



Dear Member

When the Trust was set up in 2014, the Articles of Association, at Article 27, gave the Directors discretion to refuse to admit any person to membership where they have reasonable grounds to believe that he/she might, if admitted to membership, act in a manner which would damage the reputation of the company, undermine the efficiency of its operations and/or disrupt the proper conduct of its meetings.

The Trust is currently seeking funding for the purchase of two shops in Tighnabruaich and the funding body considers this restriction on membership is inappropriate and has requested a change such that any person who submits a valid application which satisfies the criteria for membership of the Trust will be duly admitted. The Directors propose to amend Article 27 to give effect to this change.

The Articles have always given the Directors the power to expel any member by special resolution, provided that resolution has been proposed by any other member in accordance with the Trust's procedures. The provisions governing this process are set out in Articles 40 to 45. These provisions will remain in place.

The second part of the proposed amendment to Article 27 will give the Directors the power to continue to exclude from membership anyone previously excluded by the provisions of Articles 40 to 45.

The effect of these changes will be that no eligible person can be excluded from membership of the Trust, but that anyone who has acted inappropriately and has been properly expelled may not be readmitted to membership unless the Directors so decide.

This change emphasises the Trust's open membership policy, but still provides the ability to expel anyone not behaving in the best interests of the Trust. It is worth pointing out that the existing provisions have never been implemented during the Trust's existence.

I hope you will agree that these are reasonable amendments to the Articles of the Trust, which are likely to have little impact and that you will vote so support the Resolution to put them into effect at the forthcoming Annual General Meeting.

Yours faithfully

George Watson, Chairman

The actual resolution you will be asked to vote for is as follows:

1. To approve the following change to the Articles of Association:

Article 27: The Board shall approve any valid application unless the applicant has previously been a Member of the Company and continues to be excluded from membership by virtue of Articles 40 to 45 below, and shall inform the applicant of the Board's decision.

The following articles are not subject to change, but are set out here to provide a fuller understanding of the above change.

Expulsion from membership

- 40 Subject to articles 41 to 45, the company may, by special resolution, expel any individual from membership.
- 41 Any member who wishes to propose at any general meeting a resolution for the expulsion of any individual from membership shall lodge with the company written notice of his/her intention to do so (identifying the member concerned and specifying the grounds for the proposed expulsion) not less than six weeks before the date of the meeting.
- 42 The company shall, on receipt of a notice under the preceding article, forthwith send a copy of the notice to the member concerned and the member concerned shall be entitled to make written representations to the company with regard to the notice.
- 43 If representations are made to the company in pursuance of the preceding article, the company shall (unless such representations are received by the company too late for it to do so):
- 43.1 state the fact of the representations having been made in the notice convening the meeting at which the resolution is to be proposed; and
 - 43.2 send a copy of the representations to every individual to whom notice of the meeting is or was given.
- 44 Whether or not a copy of written representations has been given to each of the individuals entitled to receive notice of the meeting, the member concerned shall be entitled to be heard on the resolution at the meeting.
- 45 Failure to comply with any of the provisions of articles 40 to 44 shall render any resolution for the expulsion of an individual from membership invalid.