

**MEMORANDUM OF ASSOCIATION
AND
ARTICLES OF ASSOCIATION
OF
FEDERATION FOR INDUSTRY SECTOR SKILLS &
STANDARDS
REGISTERED NUMBER SC175918
INCORPORATED IN SCOTLAND UNDER
THE COMPANIES ACTS**

MEMORANDUM OF ASSOCIATION

OF

**FEDERATION FOR INDUSTRY SECTOR SKILLS &
STANDARDS**

A PRIVATE LIMITED COMPANY

LIMITED BY GUARANTEE

INCORPORATED IN SCOTLAND UNDER

THE COMPANIES ACT

AMENDED by SPECIAL RESOLUTION dated 13 October 2020

- 1 The name of the Company (hereinafter called “the Company”) is “**FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS**”
- 2 The registered office of the Company is to be situated in Scotland
- 3 The objects for which the Company is established are
 - 3.1 To advance the education of employed and unemployed persons by promoting, organising and delivering skills development.
 - 3.2 And the Company shall have the following powers exercisable in furtherance of its said objects but not otherwise, namely
 - 3.2.1 Promote the views of employers to those who develop skills policy and skills standards
 - 3.2.2 Provide systems that support the delivery of skills in the UK and overseas
 - 3.2.3 Provide insight and intelligence about skills and economic growth
 - 3.2.4 Delivery of skills developing activities relating to apprenticeship services
 - 3.2.5 Promote the exchange of best practice in the development of skills policy and in labour market solutions to economic issues in the UK and overseas
 - 3.2.6 To do all such other things as are incidental to the attainment or furtherance of the said objects of any of them

- 4 The income and property of the Company shall be applied solely towards the promotion of its objects 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 Members of the Company and no member of its Board of Directors except the Chairperson of the Board shall be appointed to any office of the Company paid by salary or fees, or receive any remuneration or other benefit in money or money's worth from the Company other than in respect of reasonable and proper expenses for any services rendered to the Company

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

- 4.1 of reasonable and proper remuneration to any Member, officer or servant of the Company (not being a member of its Board of Directors) for any services rendered to the Company except the Chairperson of the Board,
- 4.2 of interest at a rate not exceeding 2 per cent per annum over the base rate for the time being of the Bank of Scotland on money lent or reasonable and proper rent for premises or property demised or let by any Member of the Company or of its Board of Directors,
- 4.3 of any premium in respect of indemnity insurance under Article 71 of the Articles of Association with which the Company is incorporated,
- 4.4 to any member of its Board of Directors of out of pocket expenses
- 5 No addition, alteration or amendment shall be made to or in the provisions of the Memorandum or Articles of Association for the time being in force, which would have the effect that the Company shall cease to be a Company to which Section 30 of the Companies Act applies
- 6 The liability of the Members is limited
- 7 Every Member of the Company undertakes to contribute such amount as may be required (not exceeding one pound) to the assets of the Company's debts and liabilities contracted before he ceased to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories amongst themselves
- 8 If the Company is wound up or dissolved and after all its debts and liabilities have been satisfied there remains any property it shall not be paid to or distributed among the Members of the Company, but shall be given or transferred to some other charity or charities, having objects similar to the Company's objects, which prohibits the distribution of its or their income and property to an extent at least as great as is imposed on the Company by Clause 4 above, chosen by the Members of the Company at or before the time of dissolution and if and in so far as effect cannot be given to this provision then to some other charitable object

- 9 Words and expressions used herein shall have the same meanings (where the context permits) as they are given in the Articles of Association with which the Company is incorporated

Registered Number: SC175918

**A PRIVATE LIMITED COMPANY
LIMITED BY GUARANTEE
INCORPORATED IN SCOTLAND UNDER
THE COMPANIES ACTS**

Adopted by Special Resolution on 13th October 2020

ARTICLES OF ASSOCIATION

– of –

FEDERATION FOR INDUSTRY SECTOR SKILLS & STANDARDS

DEFINITIONS AND INTERPRETATIONS

1.1 In these Articles, the words and expressions below shall have the following meanings unless the context requires otherwise:

