THE COMPANIES ACTS 1985 to 2006

COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

OF

SOUTH LANARKSHIRE LEISURE LIMITED
(adopted by Special Resolution passed on 25 August 2010)

PRELIMINARY

1. The Regulations contained in Table C in the Schedule to the Companies (Tables A to F) Regulations 1985 shall not apply to the Company, but the following shall be the regulations of the Company.

INTERPRETATION

2. In these regulations:-

(a) "the Act" means the Companies Act 1985 (as amended) including any statutory modification or re-enactment thereof for the time being in force;

(b) "the Articles" means the articles of association of the Company;

(c) "body" includes any association, body corporate, company, corporation, firm, foundation, institution, organisation, partnership, society, trust or aggregate of persons (whether incorporated or unincorporated);

(d) "clear days" in relation to the period of a notice means 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;

(e) "the Company" means South Lanarkshire Leisure Limited;

(f) "Directors" means the Directors from time to time and for the time being of the Company, and "Director" means any one of such Directors;

(g) "executed" includes, any mode of execution;

(h) "person" means any individual or body;
(i) “Secretary” means 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; and

(j) “the United Kingdom” means Great Britain and Northern Ireland.

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

2.3 Words importing the singular number only shall include the plural number, and vice versa.

MEMBERS

3.1 The members of the Company shall be the subscribers of this document and such other persons as may from time to time be admitted to membership of the Company by the Directors.

3.2 The Directors, shall seek to ensure that the membership of the Company is representative of the local community in the area known as “South Lanarkshire” (the "South Lanarkshire Area") and those individuals, groups, organisations, undertakings and bodies committed to the provision of community leisure facilities in the South Lanarkshire Area. For the time being the Directors, shall invite applications for membership of the Company with particular regard to the following membership groups:-

(a) South Lanarkshire Council;
(b) employees of the Company; and
(c) representatives of the local community and/or independent representatives with skills to assist the Company in carrying out its objects.

3.3 The Directors shall be entitled, at their discretion, to refuse to admit any person to membership notwithstanding that it/he/she fulfils one or more of the qualifications under regulation 3.2.

3.4 Every person who wishes to become a member of the Company shall deliver to the Company, duly executed by that person, an application for membership or consent to become a member of the Company, in either case in such form and detail as the Directors require.

3.5 The Directors shall not be obliged to give any reason for refusing to admit any person to membership of the Company.

4. A member of the Company shall cease to be a member of the Company forthwith upon:-

(a) the delivery to the Secretary at the registered office of the Company of a notice in
writing by that member resigning as a member of the Company; or
(b) the death or dissolution of that member.

5.1 The Directors shall be entitled (but shall not be bound) to terminate the membership of the Company of any member of the Company:
(a) who, being an individual, shall become of unsound mind;
(b) who shall become bankrupt or insolvent or apparently insolvent or who shall suspend payment to or compound with that member’s creditors;
(c) in respect of whose property and undertaking, or any part thereof, a receiver or judicial factor is appointed;
(d) in respect of whom an effective winding-up order is made or an effective winding-up resolution is passed (other than for the purpose of any amalgamation or reconstruction); or
(e) in respect of whom an administration order is made.

5.2 Where any individual member of the Company who is also a Director of the Company ceases for any reason to be a Director in terms of Regulation 55 the remaining Directors shall be entitled (but shall not be bound) to terminate the membership of such member forthwith.

5.3 The Company may by Ordinary Resolution, passed at a General Meeting of the Company, terminate the membership of the Company of any member of the Company on the grounds that such member has brought the Company or the objects of the Company into disrepute.

6. The rights and privileges of a member of the Company shall be personal and shall not be transferable or transmissible by any means.

7. A register of the members for the time being of the Company shall be kept by the Secretary and shall contain each member’s name, address and date of admission to membership of the Company and such register shall, in so far as applicable, comply with the provisions of Section 352 of the Act.

GENERAL MEETINGS
The Directors may, whenever they think fit, convene a General Meeting of the Company, and a General Meeting of the Company shall also be convened on such requisition or, in default, may be convened by such requisitionists, as provided by Section 303 of the Companies Act 2006. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director may convene a General Meeting of the Company in the same manner as nearly as possible as that in which General Meetings of the Company may be convened by the Directors.

