity must maintain a register of members.
- 1.3 Mrs Morag MacDougall Morley and her successors as the hereditary Clan Chief of the Clan MacDougall, together with not less than two other members of the MacDougall of Dunollie family shall be entitled to be members of the Charity (hereinafter referred to as "MacDougall of Dunollie Members").
- 1.4 In addition to MacDougall of Dunollie members, Membership of the Charity is open to any individual or organisation interested in supporting the Objects who:
 - 1.4.1 applies to the Charity in the form required by the Trustees;
 - 1.4.2 is approved by the Trustees;
 - 1.4.3 signs the register of members or consents in writing to become a member either personally or (in the case of a member organisation) through an authorised representative.
- 1.5 There shall be two categories of membership (a) Voting Members which shall include MacDougall of Dunollie Members and which category is open to any individual ordinarily resident in the United Kingdom, or organisation the majority of whose members are ordinarily resident in the UK; (b) Non-Voting Members (hereafter "Associate Members"), which category is open to any other individual or organisation interested in supporting the objects.

The Trustees may prescribe the respective privileges and duties of the two classes of membership, and set the amounts of any membership subscriptions.

- 1.6 Subject to the terms of 1.3, membership is terminated if the member concerned:
- 1.6.1 gives written notice of resignation to the Charity;
 - 1.6.2 dies or (in the case of an organisation) ceases to exist;
 - 1.6.3 in six months in arrears in paying the relevant subscription (if any) (but in such a case the member may be reinstated on payment of the amount due);
 - 1.6.4 is removed from membership by resolution of the Trustees on the ground that in their reasonable opinion the member's continued membership is harmful to the Charity (but only after notifying the member in writing and considering the matter in the light of any written representations which the member concerned puts forward within 14 clear days after receiving notice);
- 1.7 Membership of the Charity is not transferable.

2 General Meetings

- 2.1 Members are entitled to attend general meetings either personally, or (in the case of Voting Members), by Proxy, or (in the case of a member organisation) by an authorised representative.
- 2.2 Whilst actual attendance by Voting Members is to be encouraged at General Meetings, any Voting Member shall be entitled to complete one form of proxy to appoint a proxy to attend a General Meeting on his or her behalf, in respect of which the following apply:
- 2.2.1 a proxy need not be a Member;
 - 2.2.2 a proxy appointed to attend and vote at any meeting instead of a Voting Member shall have the same right as the Voting Member who appointed him or her to speak at the meeting and to vote thereat; and
 - 2.2.3 the form appointing the Proxy shall be in terms of Annex 1 to these Articles;
 - 2.2.4 no form of proxy shall be valid more than 12 months from the date it was granted.
- 2.3 General meetings are called in at least 21 clear days written notice specifying the business to be discussed.
- 2.2 There is a quorum at a general meeting if the number of voting members, proxies and authorised representatives personally present is at least 10.

- 2.3 The Chairman or (if the Chairman is unable or unwilling to do so) some other voting member elected by those present presides at a general meeting.
- 2.4 Except where otherwise provided by the Acts, every issue is decided by a majority of the votes cast.
- 2.5 Except for the chairman of the meeting, who has a second or casting vote in the event of a equal number of votes, every voting member present or nominated proxy or through an authorised representative has one vote on each issue.
- 2.6 A written resolution signed by all those entitled to vote at a general meeting is as valid as a resolution actually passed at a general meeting (and for this purpose the written resolution may be set out in more than one document and will be treated as passed on the date of the last signature).
- 2.7 The Charity must hold an AGM in every year which all members are entitled to attend. The first AGM must be held within 18 months after the Charity's incorporation.
- 2.8 At an AGM the members:
 - 2.8.1 receive the accounts of the Charity for the previous financial year;
 - 2.8.2 receive the Trustees' report on the Charity's activities since the previous AGM;
 - 2.8.3 accept the retirement of those Trustees who wish to retire or who are retiring by rotation;
 - 2.8.4 elect persons to be Elected Trustees to fill the vacancies arising;
 - 2.8.5 appoint auditors for the Charity unless the Charity is exempt from the requirement to appoint auditors;
 - 2.8.6 may confer on any individual (with his or her consent) the honorary title of Patron, President or Vice President of the Charity;
 - 2.8.7 discuss and determine any issues of policy or deal with any other business put before them.
- 2.9 Any general meeting which is not an AGM is an EGM.
- 2.10 An EGM may be called at any time by the Trustees giving at least 21 clear days written notice on a written request from at least 25 per cent of the voting members.