“the Act”	means the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force;
“the Articles”	means these Articles of Association, and the regulations of the Company from time to time in force;
“Associate Member”	means any party admitted to associate membership of the Company pursuant to Article 4;
“Audit Committee”	means the audit committee of the Board appointed pursuant to Article 74;
“the Board”	means the Board of Directors for the time being of the Company;
“Board Appointee Director”	shall have the meaning given to it in Article 50;

“Casual Vacancy”	shall have the meaning given to it in Article 50;
“CEO”	means the CEO of a Full Member;
“Chairperson”	means the Chairperson of a Full Member;
“Chairperson of the Board”	means the person selected by the Board who shall be independent and free of any financial association with any Member or Associate Member;
“Chief Executive”	the chief executive of the Company from time to time;
“Circulation Date”	has the meaning given to it in Section 290 of the Act;
“clear days”	means, in relation to a period of notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
“the Council”	means the Full Members comprising the Chair and the CEO of each Full Member
“the Company”	means the Federation for Industry Sector Skills & Standards ;
“Director”	means any person who is a director of the Company;
“Full Member”	means any party admitted to full membership of the Company pursuant to Article 3;
“General Meeting”	means a general meeting including, unless otherwise specified, an Annual General Meeting of Full Members pursuant to the Act;
“in writing”	means written, printed or lithographed, or partly one and partly another, and other modes of representing or producing words in a visible form;
“Members”	means the Full Members and Associate Members;

“month”	means a calendar month;
“Proxy Notice”	shall have the meaning given to it in Article 28;
“the Registered Office”	means the registered office of the Company;
“United Kingdom”	means the United Kingdom of Great Britain and Northern Ireland; and
“year”	means a calendar year.

- 1.2 Any words importing the singular number only shall include the plural number, and vice versa.
- 1.3 Words importing the masculine gender shall include the feminine gender.
- 1.4 Words importing persons shall include corporations.
- 1.5 Subject as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meanings in the Articles.
- 1.6 All references in these Articles to Sections or sub-sections of the Act shall unless clearly stated to the contrary refer to the section or sub-section numbers of the Companies Act 2006.
2. The Company is established for the purposes expressed in the Memorandum of Association.

MEMBERSHIP

3. Full Membership of the Company shall be open to employer led sectoral organisations with a remit in relation to Skills. Full Membership shall be subject to the agreement of the Board.
4. Associate Membership of the Company shall be open to organisations with a significant part of their business involved in the development of skills. Membership shall be subject to the agreement of the Board. For the avoidance of doubt, Associate Members shall not have the right to attend, speak or vote at General Meetings of the Company.
5. Members may resign from the Company at any time on giving not less than three months’ notice in writing.
6. Any Member which ceases for any reason to be an employer led sectoral organisation with a remit in relation to Skills shall automatically cease to be a Member.

LIABILITY OF MEMBERS

7. Members shall be liable for an annual subscription to the Company at such rate and payable on such terms as may be determined by the Board. A Member may be suspended or excluded by the Board for non-payment of subscriptions.
8. Members shall be liable for the full subscription for each financial year.
9. Members shall have no liability to the Company except in the following circumstances:
 - 9.1 Members shall be liable for the subscriptions due under Article 7; and
 - 9.2 every Member undertakes to contribute such amount as may be required (not exceeding one pound) to the assets of the Company if it should be wound up while he is a Member, or within one year after he ceases to be a Member, for payment of the Company's debts and liabilities contracted before he ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

