

McLean & Stewart

Solicitors, Estate Agents
and Financial Advisers

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FAX TRANSMISSION

To:	Mr. Smith	Our ref :	JGGL/KS
Of :	The Likhubula Partnership	Your ref :	Enter Your Ref
Fax No:	01786 821166	Date:	11 September 2007
From:	J.G.G. Lees		
Originals to follow:	NO		

We are transmitting to you 3 **pages** including this page. If you do not receive all pages, please telephone 01786 823217 immediately.

First two pages of Memorandum of Association as requested.

This Fax Message is intended for the named recipient only. It may contain privileged and confidential information. If you are not the intended recipient, please notify us immediately.

Partners : J.G.G. Lees ♦ J.C. Allan ♦ A.J. Ion
Associate : W. G. Peebles

THE COMPANIES ACTS 1985 to 1989
COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL
MEMORANDUM of ASSOCIATION
OF
THE LIKHUBULA PARTNERSHIP

1. The Company's name (hereinafter referred to as "the Partnership") is

THE LIKHUBULA PARTNERSHIP

2. The Partnership's registered office is to be situated in Scotland.

3. The Partnership's objects are:

(i)(a) To promote the benefit of the inhabitants and primarily those of the communities of Dunblane, Scotland and Likhubula, Malawi, (hereafter called "the areas of benefit") without distinction of sex or sexual orientation or race or political or religious or of other opinions by associating together the said inhabitants and their Local Authority's voluntary and other organisation in a common effort to:-

(b) Advance the education of the said inhabitants; and cultivate, create and develop a community relationship between the said areas of benefit.

(c) Provide facilities for recreation or other leisure-time occupation for the said inhabitants in the interests of social welfare with the object of improving their conditions of life.

(d) Establish or secure the establishment of a Fund for (i) the provision of free school meals for pupils attending the Likhubula school, (ii) the operation of wells and irrigation schemes at Likhubula and to maintain and manage the same (whether alone or in co-operation with any local or other person or body) in furtherance of the above object.

(e) Promote such other charitable purposes as may from time to time be determined.

In furtherance of the above objects but not otherwise the Partnership shall have power:-

(ii)(a) To carry on any other activities which further any of the above objects.

(b) To promote companies whose activities may further one or more of the above objects, or may generate income to support the activities of the Partnership, acquire and hold shares in such companies and carry out, in relation to any such Partnership which is a subsidiary of the Partnership, all such functions as may be associated with a holding Partnership.

- (c) To acquire and take over the whole or any part of the undertaking and liabilities of any body holding property or rights which are suitable for the Partnership's activities.
- (d) To purchase, take on lease, hire, or otherwise acquire, any property or rights which are suitable for the Partnership's activities.
- (e) To improve, manage, develop, or otherwise deal with, all or any part of the property and rights of the Partnership.
- (f) To sell, let, hire out, license, or otherwise dispose of, all or any part of the property and rights of the Partnership.
- (g) To lend money and give credit (with or without security) and to grant guarantees and issue indemnities.
- (h) To borrow money, and to give security in support of any such borrowings by the Partnership, in support of any obligations undertaken by the Partnership or in support of any guarantee issued by the Partnership.
- (i) To employ such staff as are considered appropriate for the proper conduct of the Partnership's activities, and to make reasonable provision for the payment of pension and/or other benefits for members of staff, ex-members of staff and their dependants.
- (j) To engage such consultants and advisers as are considered appropriate from time to time.
- (k) To effect insurance of all kinds (which may include officers' liability insurance).
- (l) To invest any funds which are not immediately required for the Partnership's activities in such investments as may be considered appropriate (and to dispose of, and vary, such investments).
- (m) To liaise with other voluntary sector bodies, local authorities, UK or Scottish government departments and agencies, and other bodies, all with a view to furthering the Partnership' objects.
- (n) To establish and/or support any other charitable body, and to make donations for any charitable purpose falling within the Partnership's objects.
- (o) To take such steps as may be deemed appropriate for the purpose of raising funds for the Partnership's activities.
- (p) To accept grants, donations and legacies of all kinds (and to accept any reasonable conditions attaching to them).
- (q) To oppose, or object to, any application or proceedings which may prejudice the Partnership's interests.
- (r) To enter into any arrangement with any organisation, government or authority which may be advantageous for the purposes of the activities of the Partnership, and to enter into any arrangement for co-operation or mutual assistance with any charitable body.

