

No of Company: SC290324

The Companies Act 1985

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

MEMORANDUM

and

ARTICLES of ASSOCIATION

of

SEALLADH NA BEINNE MOIRE

Anderson MacArthur
Solicitors
Old Bank of Scotland Buildings
Stornoway
Isle of Lewis

Tel : 01851 703356

Date of Incorporation: 14 September 2005

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

MEMORANDUM of ASSOCIATION

of

SEALLADH NA BEINNE MOIRE

1. The name of the Company (hereinafter called "the Company") is Sealladh na Beinne Moire.
2. The Registered Office of the Company is situated in Scotland.
3. The Company has been formed to benefit the community of all areas included within the current boundaries of South Uist Estates Ltd ie all postcode units which include the first three characters HS8 plus those postcode units beginning HS7 and followed by: 5QG, 5QB, 5QH, 5PG, 5PQ, 5PW, 5QP, 5QA, 5PN, 5PS, 5QD, 5PR, 5QS, 5QF, 5QR, 5PJ, 5PY, 5LU, 5PT, 5QJ, 5PH, 5PL, 5PP, 5PZ, or 5QL. (**"the Community"**) with the following objects (**"the Objects"**):

To promote for the public benefit rural regeneration, following principles of sustainable development, where "sustainable development" means development which meets the needs of the present without compromising the ability of future generations to meet their own needs, in areas of social and economic deprivation within the Community by all or any of the following means:

- (a) the relief of poverty in such ways as may be thought fit;
- (b) the relief of unemployment in such ways as may be thought fit, including assistance to find employment;
- (c) the advancement of education, training or retraining, particularly amongst unemployed people, and providing unemployed people with work experience;

- (d) the creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;
- (e) the provision of housing for those who are in conditions of need and the improvement of housing in the public sector or in charitable ownership provided that such power shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing;
- (f) the advancement of the education of the Community about it's environment, culture and/or history, with particular attention to be paid to the Community's Gaelic heritage, language and culture;
- (g) the maintenance, improvement or provision of public amenities;
- (h) the preservation of buildings or sites of historic or architectural importance;
- (i) the provision or assistance in the provision of recreational facilities for the public at large and/or those who, by reasons of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;
- (j) the protection or conservation of the environment;
- (k) the provision of public health facilities and childcare.

4. The company shall have the following powers, but only in furtherance of the Objects (and wherein reference to "**property**" means any property, assets or rights, heritable or moveable, wherever situated).

- (a) To encourage and develop a spirit of voluntary or other commitment by, or co-operation with, individuals, unincorporated associations, societies, federations, partnerships, corporate bodies, agencies, undertakings, local authorities, unions, co-operatives, trusts and others and any groups or groupings thereof willing to assist the Company to achieve the Objects.

- (b) To promote and carry out research, surveys and investigations and to promote, develop and manage initiatives, projects and programmes.
- (c) To provide advice, and consultancy, training, tuition, expertise and assistance.
- (d) To prepare, organise, promote and implement training courses, exhibitions, lectures, seminars, conferences, events and workshops, to collect, collate, disseminate and exchange information and to prepare, produce, edit, publish, exhibit and distribute articles, pamphlets, books and other publications, tapes, motion and still pictures, music and drama and other materials, all in any medium.
- (e) To register an interest in land and to exercise the right to buy under the Land Reform (Scotland) Act 2003 including any statutory amendment or re-enactment thereof for the time being in force (“**the Land Reform Act**”).
- (f) To purchase, take on lease, hire, or otherwise acquire any property suitable for the Company and to construct, convert, improve, develop, conserve, maintain, alter and demolish any buildings or erections whether of a permanent or temporary nature, and manage and operate or arrange for the professional or other appropriate management and operation of the Company’s property.
- (g) To sell, let, hire, license, give in exchange and otherwise dispose of all or any part of the property of the Company.
- (h) To establish and administer a building fund or funds or guarantee fund or funds or endowment fund or funds.
- (i) To employ, contract with, train and pay such staff (whether employed or self-employed) as are considered appropriate for the proper conduct of the activities of the Company.
- (j) To take such steps as may be deemed appropriate for the purpose of raising funds for the activities of the Company.