GENERAL MEETINGS

10. The Company shall hold a General Meeting in every year as its Annual General Meeting at such time and place as may be determined by the Board, and shall specify the Annual General Meeting as such in the notices calling it. The Annual General Meeting shall be held to coincide with the meeting of the Council.
11. The Board may whenever it thinks fit convene a General Meeting other than Annual General Meetings, and such General Meetings shall also be convened by requisition of the Full Members, or in default may be convened by such requisitionists who are Full Members, as provided by Section 303 of the Act.
12. There shall be twenty-one clear days' notice in writing at the least of every Annual General Meeting and of every other General Meeting convened to pass a Special Resolution, and fourteen clear days' notice in writing at the least of every other General Meeting, specifying the place, the day and the hour of meeting, and in the case of special business, the general nature of that business, shall be given in the manner hereinafter mentioned to Full Members and to such persons (including the Auditors) as are under these Articles or under the Act entitled to receive such notice from the Company.
13. A General Meeting may be called by shorter notice than that otherwise required if shorter notice is agreed by at least 95 per cent of the Full Members having the right to attend and vote thereat.
14. The accidental omission to give notice of a General Meeting to, or the non-receipt of such notice by any person entitled to receive notice thereof, shall not invalidate any resolution passed, or proceeding had, at any such General Meeting.

PROCEEDINGS AT GENERAL MEETINGS

15. All business shall be deemed special that is transacted at a General Meeting other than Annual General Meetings, and all that is transacted at an Annual General Meeting shall also be deemed special, with the exception of the consideration of the income and expenditure account and balance sheet, and the reports of the Board and the Auditors, and the appointment of, and fixing of the remuneration of, the Auditors.
16. No business shall be transacted at any General Meeting unless a quorum is present when the General Meeting proceeds to business. Save as herein otherwise provided not less than 50 per cent. (rounded down as appropriate) of all Full Members personally present shall be a quorum. A duly authorised representative or representatives of a Full Member appointed in accordance with the provisions of Section 323 of the Act shall count towards the calculation of the quorum.
17. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the General Meeting, if convened on the requisition of Full Members, shall be dissolved. In any other case it shall stand adjourned to be reconvened as soon as possible at a venue to be decided by the Board.
18. The Chairperson of the Board shall preside as Chairperson at every General Meeting, but if he shall not be present within fifteen minutes after the time appointed for holding the General Meeting, the Full Members present shall choose some member of the Board, or if no such member be present, or if all the members of the Board present decline to take the chair, they shall choose some Full Member who shall be present to preside.
19. The Chairperson may, with the consent of any General Meeting at which a quorum is present (and shall if so directed by the General Meeting) adjourn the General Meeting from time to time, and from place to place, but no business shall be transacted at any adjourned General Meeting, other than the business which might have been transacted at the General Meeting from which the adjournment took place. Whenever a General Meeting is adjourned for thirty days or more, notice of the adjourned General Meeting shall be given in the same manner as for an original General Meeting. Save as aforesaid, the Full Members shall not be entitled to any notice of an adjournment, or of the business to be transacted at an adjourned General Meeting.
20. At any General Meeting a resolution put to the vote of the General Meeting shall be decided on a show of hands, unless a poll is, before or upon the declaration of the result of the show of hands, demanded by the Chairperson or by at least three Full Members present or by Full Members present and representing one-tenth of the total voting rights of all the Full Members having the right to vote at the General Meeting, and unless a poll be so demanded, a declaration by the Chairperson of the General Meeting that a resolution has been carried, unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect, and an entry in the minute book of the Company to that effect 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.

21. If a poll be demanded in manner aforesaid, it shall be taken at such time and place, and in such manner, as the Chairperson of the General Meeting shall direct, and the result of the poll shall be deemed to be the resolution of the General Meeting at which the poll was demanded.
22. No poll shall be demanded on the election of a Chairperson of a General Meeting, or on any question of adjournment.
23. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairperson of the General Meeting shall be entitled to a second or casting vote.
24. The demand for a poll shall not prevent the continuance of a General Meeting for the transaction of any business other than the question on which a poll has been demanded.