3 The Trustees

- 3.1 The Trustees have control of the Charity and its property and funds.
- 3.2 Unless otherwise determined by the members, there shall at no time be less than three Trustees and no more than eleven (in the case of the number of Trustees dropping below the quorum number of 5, their only duty shall be to seek appointment of additional Trustees).
- 3.3 The subscribers to the Memorandum are the first Trustees of the Charity.
- 3.4 Every Trustee must sign a declaration of willingness to act as a Trustee before he or she is eligible to vote at any meeting of the Trustees.
- 3.5 From and after the first General Meeting of the Company, the Board of Trustees shall comprise three MacDougall of Dunollie Trustees, six Elected Trustees and two Appointed Trustees as follows:
 - 3.5.1 Mrs Morag MacDougall Morley and her successors as the hereditary Clan Chief of the Clan MacDougall, together with not more than two other members of the MacDougall of Dunollie family, or persons nominated by the Clan Chief to represent the family, shall be entitled to be Trustees of the Charity (hereinafter referred to as "**MacDougall of Dunollie Trustees**")
 - 3.5.2 Up to six individual persons elected as Trustees by the Voting Members at a General Meeting, who must themselves be Voting Members, (hereafter "**Elected Trustees**".)
 - 3.5.3 Up to two Trustees selected from any individual or organisation interested in supporting the Objects appointed by the Trustees, (hereafter the **Appointed Trustees**) but a co-opted Trustee holds office only until the next AGM, but may be reappointed by the Trustees.
- 3.6 One third (or the number nearest one third) of the Trustees (excluding those Trustees appointed in terms of Article 3.8) must retire at each AGM, those longest in office retiring first and the choice between any of equal service being made by drawing lots.
- 3.7 A Trustee under Article 3.6 shall be eligible for re-election.
- 3.8 Mrs Morag MacDougall Morley or her successor as hereditary Clan Chief of the Clan MacDougall shall be entitled to appoint up to three MacDougall of Dunollie Trustees, and to remove such Trustees and appoint substitute Trustees by notice to the Secretary at any time. The retirement provisions in Article 3.6 do not apply to Trustees appointed under this Article 3.8.

- 3.7 Subject to the powers contained in 3.8 above, a Trustee's term of office automatically terminates if he or she:
- 3.7.1 is disqualified under the Acts, the 1990 Act or otherwise from acting as a Trustee;
 - 3.7.2 is incapable, whether mentally or physically, of managing his or her own affairs;
 - 3.7.3 is absent from four consecutive meetings of the Trustees;
 - 3.7.4 ceases to be a member (but such person may be reinstated by a resolution passed by all the other Trustees on resuming membership of the Charity before the next AGM);
 - 3.7.5 resigns by written notice to the Trustees;
 - 3.7.6 is removed by a resolution of the members present and voting at a general meeting after the meeting has invited the views of the Trustee concerned and considered the matter in the light of any such views.
- 3.8 The Trustees may at any time co-opt any person duly qualified to be appointed as a Trustee to fill a vacancy in their number or as an additional Trustee, but a co-opted Trustee holds office only until the next AGM.
- 3.9 A technical defect in the appointment of a Trustee of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

4 Proceedings of Trustees

- 4.1 The Trustees must hold at least four meetings each year.
- 4.2 A quorum at a meeting of the Trustees is five Trustees, a majority of whom shall be voted and/or appointed Trustees, but will include at least one MacDougall of Dunollie Trustee. No business shall be dealt with at a Board meeting unless such a quorum is present.
- 4.3 A Trustee shall not be counted in the quorum at a meeting (or at least the relevant part thereof) in relation to a resolution on which, whether because of personal interest or otherwise, he or she is not entitled to vote.
- 4.4 A meeting of the Trustees may be held either in person or by suitable electronic means agreed by the Trustees in which all participants may communicate with all the other participants.
- 4.5 The Chairman or (if the Chairman is unable or unwilling to do so) some other Trustee chosen by the Trustees present presides at each meeting.

- 4.6 The chairman of the Board meeting shall endeavour to achieve consensus wherever possible but, if necessary, questions arising shall be decided by being put to the vote, on a show of hands only, each Director present having one vote. In the event of an equal number of votes for and against any resolution at a Board meeting, the chairman of the meeting shall have a casting vote as well as a deliberative vote.
- 4.7 A written resolution signed by all the Trustees is as valid as a resolution passed at a meeting (and for this purpose the resolution may be contained in more than one document and will be treated as passed on the date of the last signature).
- 4.8 Meetings of the Board may take place in person or by telephone conference call, video conference call or by any other collective electronic means approved from time to time by the Board.
- 4.9 A procedural defect of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

5 Powers of Trustees

The Trustees have the following powers in the administration of the Charity:

- 5.1 to appoint (and remove) any member (who may be a Trustee) to act as Secretary to the Charity in accordance with the Acts;
- 5.2 to appoint a Chairman, Treasurer and other honorary officers from among their number;
- 5.3 to delegate any of their functions to committees consisting of two or more individuals appointed by them (but at least two members of every committee must be Trustees and all proceedings of committees must be reported promptly to the Trustees);
- 5.4 to making Standing Orders consistent with the Memorandum, these Articles, the Acts and the 1990 Act to govern proceedings at general meetings;
- 5.5 to make Rules consistent with the Memorandum, these Articles, the Act and the 1990 Act to govern proceedings at their meetings and at meetings of committees;
- 5.6 to make Regulations consistent with the Memorandum, these Articles, the Acts and the 1990 Act to govern the administration of the Charity;
- 5.7 to establish procedures to assist the resolution of disputes within the Charity;
- 5.8 to exercise any powers of the Charity which are not reserved to a general meeting.