- (k) To accept subscriptions, grants, donations, gifts, legacies and endowments of all kinds, either absolutely or conditionally or in trust.
- (l) To borrow or raise money for the Objects and to give security in support of any such borrowings by the Company and/or in support of any obligations undertaken by the Company.
- (m) To set aside funds not immediately required as a reserve or for specific purposes.
- (n) To invest any funds which are not immediately required for the activities of the Company in such investments as may be considered appropriate, which may be held in the name of a nominee Company under the instructions of the Board of Directors, and to dispose of, and vary, such investments.
- (o) To make grants or loans of money and to give guarantees.
- (p) To establish, manage and/or support any other charitable organisation, and to make donations for any charitable purpose falling within the Objects.
- (q) To establish, operate and administer and/or otherwise acquire any separate trading company or association, whether charitable or not.
- (r) To enter into any arrangement with any organisation, government or authority which may be advantageous for the purposes of the activities of the Company and to enter into any arrangement for co-operation, mutual assistance, or sharing profit with any charitable organisation.
- (s) To enter into contracts to provide services to or on behalf of others.
- (t) To effect insurance of all kinds (which may include indemnity insurance in respect of Directors and employees).
- (u) To oppose, or object to, any application or proceedings which may prejudice the interests of the company.

- (v) To pay the costs of forming the Company and its subsequent development
 - (w) To carry out the Objects as principal, agent, contractor, trustee or in any other capacity.
 - (x) To do anything which may be incidental or conducive to the Objects so long as these are charitable.
- 5.A. The income and property of the Company shall be applied solely towards promoting the Objects and shall not belong to the members. Any surplus income or assets of the Company are to be applied for the benefit of the Community.
- B. No part of the income or property of the Company shall be paid or transferred (directly or indirectly) to the members of the Company, or to any other individual, whether by way of dividend, bonus, or otherwise, except in relation to Clause 5.D.
- C. No Director shall be appointed as a paid employee of the Company.
- D. No benefit (whether in money or in kind) shall be given by the Company to any member or Director except the possibility of:
- (i) repayment of out-of-pocket expenses to Directors (subject to prior agreement by the Board of Directors); or
 - (ii) reasonable remuneration to any member or Director in return for specific services actually rendered to the Company (not being of a management nature normally carried out by a director of a company); or
 - (iii) payment of interest at a rate not exceeding the commercial rate on money lent to the Company by any member or Director; or
 - (iv) payment of rent at a rate not exceeding the open market rent for property let to the Company by any member or Director; or

(v) the purchase of property from any member or Director provided that such purchase is at or below market value or the sale of property to any member or Director provided that such sale is at or above market value.

(vi) and in any such event the terms of Articles 39-41 shall specifically apply.

6.A. The liability of all members of the Company is limited.

B. Every member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the property of the Company if it should be wound up whilst he, she or it is a member or within one year after he, she or it ceases to be a member (for whatever reason), for payment of its debts and liabilities contracted before he, she or it ceases to be a member, and of the costs, charges and expenses of winding up.

7.A. The winding-up of the Company may take place only on the decision of not less than 75% of its Ordinary Members who are present and voting at a General Meeting called specifically (but not necessarily exclusively) for the purpose.

B. If, on the winding-up of the Company, any property remains, after satisfaction of all its debts and liabilities, such property (including any land acquired by it in terms of the Land Reform Act) shall be given or transferred to such other community body or bodies or crofting community body or bodies as may be approved by the Scottish Ministers, under declaration that if the Company is a charity at or before the time of its winding up, then the community body or bodies or crofting community body or bodies referred to above must also be a charity or charities.

C. In Clause 7, “community body” and “crofting community body” have the meanings ascribed to them respectively in Sections 34 and 71 of the Land Reform Act.

D. If no such community body or crofting community body is so approved in terms of Clause 7B hereof, such property referred to in Clause 7A hereof shall be transferred to the Scottish Ministers or to such charity or charities having the same or similar objects to the Objects as the Scottish Ministers may direct.

8. The definitions included in Article 2 are incorporated into the Memorandum.

We, the subscribers to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum.

Names and Addresses of Subscribers:

Michael Ian Ferris
12 Springfield Road
Stornoway
Isle of Lewis
HS1 2PT

Stewart Macaulay MacDonald
Flat 5
21 Francis Street
Stornoway
Isle of Lewis
HS1 2ND

Dated: 12 September 2005

Witness to the above signatures:

Jean Margaret Mackenzie
58 Balallan
Isle of Lewis
HS2 9PT