NOTICE OF GENERAL MEETINGS

An Annual General Meeting of the Company and a General Meeting of the Company called for the passing of a Special Resolution shall be called by 14 clear days' notice in writing at the least. The notice shall specify the place, the day and the hour of the General Meeting and, in the case of special business, the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in General Meeting, to the members of the Company, to the Directors and to the Auditors of the Company; provided that a General Meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Regulation, be deemed to have been duly called if it is so weed:-

(a) in the case of a General Meeting called as the Annual General Meeting of the Company, by all the members of the Company entitled to attend and vote thereat;

(b) in the case of any other General Meeting, by all the members of the Company entitled to attend and vote thereat.

The accidental omission to give notice of any General Meeting of the Company to, or the non-receipt of a notice of a General Meeting of the Company by, any person entitled to receive notice shall not invalidate the proceedings at that General Meeting.

PROCEEDINGS AT GENERAL MEETINGS

All business shall be deemed special that is transacted at an Annual General Meeting of the
14. No business shall be transacted at any General Meeting of the Company unless a quorum of members of the Company is present at the time when the Meeting proceeds to business; save as herein otherwise provided a quorum of members of the Company shall be five (subject to the additional requirement that at least one member from the category identified at Article 32(a) shall be present at each meeting) (present in person or by proxy or by representative appointed in accordance with regulation 30.1 below) shall be present.

15. If within 30 minutes from the time appointed for the Meeting a quorum is not present, the Meeting, if convened upon the requisition of members of the Company, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Directors may determine, and if at the adjourned Meeting a quorum is not present within 30 minutes from the time appointed for the Meeting, the member or members of the Company present in person or by proxy or by representative appointed in accordance with regulation 30.1 below shall be a quorum.

16. The Chairperson of the Directors shall preside as chairperson at every General Meeting of the Company or, if there is no such Chairperson or if he or she shall not be present within 15 minutes after the time appointed for the holding of the Meeting or is unwilling to act, the Directors present shall elect one of their own number to be Chairperson of the Meeting.

17. If at any General Meeting of the Company the Chairperson is not present within 15 minutes after the time appointed for holding the Meeting, the Members of the Company present in person or by proxy or by representative appointed in accordance with regulation 30.1 below shall choose one of their own number to be Chairperson of the Meeting.

18. The chairperson of a General Meeting of the Company may, with the consent of the Meeting if a quorum is present at the Meeting (and shall if so directed by the Meeting), adjourn the Meeting from time to time and from place to place, but no business shall be transacted at any
adjourned General Meeting of the Company other than the business left unfinished at the General Meeting of the Company from which the adjournment took place. When a General Meeting of the Company is adjourned for 30 days or more, notice of the adjourned Meeting shall be given as in the case of an original General Meeting of the Company. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned General Meeting of the Company.

19. At any General Meeting of the Company a resolution put to the vote of the Meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairperson of the Meeting of the Company present in person or by proxy or by representative appointed in accordance with regulation 30.1 below. Unless a poll be so demanded, a declaration by the chairperson of the Meeting that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company 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.

20.1 Except as provided in regulation 20.4 below, if a poll is duly demanded it shall be taken in such manner and at such time as the Chairperson of the General Meeting of the Company directs, and the result of the poll shall be deemed to be the resolution of the Meeting at which the poll was demanded.

20.2 Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

20.3 The demand for a poll may be withdrawn.

20.4 A poll demanded on the election of a Chairperson or on a question of adjournment shall be taken forthwith.

21.1 NOT USED

22. Subject to the provisions of the Act, a resolution in writing signed by all the members of the Company (or, being bodies, by their duly authorised representatives) shall be as valid and effective as if such resolution had been passed at a General Meeting of the Company duly convened and held, and may consist of several documents in the like form, each signed by or
on behalf of one or more of the members of the Company.

23. The Directors shall be at liberty to invite any person or persons, not being a member or members of the Company, to attend and speak, but not to vote, at any General Meeting of the Company.