VOTES OF FULL MEMBERS

25. Every Full Member shall have one vote and shall be entitled to vote on all resolutions put to all General Meetings of the Company.
26. No objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is tendered, and every vote not disallowed at the General Meeting shall be valid. Any objection made in due time shall be referred to the Chairperson whose decision shall be final and conclusive.

PROXY RIGHTS

27. A Full Member is entitled to appoint another person as its proxy to exercise all of its rights to attend, speak and vote at a General Meeting of the Company.

CONTENT OF PROXY NOTICES

28. Proxies may only validly be appointed by a notice in writing (a "Proxy Notice") which:
 - 28.1 states the name and address of the Full Member appointing the proxy;
 - 28.2 identifies the person appointed to be that Full Member's proxy and the General Meeting in relation to which that person is appointed;
 - 28.3 is signed by or on behalf of the Full Member appointing the proxy, or is authenticated in such manner as the Board may determine; and
 - 28.4 is received by the Company not less than 48 hours before the time for holding the General Meeting or adjourned General Meeting at which the proxy appointed pursuant to the Proxy Notice proposes to vote, and any Proxy Notice received by the Company less than 48 hours before the time for holding such General Meeting or adjourned General Meeting shall be invalid.

29. The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.
30. Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions. A proxy must vote in accordance with any instructions given by the Full Member by whom the proxy is appointed.
31. Unless a Proxy Notice indicates otherwise, it must be treated as:
 - 31.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the General Meeting, and
 - 31.2 appointing that person as a proxy in relation to any adjournment of the General Meeting to which it relates as well as the General Meeting itself.

DELIVERY OF PROXY NOTICES

32. A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a General Meeting remains so entitled in respect of that General Meeting or any adjournment of it, even if a valid Proxy Notice has been delivered to the Company by or on behalf of that person.
33. An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given.
34. A notice revoking a proxy appointment only takes effect if it is delivered before the start of the General Meeting or adjourned General Meeting to which it relates.
35. If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

REPRESENTATION OF FULL MEMBERS AT GENERAL MEETINGS

36. A Full Member may authorise a person or person to act as its representative or representatives at any General Meeting of the Company in accordance with Section 323 of the Act.

WRITTEN RESOLUTIONS

37. A resolution of the Full Members of the Company may only be passed:
 - 37.1 at a General Meeting in accordance with Chapter 3 of Part 13 of the Act and these Articles; or

- 37.2 as a written resolution in accordance with Chapter 2 of Part 13 of the Act and these Articles.
38. A written resolution of the Full Members of the Company is a resolution that is passed by;
- 38.1 in the case of a written ordinary resolution, at least a simple majority; and
- 38.2 in the case of a written special resolution, at least 75 per cent;
- of the Full Members who would have been entitled to vote on the resolution on the Circulation Date of the resolution.
39. A Full Member shall be taken to have signified its agreement to a proposed written resolution when the Company receives from it (or from someone acting on its behalf) an authenticated document in hard copy form or in electronic form identifying the resolution to which it relates and indicating its agreement to the resolution.
40. A proposed written resolution shall lapse if the requisite majority of Full Members have not signified their agreement to it before the expiration of 28 clear days beginning with the Circulation Date of the resolution.

COMPOSITION OF BOARD

41. Not used.
42. The Board shall comprise not more than 12 Directors, otherwise appointed or elected in accordance with these Articles.
43. Save in the cases of the Chairperson of the Board, no person other than a CEO of a Full Member or a person nominated by a Full Member and approved by the Board is eligible to be elected or appointed to the Board.
44. The Board shall be entitled to appoint and remove at any time by notice to the Company a person or persons whose skills the Board consider would be useful to the Board to attend meetings of the Board and committees thereof as it directs in a purely advisory capacity. Such persons shall be given such notice of such meetings and such agendas, minutes and other papers relating to those meetings as the Board determines. Such persons shall not be a Director and therefore shall have no voting rights.