McLEAN & STEWART

SOLICITORS & ESTATE AGENTS

J. G. G. LEES, M.A., LL.B.
J. C. ALLAN, LL.B., I.F.A.
A. J. ION, LL.B. (HONS)
W. G. PEEBLES, LL.B. (HONS)

Our Ref. JGGL/KS

Your Ref.

51/53 HIGH STREET, DUNBLANE,
PERTSHIRE FK15 0EG
(DX 560631 DUNBLANE)
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95 MAIN STREET, CALLANDER,
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28 August, 2007

I.A.R. Smith, Esq.,
8 Leighton Avenue,
DUNBLANE,
Perthshire.
FK15 0EB

Back 18th Sept.

Dear Iain,

The Likhubula Partnership

Further to previous correspondence and our recent telephone conversation I am pleased to report that I have now heard back from Millar & Bryce, our Edinburgh agents who formed the Company, approving of the various draft documents which I had sent through to them, which will bring about the composition of the Board of Directors as required and agreed.

I therefore now enclose the following draft documents for your review and approval viz:-

1. Minutes of First Board Meeting : The Forms specified at paragraph 5 have been completed and lodged with the Registrar of Companies. The Schedule referred to at paragraph 7 should contain the names of all of the twenty people whom you wish to become Directors. Apart from that I think, and hope, that the remaining terms of these draft Minutes speak for themselves.
2. Notice of Extraordinary General Meeting : This is the Notice calling the EGM at which article 39 of the Articles of Association will be altered, to give effect to the number, and composition, of Directors.
3. Special Resolution : This confirms that the alteration and substitution of article 39 has duly been approved by the Members in Extraordinary General Meeting.
4. Minute of Second Board Meeting : The First Schedule referred to in paragraph 3 should contain the names of the twenty new Directors, apart from, of course, yourself, Jenni, Neil, and Ann. The Second Schedule referred to at paragraph 5 should contain the names of any further and other people wishing to become Members.

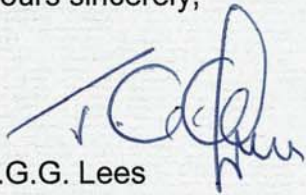
JGGL

I should be obliged if you would check through these to ensure, firstly, that they are correct and accurate and that they cover all of the matters presently outstanding.

I should then welcome an opportunity of having a word with you about the practical issues involved in "holding" these meetings. Do you think it is actually necessary to hold the meetings, or would the Board be happy to sign the documents, with appropriate dates being inserted?

I have just heard back from Millar & Bryce yesterday morning, but I myself am now going to be on holiday until the middle of September and it would therefore only be possible for me to meet up with you thereafter. Meantime, I am presuming that you Jenni, Neil and Ann are proceeding with your application for Charitable Status with OSCR.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'J.G.G. Lees', with a large, stylized flourish above the name.

J.G.G. Lees

Encs. 

THE LIKHUBULA PARTNERSHIP

MINUTES OF FIRST BOARD MEETING OF THE DIRECTORS OF THE COMPANY
HELD AT ON 2007 AT DUNBLANE

1. Present : Dr Jennifer E Barr, Iain A R Smith, Neil C Kitching, Mrs Ann Gambles
2. Apologies : None
3. Dr Jennifer Elizabeth Barr, Iain Alexander Rew Smith, Neil Cameron Kitching and Mrs Ann Gambles were appointed Directors. The Resignations of Brian Reid Ltd and Stephen Mabbott Ltd as First Directors of the Company were tabled and accepted.
4. Iain Alexander Rew Smith was appointed Company Secretary. The Resignations of Brian Reid Ltd as Company Secretary was tabled and accepted.
5. The relevant Forms 288 a and b were duly completed, signed and sent for registration at Companies House, Edinburgh in respect of the foregoing appointments and resignations of Directors and Secretary.
6. Resolved that the Registered Office of the Company be at 51/53 High Street, Dunblane, FK15 0EG.
7. After due consideration, and in terms of the Articles of Association, the Board approved the admission of those individuals specified on the Schedule annexed to this Minute, as Members of the Company.
8. Resolved and agreed that any two Directors, or any Director plus the Secretary, should be empowered to sign and execute all papers and documents on behalf of the Company. There is no seal.
9. Further resolved that The Bank of Scotland, Dunblane, be the Company's Bankers.
10. Further resolved that the following Directors be the signatories specified at Article 72 of the Articles of Association, viz: Dr Jennifer E Barr: Iain A R Smith: Neil C Kitching.
11. There being no other business the meeting concluded at