**VOTES OF MEMBERS**

24. Every member of the Company shall have one vote, both on a show of hands and on a poll. On a poll, votes may be given either personally or by proxy or by a representative appointed in accordance with regulation 30.1 below.

25. No objection shall be raised to the qualification of any voter at any General Meeting of the Company 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 Chairperson of the Meeting whose decision shall be final and conclusive.

26. An instrument appointing a proxy shall be in writing in common form or in any other form which the Directors shall approve under the hand of the appointor or the appointor's attorney duly authorised in writing or, if the appointor is a body, either under seal or under the hand of a duly authorised officer or attorney of the body. A proxy need not be a member of the Company.

27. An instrument appointing a proxy and any authority under which it is executed and a copy of such authority certified notarially or in some other way approved by the Directors shall:-

(a) be deposited at the registered office of the Company or at such other place within the United Kingdom as is specified in the notice convening the General Meeting of the Company or in any instrument of proxy sent out by the Company in relation to the General Meeting of the Company not less than 48 hours before the time for holding the Meeting or adjourned Meeting at which the person named in the instrument proposes to vote; or

(b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the
time appointed for the taking of the poll; or

(c) where the poll is not taken forthwith but is taken not more than 48 hours after it was
demanded, delivered at the General Meeting of the Company at which the poll was
demanded to the Chairperson of that Meeting or to the Secretary or to any Director;

and an instrument of proxy, which is not deposited or delivered in a manner so
permitted, shall be invalid.

28. An instrument appointing a proxy shall be deemed to confer authority to demand or join in
demanding a poll.

29. A vote given or poll demanded by proxy or by the duly authorised representative of a body
shall be valid notwithstanding the previous determination of the authority of the person voting
or demanding a poll unless notice of the determination was received by the Company at the
registered office of the Company or at such other place at which the instrument of proxy was
duly deposited before the commencement of the General Meeting of the Company or
adjourned Meeting at which the vote is given or the poll demanded or (in the case of a poll
taken otherwise than on the same day as the Meeting or adjourned Meeting) the time
appointed for taking the poll.

REPRESENTATIVES AT MEETING

30.1 Subject always to regulation 30.2 below, any body which is a member of the Company may
by resolution of its directors or other governing body or committee authorise such person as it
thinks fit to act as its representative at any General Meeting of the Company, and the person
so authorised shall be entitled to exercise the same powers on behalf of the body which that
person represents as that body could exercise if it were an individual member of the
Company.

30.2 The Company may by Ordinary Resolution, passed at a General Meeting of the Company,
require any member of the Company who has appointed a representative under regulation
30.1 above to terminate the appointment of such representative on the grounds that such
representative has brought the Company or the objects of the Company into disrepute, and
from and after the passing of such Ordinary Resolution such representative shall not be
entitled to exercise any powers on behalf of the member by whom such representative was
appointed.
DIRECTORS

31. The maximum number of Directors (other than alternate Directors) shall (unless otherwise determined by Special Resolution) be 14.

32. The first Directors shall be such persons as shall sign the statement required by Section 10 of the Act consenting to be Directors of the Company.

33. Subject to Clause 4 of the Company's Memorandum of Association, the Directors shall be entitled to remuneration for any services actually provided by them to the Company and shall be paid all travelling, hotel and other expenses properly and reasonably incurred by them in attending and returning from Meetings of the Directors or any Committee of the Directors or any General Meeting of the Company or otherwise in connection with the business of the Company.

34. The Board of Directors of the Company shall comprise of the following:
   (i) a maximum of 5 Directors appointed by South Lanarkshire Council;
   (ii) a maximum of 1 Director appointed from, and representative of, the employees of the Company;
   (iii) a maximum of 1 Director appointed from, and representative of, the Trades Unions; and
   (iv) a maximum of 7 Directors appointed from, and representative of, the local community and/or independent representatives (with skills to assist the Company in carrying out its objects) including (but not limited to) community representatives, sports representatives, facility users/customers, academic representatives and business community representatives;

   Proposed appointees intimated to or nominated by the Directors of the Company from time to time representing the relevant parties, shall require to be confirmed as appointed at a Board Meeting of the Directors.