RETIREMENT BY ROTATION

45. Subject to Article 48, with effect from the conclusion of every Annual General Meeting beginning with the conclusion of the third Annual General Meeting following the adoption of these Articles, one third of the Directors shall retire from office or, if their number is not three or a multiple of three, the number nearest to but not more than one third.

46. Subject to Article 48, the Directors to retire in accordance with Article 45 shall be those Directors who have been longest in office since their last election but, so far as is necessary to obtain the numbers required to retire, as between persons whose last election took place on the same day, those to retire shall be determined by lot.
47. A Director retiring by rotation shall be eligible for re-election if nominated by a Full Member in accordance with Article 51.
48. A Director shall not be subject to the provisions for retirement by rotation in Articles 45 to 47 for as long as he holds the office of Chairperson.

VACATION OF OFFICE BY DIRECTORS

49. Without prejudice to the provisions for retirement by rotation in Articles 45 to 48, a Director shall vacate office if:
 - 49.1 save in the cases of the Chairperson of the Board, he ceases to be a CEO of a Full Member or a person nominated by a Full Member and approved by the Board;
 - 49.2 save in the cases of the Chairperson of the Board, the Full Member of which he a CEO or a person nominated by a Full Member and approved by the Board ceases to be a Full Member or is excluded or suspended for any period of time from membership of the Company;
 - 49.3 save in the cases of the Chairperson of the Board, he is removed from office by notice in writing delivered to the Company by the Full Member of which he is a CEO or a person nominated by a Full Member and approved by the Board;
 - 49.4 he resigns his office by notice in writing delivered to the Company or tendered at a meeting of the Board;
 - 49.5 he is removed from office by a resolution of the Full Members in accordance with Section 168 of the Act or ceases to hold office by virtue of any other provision of the Act or becomes prohibited by law from being a director of a company;
 - 49.6 he is absent without the permission of the Board from:
 - 49.6.1 more than three consecutive meetings of the Board; or
 - 49.6.2 at least 50 per cent. of the meetings of the Board held in 12 consecutive months,and the Board resolves that his office be vacated;
 - 49.7 he becomes bankrupt or suspends payment of his debts or compounds with or makes an assignment of his property or his debts for the benefit of his creditors;

- 49.8 he becomes of unsound mind;
- 49.9 he is convicted of an offence of dishonesty; or
- 49.10 he dies.
50. A casual vacancy arising as a result of a Director vacating office in accordance with Article 49 (a “Casual Vacancy”) may be filled by the Board appointing a director as an individual who is a Chair or a CEO of a Full Member or, in the case of the Chairperson of the Board, any person (a “Board Appointee Director”). Such a Board Appointee Director shall hold office only until the conclusion of the next following Annual General Meeting, when he shall retire, and he shall not be taken into account when determining the members of the Board who are to retire by rotation at the conclusion of such Annual General Meeting. A retiring Board Appointee Director shall be eligible for re-election as a Director if nominated by a Full Member in accordance with Article 51, save in the case of the Chairperson of the Board who shall be eligible for re-appointment by the Board as the Chairperson in accordance with Article 55.

NOMINATIONS BY MEMBERS

51. Any Full Member may nominate the CEO of any Full Member or a person nominated by a full member and approved by the Board for election to the Board pursuant to Article 52. A Full Member may nominate its own Chairperson and/or CEO. A Full Member may make one or, if it wishes (and there are at least two vacancies to be filled on the Board), two nominations.
52. A nomination pursuant to Article 51 shall:
- 52.1 be in such form as may be prescribed by the Board;
- 52.2 be signed both by the nominating Full Member and by the nominated CEO or a person nominated by a Full Member and approved by the Board;
- 52.3 be accompanied by a concise curriculum vitae of the nominated CEO or a person nominated by a Full Member and approved by the Board;
- 52.4 in the case of a nominated individual being both a Chairperson and a CEO of a Full Member, specify in which capacity the individual is being nominated; and
- 52.5 be delivered to the Company by a date specified by the Board in advance of the relevant election.

