

**THE COMPANIES ACT 2006**

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

**ARTICLES OF ASSOCIATION**

**Of**

**PUBLISHING SCOTLAND\***

**\*Adopted by Special Resolution dated 9 December 2015**

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**INTERPRETATION**

1. In these Articles:

"the Act"	shall mean the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force.
"the Articles" or "these Articles"	shall mean the Articles of Association of the Company or such as are in force from time to time.
"the Company"	shall mean 'Publishing Scotland'
"clear days"	shall mean, in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given but including the day for which it is given or on which it is to take effect.
"the Directors"	shall mean the Directors for the time being as a body or a quorum of the Directors present at a Meeting of the Directors.
"the Executive Director"	shall mean the person appointed as Chief Executive for the time being of the Company.
"executed"	shall mean any mode of execution.
"office"	shall mean the registered office of the Company.
"Secretary"	shall mean the Secretary of the Company or any other person appointed to perform the duties of the Secretary of the Company, including a joint, assistant or deputy Secretary.

"United Kingdom

shall mean Great Britain and Northern Ireland.

Unless the context otherwise requires, words or expressions employed in these Articles bear the same meanings as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company.

Words denoting the masculine shall include the feminine. Words importing the singular shall include the plural and vice versa. Words denoting individuals shall include corporations.

## **OBJECTS**

2. The Company is established for the objects expressed in the Memorandum of Association.

## **MEMBERS**

3. The subscribers to the Memorandum of Association of the Company and such other persons and organisations as are admitted to membership in accordance with the Articles 7 to 10 shall be Members of the Company.
4. Any person who desires to be admitted to membership of the Company must sign or have signed on his/her behalf and deliver to the Company an application for admission framed in such terms as the Directors may require. The Directors shall have full discretion as to the admission and non-admission of any person to membership and shall not be bound to assign any reason for the non-admission of any person to such membership.
5. A member shall cease to be a member of the Company in any of the following circumstances:-
  - 5.1 By giving notice in writing, lodged at the office by 1st January for the membership year which will commence on 1st April of the same year; or
  - 5.2 If the member is demonstrated to have failed to comply with the Code of Practice for Publisher members, and a resolution to this effect is passed by the Board of Directors at a meeting convened to consider such resolution of which he/she shall have been given a reasonable opportunity of attending and being heard; or
  - 5.3 If he/she is removed from membership by a resolution of the Members passed by four-fifths of the votes cast upon such resolution at a meeting specially convened to consider such resolution of which he/she shall have been given a reasonable opportunity of attending and being heard; or
  - 5.4 If, being a firm, the estates of the firm or of any of the partners are sequestrated or the firm suspends or compounds with its creditors; or

- 5.5 If, being a corporation, it goes into liquidation, administration or receivership;  
or
- 5.6 failure by such Member to make payment of any sums lawfully due by  
such Member to the Company within six months of due date; or
6. A Member may not transfer his membership to any other person or organisation.

## **CATEGORIES OF MEMBERSHIP**

7. For the purposes of these articles
- A Publisher member means a member admitted under paragraph 8.
- A Network member means a member admitted under paragraph 9.
8. Subject to articles 3 to 5 PUBLISHER membership shall be open to the following:
- All Scottish book and print-based, online, electronic (including digital) publishers (i.e. publishers based in Scotland or publishers of predominantly Scottish material), as defined in membership information; content providers, packagers and organisations or institutions who produce or trade in books, and in intellectual property, including libraries, museums and galleries who publish in any format.
9. Subject to articles 3 to 5 NETWORK membership shall be open to the following:
- Non-publishing libraries, museums, galleries, heritage organisations, writers' organisations and other organisations, literary agents, companies and individuals working in the literary and artistic sectors in Scotland;
10. No more than one individual nominated by the governing body of the organisations in PUBLISHER or NETWORK categories may constitute a member of the company at any given time. Each organisation may nominate one alternate member to represent them but only one representative member may attend a general meeting.

## **SUBSCRIPTIONS**

11. All Members of the company shall be obliged to pay such entrance fees and annual subscriptions as may from time to time be resolved at any General Meeting. The subscription year will be from First April to Thirty-first March following. Members who leave the company will be liable to the full subscription for the next financial year unless they give notice of this intention by Thirty-first December.