35. To the extent that there are vacancies in the maximum number of Directors referred to in Article 34(i), (ii), (iii) and (iv) these may be filled by the appointors identified in Article 34(i), (ii), (iii) and (iv).
36. No person shall be elected as a Director at any General Meeting of the Company unless he or she, or some other member of the Company intending to propose him or her, has, at least three days before the meeting, left at the registered office of the Company a notice in writing signed by him or her and signifying his or her candidature for election or the intention of such member of the Company to propose him or her for election as a Director of the Company, together in the latter case with a notice signed by the person intended to be proposed stating his or her willingness to be elected.

37. The continuing Directors may act notwithstanding any vacancy in their number but, if and so long as their number is reduced below the number fixed by or pursuant to the Articles as the minimum number of Directors (if relevant), the continuing Directors may act for the purposes of (i) increasing the number of the members of the Company, (ii) increasing the number of Directors and/or (iii) convening a General Meeting of the Company, but for no other purpose.

38.1 The Directors shall have power from time to time and at any time to appoint any person to be a Director of the Company either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the number fixed by or pursuant to the Articles. Any Director so appointed shall hold office only until the next General Meeting of the Company following the first anniversary of their appointment and, unless he or she is reappointed at such Meeting, he or she shall vacate office at the conclusion thereof.

39. The Company may by Ordinary Resolution, of which special notice has been given in accordance with Section 379 of the Act, remove from office any Director notwithstanding anything in the Articles or in any agreement between the Company and that Director.

40. Subject to these Articles, the Company in General Meeting may appoint any person to be a Director of the Company either to fill a casual vacancy or as an additional Director.

41. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in promoting and registering the Company and may exercise all such powers of the Company as are not, by the Act or by the Articles, required to be exercised by the Company in
General Meeting, subject nevertheless to the provisions of the Act or the Articles and to such regulations, being not inconsistent with the aforesaid 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 Directors which would have been valid if that regulation had not been made PROVIDED THAT the Directors appointed under Article 34(ii) or (iii) who are appointed from, and representative of, the employees of the Company shall withdraw from any meeting whilst his or her appointment, remuneration or other terms of employment, or the appointment, remuneration or other terms of employment of any other employee or employees is being discussed (but this shall not apply in relation to any Director appointed under Article 34(iii) where that Director is not also an employee of the Company) and PROVIDED FURTHER THAT at no time shall the majority of the Directors be Directors appointed under Article 34 (i), (ii) or (iii).

42. The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking and property, or any part thereof, as security for any debt, liability or obligation of the Company or of any third party.

43. The Directors on behalf of the Company may establish, maintain, participate in and contribute to, or procure the establishment and maintenance of, participation in and contribution to, any pension, superannuation, benevolent or life assurance fund, scheme or arrangement (whether contributory or otherwise) for the benefit of any persons (including Directors, former Directors, officers and former officers) who are or shall have been at any time in the employment or service of the Company or of any company which at the time is or was a subsidiary or a holding company of the Company or another subsidiary of a holding company of the Company (as defined in section 736 of the Act) or otherwise associated with the Company or of the predecessors of the Company in business or of any such other company as aforesaid, or for the benefit of the relations, wives, widows, families, connections or dependants of any such persons or for the benefit of any other persons whose service or services have directly or indirectly been of benefit to the Company and their relations, connections or dependants, and the Directors on behalf of the Company may grant or procure the grant of donations, gratuities, pensions, allowances, including allowances on death, or other payments of any kind to any of such persons as aforesaid; and the Directors on behalf of the Company may establish, subsidise, subscribe to or support institutions, associations, clubs, schools, funds or
trusts for the benefit of any of such persons as aforesaid or otherwise for the advancement of the interests and well-being of the Company or of any such other company as aforesaid or its members; and the Directors on behalf of the Company may make payments for or towards the insurance of any of such persons as aforesaid. Any such Director or ex-Director may participate in and retain for his own benefit any such donation, gratuity, pension, allowance, payment or other benefit conferred under or pursuant to this Article.

44. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such a manner as the Directors shall from time to time determine.

45. The Directors shall cause Minutes to be made in books provided for the purpose:-
(a) of all appointments of officers made by the Directors or the Company in General Meeting;
(b) of the names of the Directors present at each Meeting of the Directors and of the names of the members of any Committee of the Directors present at each Meeting of the Committee; and
(c) of all resolutions and proceedings at all General Meetings of the Company and at all Meetings of the Directors and of any Committee of the Directors.