6 Records & Accounts

6.1 The Trustees must comply with the requirements of the Acts and the 1990 Act as to keeping financial records, the audit of accounts (unless the Charity is exempt from the requirement to appoint auditors) and the preparation and transmission to the Registrar of Companies and the Office of the Scottish Charity Regulator of:

6.1.1 annual reports;

6.1.2 annual returns;

6.1.3 annual statements of account

6.2 The Trustees must keep proper records of:

6.2.1 all proceedings at general meetings;

6.2.2 all proceedings at meetings of the Trustees;

6.2.3 all reports of committees;

6.2.4 all professional advice obtained.

6.3 Accounting records relating to the Charity must be made available for inspection by any Trustee at any reasonable time during normal office hours and may be made available for inspection by members who are not Trustees if the Trustees so decide.

6.4 A copy of the Charity's latest available statement of account must be supplied on request to any Trustee or member, or to any other person who makes a written request, and pays the Charity's reasonable costs, within 28 days.

7 Notices

7.1 Notices under these Articles may be sent by hand, or by post or by suitable electronic means or (where applicable to members generally) may be published in any suitable journal or any appropriate local or national newspaper circulating in the area of benefit or any newsletter distributed by the Charity.

7.2 The only address at which a member is entitled to receive notices is the address shown in the Register of members.

7.3 Any notice given in accordance with these Articles is to be treated for all purposes as having been received:

7.3.1 24 hours after being sent by electronic means or delivered by hand to the relevant address;

7.3.2 two clear days after being sent by first class post to that address;

- 7.3.3 three clear days after being sent by second class or overseas post to that address;
 - 7.3.4 on the date of publication of a newspaper containing the notice;
 - 7.3.5 on being handed to the member (or, in the case of a member organisation, its authorised representative) personally: or, if earlier;
 - 7.3.6 as soon as the member acknowledges actual receipt
- 7.4 A technical defect in the giving of notice of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

8. Dissolution

The provisions of the Memorandum relating to dissolution of the Charity take effect as though repeated here.

9. Interpretation

In the Memorandum and in these Articles

9.1 "beneficiaries" means members of the Clan MacDougall

"the Acts" means the Companies Act 1985 and the Companies Act 1989

"the 1990 Act" means the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990

"AGM" means an annual general meeting of the Charity "these Articles" means these articles of association

"authorised representative" means an individual who is authorised by a member organisation to act on its behalf at meetings of the Charity and whose name is given to the Secretary

"Chairman" means the chairman of the Trustees

"the Charity" means the company governed by these Articles

"clear day" means 24 hours from midnight following the relevant event

"EGM" means an extraordinary general meeting of the Charity

"financial expert" means an individual, company or firm who is an authorised person or an exempted person within the meaning of the Financial Services Act

1986

"material benefit" means a benefit which may not be financial but has a monetary value

"member" and "membership" refer to membership of the Charity "Memorandum" means the Charity's Memorandum of Association "month" means calendar month

"the Objects" means the Objects of the Charity as defined in clause 3 of the Memorandum

"Secretary" means the Secretary of the Charity

"taxable trading" means carrying on a trade or business on a continuing basis for the principal purpose of raising funds and not for the purpose of actually carrying out the Objects

"Trustee" means a director of the Charity and "Trustees" means all of the directors

"written" or "in writing" refers to a legible document on paper including a fax message

"year" means calendar year

9.2 Expressions defined in the Acts and/or the 1990 Act have the same meaning

9.3 References to an Act of Parliament are to the Act as amended or re-enacted from time to time and to any subordinate legislation made under it.

ANNEX :

1) Instrument of Proxy

MacDougall of Dunollie Preservation Trust

Instrument of Proxy for Meeting Dated

At.....

Under Article 2.2 of the Constitution every Voting Member is entitled to one vote at Annual and Extraordinary General Meetings. If you are unable to attend such meetings Voting Members may appoint a proxy to vote in their place. Your 'proxy' need not be a member, or have anything to do with the Trust, they are just there in your place. Alternatively you may wish to name one of the existing Directors / Office bearers as your Proxy.

If you are eligible and wish to nominate a proxy, please fill in this part of the form. Either send it to *Post Code*, or, give it to your nominated proxy and ensure that they hand it to the Chairman prior to the commencement of the meeting.

Your Name (Block capitals)

I hereby declare that I wish to appoint a proxy on my behalf to attend and vote at the meeting dated..... and any adjournment thereof. The person who will represent me is :

(Please print their name)

And failing him or her

(Please print an alternative name)

I understand that this person has the same rights to vote and speak at the meeting as a Voting Member, and that in the event of my attendance at the meeting this Instrument of Proxy becomes void.

Signed (by you, the Member) **Date**

Registered Scottish Charity No. SC028091

A Company Limited by Guarantee and not having Share Capital. Registered in Scotland. Reg No.SC184105

Registered Office:

Messrs D M Mackinnon Solicitors, Bank Of Scotland Buildings, Station Rd, Oban, Argyll PA34 4LN