## **GENERAL MEETINGS**

12. All general meetings other than annual general meetings shall be called extraordinary general meetings.
13. The Directors may call general meetings and, on the requisition of Members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting.

## **NOTICE OF GENERAL MEETINGS**

14. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a Director shall be called by at least twenty one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed:-
  - 14.1 In the case of an annual general meeting, by all the Members entitled to attend and vote thereat;
  - 14.2 The notice shall specify the time and place of the meeting and in the case of special business, only the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.
  - 14.3 The notice shall be given to all the Members and to the Directors and auditors.
15. The accidental omission to give notice of a meeting to, or the non-receipt of a notice of a meeting by, any person entitled to receive such notice shall not invalidate the proceedings at that meeting.
16. Every notice convening a general meeting shall comply with the provisions of Section 325 of the Act giving information to members in regard to their right to appoint proxies.

## **PROCEEDINGS AT GENERAL MEETINGS**

17. No business shall be transacted at any general meeting unless a quorum is present. Four persons entitled to vote upon the business to be transacted, each person being a Member, shall be a quorum.
18. If such a quorum is not present within thirty minutes from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or such other day and such other time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present within thirty minutes from the time appointed therefore the Members present shall be a quorum.
19. The Chairman of the Board of Directors or in his/her absence some other Director nominated by the Directors shall preside as Chairman of the meeting, but if neither the Chairman, nor such other Director (if any) be present within ten minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be Chairman and, if there is only one Director present and willing to act, he /she shall be Chairman.

20. If no Director is willing to act as Chairman, or if no Director is present within ten minutes after the time appointed for holding the meeting, the Members present and entitled to vote shall choose one of their numbers to be Chairman.
21. A Director shall, notwithstanding that he/she is not a Member, be entitled to attend and speak at any general meetings.
22. The Chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting) adjourn business from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
23. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:-
  - 23.1 by the Chairman; or
  - 23.2 by at least three Members having the right to vote at the meeting;
24. Unless a poll is duly demanded a declaration by the Chairman that a resolution has 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 minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
25. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the Chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
26. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman shall be entitled to a casting vote in addition to any other vote he/she may have.
27. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the Chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If the poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
28. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

## **VOTES OF MEMBERS**

29. Every PUBLISHER member shall have one vote to elect the designated number of PUBLISHER Directors to the Board, which may be given either personally (in the case of a member which is a firm or corporation via its duly authorised representative) or (whether on a show of hands or on a poll) in writing.
30. Every NETWORK member shall have one vote to elect the designated number of NETWORK Directors to the Board, which may be given either personally (in the case of a member which is a firm or corporation via its duly authorised representative) or (whether on a show of hands or on a poll) in writing.
31. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

## **NUMBER OF DIRECTORS**

32. The maximum number of directors shall be 12, including the Executive Director.

### **Elected Directors**

33. Subject to article 32, at any AGM the members may elect as a director (an "Elected Director") any individual who is a member of the company, or an officer or employee of a member of the company, and who has been nominated and seconded for election as a director, providing he/she is willing to act; in relation to such an election, the Publisher members may elect up to 5 directors and the Network members may elect up to 2 directors.
34. The directors may at any time fill any vacancy which exists in relation to the Elected Directors by appointing as a director (an "Elected Director") any individual who has been nominated by the category of member by which the retiring director was elected, providing he/she is willing to act. An Elected Director appointed by the directors under the provisions of this Article shall retire from office at the next AGM, but shall then be eligible for re-appointment by the members.

### **Co-opted Directors**

35. Subject to article 32, the directors may at any time appoint any individual to be a director (a "Co-opted Director"), providing he/she is willing to act, either on the basis that he/she brings specialist skills or networks which would be of assistance to the Board.
36. At the conclusion of a two-year term, the Co-opted Directors shall vacate office.
37. Immediately following each AGM the directors may reappoint any Co-opted Director who vacated office under the preceding Article at the conclusion of the AGM; the directors may alternatively appoint someone in his/her place to fill the vacancy. There shall be no limit on the number of times a Co-opted Director can be re-appointed.