THE LIKHUBULA PARTNERSHIP

NOTICE IS HEREBY GIVEN THAT AN EXTRAORDINARY GENERAL MEETING OF
THE COMPANY SHALL BE HELD AT _____ ON _____ 2007
AT _____

The business of the meeting shall be to consider and, if so advised, to approve a special resolution altering the Articles of Association of the Company as follows.

Article 39 of the Articles of Association shall be delete and there shall be inserted in its place the following, viz:-

- 39. The maximum number of Directors shall, unless otherwise determined by special resolution, be 20, and (unless otherwise determined by special resolution) the minimum number of Directors shall be 6. At all times at least 5 Directors shall be members or adherents of Dunblane Cathedral, Church of Scotland, one of whom shall be the Minister of Dunblane Cathedral, Church of Scotland ex officio, and a further one of which shall be the Session Clerk of the Kirk Session of Dunblane Cathedral, Church of Scotland ex officio. Articles 40 and 46 shall not apply to the holding of office as a Director by the ex officio Directors”.

By order of the Board of Directors

Secretary

COMPANY NUMBER SC 312573

THE COMPANIES ACTS 1985 to 1989

SPECIAL RESOLUTION

OF

THE LIKHUBULA PARTNERSHIP

At an Extraordinary General Meeting of the Members of the said Company convened and held at

on the _____ day of _____ 2007.

the following Special Resolution was duly passed:-

That Article 39 of the Articles of Association be deleted and the attached new Article 39 be substituted therefore;

Presented by:

SCOTT'S COMPANY FORMATIONS
5 LOGIE MILL
BEAVERBANK OFFICE PARK
LOGIE GREEN ROAD
EDINBURGH
EH7 4HH

DIRECTOR / SECRETARY

37. A resolution put to the vote at a general meeting shall be decided on a show of hands unless a secret ballot is demanded by the Convener (or by at least two persons present at the meeting and entitled to vote, whether as members or as representatives of organisation members); a secret ballot may be demanded either before the show of hands takes place, or immediately after the result of the show of hands is declared.

38. If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such a manner as the Convener may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded.

Maximum and Minimum number of directors

39. The maximum number of Directors shall, unless otherwise determined by special resolution, be 20, and (unless otherwise determined by special resolution) the minimum number of directors shall be 6. At all times at least 5 Directors shall be members or adherents of Dunblane Cathedral, Church of Scotland, one of whom shall be the Minister of Dunblane Cathedral, Church of Scotland ex officio, and a further one of which shall be the Session Clerk of the Kirk Session of Dunblane Cathedral, Church of Scotland ex officio. Articles 40 and 46 shall not apply to the holding of office as a Director by the ex officio Directors.

Eligibility

40. A person shall not be eligible for election/appointment as a director unless he/she is a member of the Partnership or has been nominated for election/appointment as a director by a member which is an organisation."

41. A person shall not be eligible for election/appointment as a director if he/she is an employee of the Partnership.

Election, retiral, re-election

42. At each annual general meeting, the members may (subject to article 39) elect any member (providing he/she is willing to act) to be a director.

43. The directors may at any time appoint any member (providing he/she is willing to act) to be a director (subject to article 39).

44. A member which is an organisation may (subject to article 45) nominate any individual for election/appointment as a director; he/she will then be deemed to be a member of the Partnership for the purposes of articles 42 and 43.

45. No more than one individual nominated under article 44 by each organisation member may serve as a director at any given time."