46. The Directors shall elect one of their number to act as Chairperson of the Meetings of the Directors and of General Meetings. Each appointment as Chairperson shall last until the next General Meeting following the first anniversary of the appointment as Chairperson, and shall be rotated, so far as possible, among the Directors appointed under Article 34(i). Where, for whatever reason, including declinature of office, the Chairperson cannot be elected from that group, the Chairperson will be appointed from any of the three remaining groups.

47. If at any Meeting of the Directors such Chairperson is not present within 15 minutes after the time appointed for holding the Meeting, the Directors present may elect another of the Directors present to act as temporary Chairperson for that Meeting.

48. A Director of the Company may, and the Secretary on the requisition of any Director of the
Company shall, at any time summon a Meeting of the Directors. It shall not be necessary to give notice of a Meeting of the Directors to any Director for the time being absent from the United Kingdom.

49. The Directors may meet for the dispatch of business, adjourn and otherwise regulate their Meetings as they think fit, provided always that the Directors shall meet not less than four times in each calendar year. Each Director shall have one vote and questions arising at any Meeting of the Directors shall be determined by a majority of the votes of the Directors present. In the case of any equality of votes, the Chairperson of the meeting shall have a second or casting vote.

50. The quorum of Directors necessary for the transaction of business at any Meeting of the Directors may be fixed by the Directors and unless so fixed shall be five provided that one Director appointed under Article 34(i) is present.

51. A Meeting of the Directors, or of a Committee of the Directors, may consist of a conference between Directors or, as the case may be, members of the Committee who are not all in one place, but of whom each is able to speak to each of the others and to be heard by each of the others simultaneously. Alternatively, such a Meeting can take place by a series of telephone calls from the Chairperson of the Meeting. A Director or a member of the relevant Committee taking part in such a conference or telephone call shall be deemed to be present in person at the Meeting and shall be entitled to vote and be counted in the quorum accordingly. Such a Meeting shall be deemed to take place where the largest group of those participating in the conference is assembled or, if there is no such group or if the Meeting takes place by a series of telephone calls from the Chairperson, where the Chairperson of the Meeting then is. The word "Meeting" when referring to a Meeting of the Directors, or of a Committee of the Directors, in the Articles shall be construed accordingly.

52. A resolution in writing, signed by all the Directors for the time being entitled to receive notice of a Meeting of the Directors, shall be as valid and effective as if it had been passed at a Meeting of the Directors duly convened and held, and may consist of several documents in the like form each signed by one or more of the Directors.
53. The Directors may invite or allow any person as they may consider appropriate to attend and speak, but not to vote, at any Meeting or Meetings of the Directors.

54. Subject to the provisions of the Act and of Clause 4 of the Memorandum of Association and provided that he/she has disclosed to the Directors the nature and extent of any material interest of his/hers in accordance with Section 317 of the Act, a Director:

(a) may form part of the quorum at, and attend and vote in the matters to be dealt with at any Meeting or Meetings of the Directors;

(b) notwithstanding his/her office, may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;

(c) notwithstanding his/her office, may be a Director or other officers 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

(d) shall not, by 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 arrangement shall be liable to be treated as void on the grounds of any such interest or benefit.

For the purposes of this regulation 54:

(e) a general notice given to all 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 persons 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

(f) an interest of which a Director has no knowledge and of which it is unreasonable to expect him/her to have knowledge of shall not be treated as an interest of his/hers.