## **POWERS OF DIRECTORS**

38. Subject to the provisions of the Act, the Memorandum and the Articles and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the Directors by the Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.
39. The Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his/her powers.

## **DELEGATION OF DIRECTOR'S POWERS**

40. The Directors may delegate any of their powers to any committee consisting of one or more Directors. They may also delegate to any Executive Director or any Director holding any other executive office such of their powers as they consider desirable to be exercised by him/her. Any such delegation may be made subject to any condition the Directors may impose and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceeding of a committee with two or more members shall be governed by the articles regulating the proceedings of Directors so far as they are capable of applying. The quorum of a committee with two members shall, unless otherwise specified by the Directors, be two.

## **APPOINTMENT AND RETIREMENT OF DIRECTORS**

41. At the first annual general meeting all the Directors shall retire from office but shall be eligible for re-election.
42. Subject to article 49 in respect of any director holding the office of Chair, at each annual general meeting, any Elected Directors who have served for a period of two years shall retire from office, but (subject to article 52) shall then be eligible for re-election for a further two years.
43. Not less than seven nor more than twenty eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a Director retiring by rotation at the meeting) who is recommended by the Directors for appointment or reappointment as a Director at the meeting or in respect of when notice has been duly given to the Company of the intention to propose him/her at the meeting for appointment or reappointment as a Director. The notice shall give the particulars of that person which would, if he/she were so appointed or re-appointed, be required to be included in the Company's Register of Directors.

44. Subject as aforesaid, the Company may by ordinary resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director and may also determine the rotation in which any additional Directors are to retire.
45. The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the articles as the maximum number of Directors. A Director so appointed shall hold office only until the next following annual general meeting. The above clause shall not apply to the Executive Director.

#### **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

46. The office of a Director shall be vacated if:-
  - 46.1 he/she, being an ex officio Director, ceases to hold the relevant office of entitlement; or
  - 46.2 he/she ceases to be a Director by virtue of any provision of the Act or he/she becomes prohibited by law from being a Director; or
  - 46.3 he/she becomes bankrupt or makes any arrangement or composition with the creditors thereof generally; or
  - 46.4 he/she ceases to be for whatever reason a member of the Company; or
  - 46.5 he/she becomes incapable for medical reasons of fulfilling the duties of his/her office and such incapacity has continued, or is expected to continue, for a period of more than six months, or
  - 46.6 he/she resigns office by notice to the Company, or
  - 46.7 he/she is convicted of an offence which is likely to bring the Company into disrepute, or
  - 46.8 he/she shall for more than six consecutive months have been absent without permission for the Directors from meetings of Directors held during that period and the Directors resolve that his/her office be vacated.
  - 46.9 his/her appointment is by virtue of his/her being an employee and representative of a Member of the Company and
    - 46.9.1 he/she ceases to be such an employee;
    - 46.9.2 his/her appointment as a representative of a Member of the Company is revoked by such member, or
    - 46.9.3 his/her employer or person he/she is representing ceases to be a Member of the Company
  - 46.10. he/she becomes an employee of the Company (other than the Executive Director)



46.11. he/she fails to adhere to the Code of Practice of the organisation

## **APPOINTMENTS TO OFFICES**

47. Directors shall be appointed to hold the offices of Chair, Vice-Chair and Treasurer, and any other offices which the directors may consider appropriate.
48. The appointments under article 47 shall be made at meetings of directors.
49. Each such office shall be held (subject to article 52) until conclusion of the annual general meeting which next follows the appointment, but a director holding such office shall then be eligible (subject to article 52 and to article 42 in the case of Vice-Chair and Treasurer) to be re-appointed to that office under article 47 (providing he/she is willing to act) for a further period ("the Additional Period") of:
  - (a) in the case of Vice-Chair or Treasurer, two years; and
  - (b) in the case of Chair, three years and thereafter, if determined by the directors, one further year.

For the avoidance of doubt, article 42 shall not apply to any director for so long as he/she holds the office of Chair.