46. (a) At the first and each subsequent annual general meeting one third, to the nearest round number, shall retire from office. The directors to retire shall be those who have been longest in office since they were last elected or re-elected; as between persons who were last elected/re-elected on the same date, the question of which of them is to retire shall be determined by some random method.

(b) Any director co-opted between annual general meeting shall require to stand for re-election at the subsequent annual general meeting.

THE LIKHUBULA PARTNERSHIP

MINUTE OF THE SECOND MEETING OF THE BOARD OF DIRECTORS OF THE
COMPANY HELD AT _____ ON _____ 2007 AT _____

The Convener in the Chair

1. Present : The Convener, Iain A R Smith, Neil C Kitching, Mrs Ann Gambles
2. Apologies : None
3. After due consideration, and in accordance with the Articles of Association, the Board appointed those persons specified on the First Schedule annexed to this Minute as Directors of the Company.
4. The relevant Forms 288a were completed, signed and sent off to Companies House in Edinburgh for registration.
5. After consideration the Board further approved those individuals specified on the Second Schedule annexed to this Minute as Members of the Company.
6. There being no other business the meeting concluded at

The Likhubula Partnership

Briefing Note

Dated : 8th February 2007

These notes reflect, hopefully, the discussions which took place at a Meeting among Jenni Barr, Iain Smith, Tom Smith, The Reverend Colin G. McIntosh, Charles McLay and J.G.G. Lees concerning the organisational arrangement which had been put in place to administer, and to develop, the Partnership, by way of a Company limited by Guarantee.

The Members of the Steering Committee present together with the Session Clerk were anxious to ensure that the spiritual heart of the Partnership would, and could, be preserved, and whether it might be possible to ensure that preservation by controlling the membership and operation of the Company, albeit with a "light touch".

Turning first to the question of Membership, the Company is owned by its members. Accordingly, if membership can be controlled, then the ownership of the Company can be controlled. In this case the Articles of Association of the Company state that the Board of Directors have an absolute discretion whether or not to admit applicants to membership of the Company (rule 7) and the necessary control therefore already exists in terms of the rules of the Company.

It should be added that the "benefits" flowing from what the Company undertakes is in no way limited to Membership. It is not stated as such in the Memorandum and Articles of Association of the Company, but it is certainly the case that anyone who is interested in, or involved with, the Partnership can, and is, a beneficiary, and this is entirely in order and proper.

The day to day administration of the Company, and the normal, routine, decision making processes, are carried out on behalf of the members by the Directors of the Company, who together form the "Board of Directors". At present the rules state that there can be as many as twenty Directors, but not less than six, and that three Directors at any time must be members or adherents of Dunblane Cathedral Church of Scotland (rule 39). These numbers can be altered, but it may be the case that 20 is appropriate if it is felt that all the present, and potential, members of the Steering Committee should, per se, become Directors of the Company. That is to say the Steering Committee would become the Board of Directors. I think that it was also suggested that that particular rule might be altered so that, possibly, some Directors would require to be office bearers from the Cathedral (and might, in fact, be Directors ex officio by reason of their posts in the Cathedral e.g. Minister), some would require to be members of Dunblane Cathedral, and some need have no such qualifications. All Directors would require to be members of the Company, and a quorum for any meeting of Directors would be six.

In passing, the Directors would also be "Trustees" for the purposes of OSCR. Further, OSCR have confirmed that the foregoing proposals would not in any way affect, or prejudice, the registration of the Partnership for charitable purposes.

As to procedure, the steps would be as follows, bearing in mind that only members of the Partnership can change the present rules ("Articles of Association") and that Directors must be members of the Partnership viz:-

1. A number of the Steering Committee (say three) should accept appointment as Directors of the Partnership, by the original two Directors (who were members of the legal firm in Edinburgh who incorporated the Company).
2. These three Directors would then approve, as the first Members of the Partnership, the members of the Steering Committee, or such of those as wanted to be Members or Directors.
3. The Members appointed under 2 would then hold a Special General Meeting to pass a Special Resolution changing the rules ("Articles of Association"), about the composition of the Board of Directors, all as above suggested.
4. The existing Directors would then appoint further Directors in accordance with the new rules, from the members then existing of the Partnership.

I hope this is helpful.

J.G.G. Lees

8th February 2007

The Likhubula Partnership

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