55. The office of a Director shall be vacated if he or she:-

(a) resigns his or her office by notice in writing sent to or left with the Secretary at the registered office of the Company; or
is removed from office by resolution passed by the Company in General Meeting pursuant to Section 303 of the Act; or

(c) becomes of unsound mind and the Directors resolve that he or she be removed from office; or

(d) becomes bankrupt or insolvent or apparently insolvent or makes any arrangement or composition with his or her creditors; or

(e) is prohibited by law from being a Director or ceases to hold office by virtue of any provisions of the Act; or

(f) accepts remuneration in contravention of Clause 4 of the Memorandum of Association of the Company; or

(g) ceases to be eligible to hold the office of Director by virtue of (i) in the case of Directors appointed under Article 34(i), no longer being an elected member or an officer of the Council; (ii) in the case of a Director appointed under Article 34(ii), no longer being a representative of the Trades Unions; (iii) in the case of a Director appointed under Article 34(iii), no longer being an employee of the Company; and (iv) in the case of a Director appointed under Article 34(iv) no longer residing within or otherwise having an interest in by way of business, sporting or academic links with the area of South Lanarkshire.

(h) is absent for more than 3 consecutive Board Meetings of Directors or of Committees or sub-Committees of Directors as the case may be (without the permission of the Directors) and the Directors (other than the Director to whom the Resolution relates) unanimously resolve that his office should be vacated.

All acts done by the Directors or by any Committee of the Directors or by any person acting as a Director or as a member of any such Committee shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Director or any person acting as aforesaid or that any Director or any member of the relevant Committee of the Directors was disqualified, be as valid as if every Director or every such person had been duly appointed.

RETIREMENT BY ROTATION OF THE DIRECTORS

The Directors shall not be required to retire by rotation.
ALTERNATE DIRECTORS

61. An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements and to be repaid and to be indemnified to the same extent mutatis mutandis as if he were a Director. He shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

62. An alternate director shall be entitled to receive Notices of Meetings of the Directors and of any Committee of the Directors of which his appointor is a member and shall be entitled to attend and vote as a director and be counted in the quorum at any such Meeting at which his appointor is not personally present and generally at such Meeting to perform all functions of his appointor as a Director and for the purposes of the proceedings at such Meeting, the provisions of these Articles shall apply as if he were a Director. If he shall be himself a Director or shall attend any such Meeting as an alternate for more than one Director, his voting rights shall be cumulative but he shall not be counted more than once for the purposes of the quorum. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill health or disability his signature to any resolution in writing of the Directors shall be as effective as the signature or his appointor. An alternate director shall not (save as aforesaid) have power to act as a Director, nor shall he be deemed to be a Director for the purposes of these Articles, nor shall he be deemed to be the agent of his appointor.

63. The appointment of an alternate director who is himself a Director shall determine if he ceases to be a Director. In any other case, the appointment of an alternative director shall determine on the happening of any event which, if he were a Director, would cause him to vacate office as a Director (other than non-attendance at Meetings of the Directors at which his appointor is
64.1 The Directors with the exception of Directors appointed under Article 34 (ii) or (iii) may from time to time appoint and remove a General Manager, who shall not be ex officio a Director, who shall hold office on such terms and conditions and for such remuneration as may be fixed by such Directors. The Directors may, subject to the provisions of Article 41, delegate to the General Manager such powers and duties as the Directors think fit.

64.2 The Directors with the exception of Directors appointed under Article 34 (ii) or (iii) (but this shall not apply to any Director appointed under Article 34 (iii) where that Director is not also an employee of the Company) may also appoint, and at such Directors' discretion remove, such employees and agents for permanent, temporary or special services as the Directors may from time to time think fit and may determine their powers and duties and fix their salaries and emoluments and other terms and conditions of employment or engagement.

HONORARY OFFICERS

65. The Directors may from time to time appoint one or more Honorary Officers of the Company on such terms and conditions, for such period and for such honoraria as the Directors think fit.

SUB-COMMITTEES

66. The Directors may delegate any of their powers to a Committee or Committees consisting of such persons (whether or not being Directors) as the Directors shall determine. Any Committee so formed shall in the exercise of the powers delegated to it conform to any regulations that may be imposed upon it by the Directors and shall report and be responsible to the Directors. For the avoidance of doubt the Directors may delegate their powers to consider appointments, dismissals, remuneration and any other matters whatsoever relating to employment of staff by the Company to a Committee or Committees and any such Committee or Committees shall only consist of Directors appointed under Articles 34 (i), 34 (iii) or 34 (iv) but a Director appointed under Article 34 (iii) who is also an employee of the Company shall not be entitled to sit as a member of any such Committee or Committees.