ELECTION BY MEMBERS

53. An election shall be held in advance of or at any Annual General Meeting at the conclusion of which Directors (save in the cases of the Chairperson of the Board) are required to retire under Articles 45, 46 and 50 or, there would otherwise be vacancies

on the Board (save in the cases of the Chairperson of the Board), in order to fill any such vacancies.

54. Elections pursuant to Article 53 shall be conducted solely in respect of individuals duly nominated pursuant to Articles 51 and 52 and in accordance with an election procedure stipulated by the Board from time to time.

NOMINATIONS BY BOARD

55. The Board may propose a Director appointment by ordinary resolution. A maximum of six Directors may be appointed by this process in any one year.

CHAIRPERSON

56. The Board shall have the office of Chairperson. The Board shall appoint any persons it sees fit to be Chairperson. The Chairperson shall be appointed for a term of three years.
57. Not used.
58. Not used.
59. Unless otherwise agreed by the Board, no individual may serve as Chairperson for more than two consecutive Terms.
60. Subject to Article 59, an individual who has served as Chairperson for more than two consecutive Terms shall be eligible to be re-appointed by the Board as Chairperson for as long as there has been a break of at least two years since he last vacated the office of Chairperson.

61. The Chairperson of the Board shall be independent of the interests of the Members and Associate Members. The Chairperson can be remunerated. He may only be remunerated if such remuneration is in accordance with the provisions of the Charities and Trustee Investment (Scotland) Act 2005 including any statutory modification or re enactment thereof for the time being in force. The Board will set and monitor a series of objectives and targets for the Chairperson. The Board will set the level of remuneration annually and review performance every six months.

POWERS OF DIRECTORS

62. The business of the Company shall be managed by the Board who may pay all such expenses of, and preliminary and incidental to, the promotion, formation, establishment and registration of the Company as they think fit, and may exercise all such powers of the Company, and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by the act or by the Articles required to be exercised or done by the Company in General Meeting, subject nevertheless to any regulation of the Articles, to the provisions of the Act and to such regulations, being not inconsistent with the aforesaid regulations or 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 such regulation had not been made.
63. The members for the time being of the Board may act notwithstanding any vacancy in their body, provided always that in case the members of the Board shall at any time be or be reduced in number to less than the minimum number prescribed by or in accordance with the Articles, it shall be lawful for them to act as the Board for the purpose of admitting persons to membership of the Company, filling up vacancies in their body, or of summoning a General Meeting, but not for any other purpose.

PROCEEDINGS OF THE DIRECTORS

64. Each member of the Board shall have one vote on a resolution proposed at a meeting of the Board. The Chairperson shall have a second or casting vote in the event of equality.
65. The Board shall meet at least four times a year.
66. The quorum for meetings of the Board shall be 50 per cent. (rounded down as appropriate) of the total number of Directors in office from time to time.
67. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit, necessary for the transaction of business. Meetings of the Board may be held by conference call or video conferencing or any other audio visual means. Questions arising at any meeting of the Board shall be decided by a majority of votes.