50. A director who has served as holder of any office under article 47 shall automatically vacate that office on expiry of the Additional Period referred to in article 49. He/she shall then not be eligible for re-appointment to that office until a further year has elapsed, except for reasons of continuity or other exceptional reason where one additional year in office may be determined by the directors under articles 47 and 48.
51. For the purposes of articles 36, 42, 49 and 50:
  - (a) the period between the date of appointment of a director to any office and the annual general meeting which next follows shall be deemed to be a period of one year, unless it is of less than six months' duration (in which case it shall be disregarded).
  - (b) the period between one annual general meeting and the next shall be deemed to be a period of one year.
  - (c) If a director ceases to hold a particular office but is re-appointed to that office within a period of six months, he/she shall be deemed to have held that office continuously.

52. The appointment of any director to an office under article 47 shall terminate if he/she ceases to be a director or if he/she resigns from that office by notice to the company.
53. If the appointment of a director to any office under article 47 terminates, the directors shall appoint another director to hold the office in his/her place.

## **DIRECTORS' REMUNERATION AND EXPENSES**

54. The Directors may be paid at the discretion of the Board of Directors, all travelling, hotel and other expenses properly incurred by them in connection with their

attendance at meetings of Directors or committees of Directors or general meetings or otherwise in connection with the discharge of their duties.

## **DIRECTORS' APPOINTMENTS AND INTERESTS**

55. Subject to the provisions of the Act, the Directors may enter into an agreement or arrangement relating to the provision of any services outside the scope of the ordinary duties of a Director provided that any remuneration agreed to be paid there for shall not in any way be in contravention of Clause 4.3 of the Memorandum.
56. Subject to the provisions of the Act, and provided that he/she has disclosed to the Directors the nature and extent of any material interest of his/her, a Director notwithstanding his/her office:-
- 56.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested provide that no Director who has a contract of service or any other type of contract with the Company shall be entitled to vote in any matter relating to such contract or to vote on his/her appointment; or
- 56.2 may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
- 56.3 shall not, by any reason of his/her office, be accountable to the Company for any benefit which he/she derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangements shall be liable to be avoided on the ground of any such interest or benefit.
57. For the purposes of Article 56:-
- 57.1 a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of person is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- 57.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his/her.

## **PROCEEDINGS OF DIRECTORS**

58. Subject to the provisions of the Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors. It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote.

59. The quorum for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be four.
60. The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting.
61. Unless he/she is unwilling to do so, the Chair shall preside at every meeting of Directors at which he/she is present. But if there is no Director holding that office, or if the Director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be Chairman of the meeting.
62. All acts bona fide done by a meeting of Directors, or of a committee of Directors, or by a person acting as a Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and been entitled to vote.
63. A resolution in writing signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors.
64. If a question arises at a meeting of Directors or a committee of Directors as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the Chairman of the meeting and his/her ruling in relation to any Director other than himself shall be final and conclusive. If such a question arises in relation to the Chairman of such a meeting the question may be decided by a majority of Directors present, the presence of the Chairman not being counted in any such decision.

## **SECRETARY**

65. Subject to the provisions of the Act, the Secretary shall be appointed by the Directors for such a term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them.

## **MINUTES**

66. The Directors shall cause minutes to be made in books kept for the purpose: -
  - 66.1 of all appointments of officers made by the Directors; and
  - 66.2 of all proceedings at meetings of the Company, and of the Directors and of committees of Directors, including the names of the Directors present at each meeting.

## **NOTICES**

67. Any notice to be given to or by any person pursuant to the Articles shall be in writing.
68. The Company may give any notice to a Member either personally or by sending it by post in a pre-paid envelope addressed to the Member at his/her registered address or by leaving it at that address. A Member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such Member shall be entitled to receive any notice from the Company.
69. A Member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and where requisite, of the purposes for which it was called.
70. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that notice was given. A notice shall unless the contrary is proved, be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.

## **DISSOLUTION**

71. Clause 7 of the Memorandum of Association relating to the winding up and dissolution of the Company shall have effect as if the provisions thereof were repeated in the Articles.

## **INDEMNITY**

72. Subject to the provisions of the Act but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer or auditor of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution or discharge of the duties of this office or otherwise in relations thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his/her favour or in which he/she is acquitted or in connection with any application in which relief is granted to him by the Court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company and no Director or other officer or auditor of the Company shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his/her office or in relation thereto.

## **Name and Address of Subscriber**

CHRISTIAN MACLEAN

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Dated: 01 March 2007