67. Any Committee of the Directors shall elect a Chairperson of its Meetings; if no such Chairperson is elected, or if at any Meeting the Chairperson is not present within 15 minutes
after the time appointed for holding the Meeting, the members of the Committee present shall elect one of their number to be Chairperson of the Meeting. A Committee shall (subject to the rules and regulations in accordance with which the Committee is established) meet and adjourn as it thinks proper.

68. Each member of a Committee of the Directors shall have one vote. Questions arising at any Meeting of a Committee of the Directors shall be determined by a majority of votes of the members of the Committee present and in the case of an equality of votes the Chairperson shall have a second or casting vote.

69. A Committee of the Directors may (unless the Directors shall otherwise determine) invite or allow such persons as the Committee may consider appropriate to attend and speak, but not to vote, at any Meeting or Meetings of the Committee.

SECRETARY

70.1 Subject to the provisions of the Act, the Secretary shall be appointed by the Directors for such term and (subject to the Memorandum of Association of the Company) at such remuneration and upon such conditions as the Directors may think fit; and the Secretary may be removed by the Directors.

70.2 A provision of the Act or of the Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as a Director and as the Secretary,

SEAL

71. The Company shall not have a Seal.

ACCOUNTS

72. The Directors shall cause accounting records to be kept by the Company in accordance with Section 221 of the Act.

73. The accounting records shall be kept at the registered office of the Company or, subject to Section 222 of the Act, at such other place or places as the Directors may think fit, and shall always be open to the inspection of any Director.
74. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of the members of the Company not being Directors, and no member of the Company shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Company in General Meeting.

75. The Directors shall from time to time in accordance with the Act cause to be prepared and to be laid before the Company in General Meeting an income and expenditure account, a balance sheet and report of the Directors and a report of the Company's Auditors on such account and balance sheet. The Auditors' report shall be read before the General Meeting as required by the Act.

76. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting, together with a copy of the Auditors' report and a copy of the report of the Directors, shall, not less than 21 clear days before the date of the Meeting, be sent to all persons entitled to receive notice of General Meetings of the Company; provided that this regulation 76 shall not require a copy of those documents to be sent to any person of whose address the Company is not aware.

AUDIT

77. Auditors of the Company shall be appointed and their duties regulated in accordance with the Act.

NOTICES

78. A notice may be served by the Company upon any member of the Company either personally or by sending it through the post in a pre-paid letter, properly addressed to such member at such member's registered address as appearing in the Company's register of members.

79. Any person described in the Company's register of members by an address not within the United Kingdom, who shall from time to time give to the Company an address within the United Kingdom at which notices may be served upon that person, shall be entitled to have
notices served upon that person at such address; save as aforesaid, only members of the Company described in the Company’s register of members by an address within the United Kingdom shall be entitled to receive any notice from the Company.

80. Where a notice is sent by post, service of the notice shall be deemed to be effected:
   (a) in the case of a notice of a meeting, at the expiration of 48 hours after the letter containing the same is posted; and
   (b) in any other case, at the time which the letter would be delivered in the ordinary course of post.

81. Notice of every General Meeting of the Company shall be given in any manner hereinbefore authorised to:-
   (a) every member of the Company (except any member of the Company whose registered address in the register of members of the Company is not within the United Kingdom and who has not supplied to the Company an address within the United Kingdom for the giving of notices to that member);
   (b) every Director; and
   (c) the Auditors for the time being of the Company. No other person shall be entitled to receive notice of any General Meeting of the Company.

INDEMNITY

82. Every Director and every member of a Committee of the Directors, the Chief Executive (if any) of the Company and any Agent, Auditors, Secretary, Honorary Officer (if any) and other officer from time to time and for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him or her in defending any proceedings, whether civil or criminal, in which judgement is given in his or her favour or in which he or she is acquitted or in connection with any application under Section 727 of the Act in which relief is granted to him or her by the Court.

DISSOLUTION

83. The provisions of Clause 7 of the Memorandum of Association relating to the winding-up and dissolution of the Company shall have effect and be observed as if the same were repeated in the Articles.
Certified a true copy of the Articles of Association of South Lanarkshire Leisure Limited adopted by Special Resolution passed on 25 August 2010.

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Director