68. A member of the Board may, and on the request of a member of the Board the Company Secretary shall, at any time, summon a meeting of the Board by notice served upon the several members of the Board. A member of the Board who is absent from the United Kingdom shall not be entitled to notice of a meeting of the Board.
69. A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers and discretion by or under the regulations of the Company for the time being vested in the Company generally.
70. The Board may delegate any of their powers to committees consisting of such member or members of the Board and/or such Full Member or Full Members of the Company and/or such other parties as the Board thinks fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any terms of reference and any regulations imposed on it by the Board from time to time as the Board thinks fit. The meetings and proceedings of any such committee shall be governed by the provisions of the Articles for regulating the meetings and proceedings of the Board so far as applicable and so far as the same shall not be superseded by any terms of reference and any regulations made by the Board.
71. All acts bona fide done by any meeting of the Board or of any committee of the Board or by any person acting as a member of the Board, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such member 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 or had duly continued in office and was qualified to be a member of the Board.
72. The Directors shall cause proper records to be kept of all written resolutions (and of signatures). The Directors shall cause proper minutes to be made of all appointments of officers made by the Directors and of the proceedings of all General Meetings and of meetings of the Board and committees of the Board, and all business transacted at such meetings. All such records (and signatures) and minutes shall be entered in books provided for the purpose. Any such record purporting to be signed by a Director or by the Company Secretary shall be evidence of the proceedings and until the contrary is proved the requirements of the Act with respect to those proceedings shall be deemed to be complied with. Any such minutes of any meeting, if purporting to be signed by the Chairperson of such meeting, or by the Chairperson of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated.
73. The Chairperson and members of a committee of the Board may be paid such reasonable and proper expenses as the Board may decide subject to the provision by the person concerned of the relevant receipts duly authorised in accordance with the procedures laid down from time to time by the Board.

FINANCE, AUDIT AND RISK COMMITTEE

74. The Board shall create a Finance, Audit and Risk Committee and appoint the Chairperson of the Finance, Audit and Risk Committee. The membership and terms of reference of the Finance, Audit and Risk Committee shall be determined and reviewed by the Board and amended from time to time at the discretion of the Board.

APPOINTMENT OF STANDING COMMITTEES

75. The members of all standing committees of the Board shall be appointed for a term of two years. Members of such committees shall not be entitled to serve a second consecutive term except with the unanimous approval of the Full Members.

OTHER COMMITTEES

76. The Board shall be entitled to establish other committees as required from time to time on a “task and finish” basis with responsibility for reporting to the Board on the basis of an approved project plan.

THE COUNCIL

77. The Board shall be advised by a Council of the Full Members comprising the Chairperson and the CEO of each Full Member. The terms of reference of the Council shall be determined and reviewed by the Board and amended from time to time at the discretion of the Board.
78. The Council shall meet once a year. Its functions shall include discussing the proposed programme for the following year and receiving the report of the Chairperson or the Chief Executive for the previous year. The Annual General Meeting shall be convened at the date of the Council meeting. The Council members shall elect a Chairperson from amongst their number.
79. Council members shall be invited by the Board to comment on United Kingdom or national policy or activity in relation to skills. Council members shall also be invited to meet with United Kingdom and national governments from time to time, jointly with members of the Board.

THE CHIEF EXECUTIVE

80. The Board may appoint any person to be the Chief Executive of the Company to hold office on such terms and conditions and, subject to Article 82, remuneration as the Board shall from time to time decide. The Chief Executive shall have such powers and duties as may be decided from time to time by the Board.
81. The Chief Executive may or may not also be a member of the Board.

82. If the Chief Executive is also a member of the Board, he may only be remunerated if such remuneration is in accordance with the provisions of the Charities and Trustee Investment (Scotland) Act 2005 including any statutory modification or re enactment thereof for the time being in force.
83. The Chief Executive shall be entitled to attend and speak at meetings of the Board but, unless he is also a member of the Board, shall not be entitled to vote at meetings of the Board and its committees nor shall he be a director of the Company for the purposes of the Act.

SECRETARY

84. The Company shall have a Company Secretary. The Company Secretary shall be appointed by the Board for such time at such remuneration, and upon such conditions as it may think fit, and any Company Secretary so appointed may be removed by the Board. The Board may from time to time by resolution appoint an assistant or deputy Company Secretary, and any person so appointed may act in place of the Company Secretary.

ANNUAL REPORT

85. The Board shall publish an annual report on its activities incorporating a list of current Members and Directors. These documents will both be published on the Company's website and the list of Members will be regularly updated.

THE SEAL

86. The Company shall not have a seal.

ACCOUNTS

87. The Directors shall cause accounting records to be kept in accordance with the requirements of the Act and any other applicable statutory requirements.
88. The accounting records shall be kept at the Registered Office, or, subject to the provisions of the Act, at such other place or places as the Directors shall think fit, and shall always be open to the inspection of the Directors of the Company.
89. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting records of the Company or any of them shall be open to the inspection of Full Members not being Directors of the Company, and no member (not being a Director) shall have any right of inspecting any accounting records or other book or document of the Company except as conferred by Statute or authorised by the Board or by the Company in General Meeting.

90. At the Annual General Meeting in every year the Directors shall in accordance with the provisions of the Act lay before the Company an income and expenditure account for the period since the last preceding accounting reference date or (in the case of the first accounts) since the incorporation of the Company together with a proper balance sheet made up as at the same date. Every such balance sheet shall be accompanied by proper reports of the Directors and the Auditors, and copies of such accounts, balance sheet and reports (all of which shall be framed in accordance with any statutory requirements for the time being in force) and of any other documents required by law to be annexed or attached thereto or to accompany the same shall not less than twenty-one clear days before the date of the Annual General Meeting at which they are to be laid, be delivered or sent by post to the Auditors and all other persons entitled to receive notices of General Meetings.

AUDIT

91. In accordance with the provisions of the Act once at least in every year the accounts of the Company shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by one or more properly qualified Auditor or Auditors.
92. Auditors shall be appointed and their duties regulated in accordance with the provisions of the Act.
93. The accounting reference date shall be 31 March or such other date as the Full Members may determine.

NOTICES

94. A notice may be served by the Company upon any Member, either personally or by sending it through the post in a prepaid letter, addressed to such Member at his registered address as appearing in the register of Members.
95. Any Member described in the register of Members by an address not within the United Kingdom who shall from time to time give the Company an address within the United Kingdom at which notices may be served upon him, shall be entitled to have notices served upon him at such address, but, save as aforesaid and as provided by the Act, only those Members who are described in the register of Members by an address within the United Kingdom shall be entitled to receive notices from the Company.
96. Any notice, if served by post, shall be deemed to have been served on the day following that one which the letter containing the same is put into the post and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office as a prepaid first class letter.

INDEMNITY

97. Subject to the provisions of the Act, the Directors, the Chairperson, the Company Secretary, the Chief Executive and every officer, Auditor or servant of the Company shall be indemnified out of the funds of the Company against any liability incurred or sustained by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he 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. No Director shall be liable for any loss to the property of the Company arising by reason of any improper investment made in good faith (so long as he shall have sought professional advice before making such investment) or for the negligence or fraud of any agent employed by him or by any other Director hereof in good faith (provided reasonable supervision shall have been exercised) although the employment of such agent was not strictly necessary or by reason of any mistake or omission made in good faith by any Director hereof or by reason of any other matter or thing other than wilful and individual fraud, wrongdoing or wrongful omission on the part of the Director who is sought to be made liable. This Article shall only have effect in so far as its provisions are not avoided by Section 232 of the Act.
98. The Company may pay a premium in respect of any indemnity insurance to cover the liability of the Directors (or any of them) which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust of which they may be guilty in relation to the Company. Provided that any such indemnity insurance shall not extend to any claim arising from any act or omission which the Directors (or any of them) knew was a breach of duty or breach of trust or which was committed by the Directors (or any of them) in reckless disregard of whether it was a breach of trust or not.

DISSOLUTION

99. If upon the winding-up or dissolution of the Company and after all its debts and liabilities have been satisfied there remains any property it shall not be paid or distributed among the Members, but shall be given or transferred to some other charity or charities, having objects similar to the Company's objects, which prohibits the distribution of its or their income and property to an extent at least as great as is imposed on the Company by clause 4 of its Memorandum, chosen by the Members at or before the time of dissolution and if and in so far as effect cannot be given to this provision then to some other charitable object.