

**MEMORANDUM AND ARTICLES OF ASSOCIATION**  
**OF**  
**ASSOCIATION OF CHARITABLE FOUNDATIONS**

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## THE COMPANIES ACTS 1985 AND 1989

### Company Limited by Guarantee and not having a Share Capital

#### MEMORANDUM OF ASSOCIATION OF ASSOCIATION OF CHARITABLE FOUNDATIONS

1. **Name of Company**

The name of the Company is **Association of Charitable Foundations**, called in this document "the Company".

2. **Registered Office**

The registered office of the Company will be in England and Wales.

3. **Objects of the Company**

3.1 The objects of the Company are to further the work of charitable grant making trusts and institutions for the public benefit by:-

- (a) advancing the education of the public in such trusts and institutions and carrying out research and publishing the results of such research;
- (b) promoting the collective and individual effectiveness of such trusts and institutions and better methods of administration and management of their resources.

4. **What the Company may do**

4.1 The Company may do anything lawful that may be necessary in order to promote its objects, including the use of the following powers:-

- (a) to advise and assist benefactors who are considering the creation of new charitable grant making trusts and foundations or other charitable organisations;
- (b) to hold or promote the holding of seminars, courses, colloquia, programmes, meetings, training and other events;
- (c) to bring together in conference individuals and representatives of member trusts and foundations, voluntary organisations, government departments, statutory authorities, business and

commerce, and other relevant bodies and organisations;

- (d) to cause to be written or printed or otherwise reproduced and circulated gratuitously or otherwise such papers, books, periodicals, pamphlets or other documents or films or recorded tapes or other platforms and media including cassettes, discs and electronic mail as shall further the said objects;
- (e) to collect and disseminate information on all matters affecting the said objects and exchange such information with other bodies having similar objects whether in this country or overseas;
- (f) to co-operate with any charitable institutions, trusts, associations or bodies, the objects of which are wholly or in part similar to those of the Company;
- (g) to commission, finance or otherwise promote research projects concerned with the collective effectiveness of charitable grant-making trusts and foundations, and publish the results thereof;
- (h) to collect, analyse evaluate and make available such information, research and other data as may assist foundations to be more effective in their charitable work;
- (i) to procure the provision of specialist advisory services for member foundations;
- (j) to construct, alter, provide, manage, maintain, furnish and fit with all the necessary furniture and other equipment the buildings and any other premises or structure or land which the Company may need for its objects;
- (k) to employ and pay any employees, officers, servants and professional or other advisers;
- (l) subject to any consents required by law to raise funds and borrow moneys invite and receive contributions or grants or enter into contracts or seek subscriptions or raise monies in any other way including by renting or leasing property out;
- (m) subject to any consent required by law to buy, take on lease, sell lease or otherwise dispose of, hire charge or mortgage or acquire any land or property of any sort and give or receive any guarantee or indemnity;

- (n) to make regulations for any property so acquired;
- (o) subject to such consents as may be required by law, to raise money for the said objects and accept gifts on such terms and on such security as shall be deemed necessary;
- (p) to promote, encourage or undertake study or research and disseminate the results of such;
- (q) to produce, print and publish anything in written, oral, visual or electronic media in furtherance of the objects;
- (r) to provide or procure the provision of services training consultancy advice support counselling and guidance in furtherance of the objects or any of them;
- (s) to promote and advertise the Company's activities;
- (t) to invest the moneys of the Company not immediately required for said objects in or upon such investments, securities or properties as may be thought fit;
- (u) to undertake any charitable trust or any charitable agency business which may promote the Company's objects;
- (v) to make all reasonable and necessary provision for the payment of pensions and superannuation to or on behalf of employees and their wives, husbands, partners and other dependants;
- (w) to carry on trade insofar as either the trade is exercised in the course of the actual carrying out of a primary object of the Company or the trade is temporary and ancillary to the carrying out of the objects of the Company;
- (x) to raise funds and invite and receive contributions from any person or persons whatsoever by way of subscriptions and otherwise PROVIDED THAT the Company shall not undertake any taxable trading;
- (y) to make any charge or impose such fee in respect of the provision of services or goods to member and non-member individuals and organisation as the Executive Committee hereinafter mentioned may from time to time think fit;

- (z) to establish, promote and otherwise assist any limited company or companies for the purpose of acquiring any property or of furthering in any way the objects of the Company through trading and to establish the same either as wholly owned subsidiaries of the Company or jointly with other persons, companies, government departments or local authorities and to finance the same if the Members of the Executive Committee see fit by way of loan or share subscription on commercial terms provided that the Company shall seek professional legal advice before financing such companies;
- (aa) to establish support or join with any charitable companies, institutions, societies or associations whose objects are the same as or similar to its own;
- (bb) to purchase or otherwise acquire any of the property, assets and liabilities of any of the charities, institutions, societies or associations with which the Company is authorised to join, and perform any of their engagements;
- (cc) to transfer any of the Company's property, assets, liabilities and engagements to any of the charities, institutions, societies or associations with which the Company is authorised to join;
- (dd) to open and operate banking accounts and other banking facilities;
- (ee) to enter into any arrangements with any governments, authorities or any person, company or association necessary to promote any of the Company's objects;
- (ff) to insure any risks arising from the Company's activities;
- (gg) to insure the Executive Committee against the costs of a successful defence to a criminal prosecution brought against them as Executive Committee members or against personal liability incurred in respect of any act or omission which is or is alleged to be a breach of trust or breach of duty, unless the Executive Committee members concerned knew that, or were reckless as to whether, the act or omission was a breach of trust or breach of duty;
- (hh) to make such ex gratia payments as are considered reasonable and fair with the consent of the Charity Commission;

- (ii) to pay all the expenses and costs of establishing this Company;
- (jj) to delegate upon such terms and at such reasonable remuneration as the Company may think fit to professional investment managers ("the Managers") the exercise of all or any of its powers of investment provided always that:-
  - (i) the Managers shall be authorised to carry on investment business under the provisions of the Financial Services and Markets Act 2000;
  - (ii) the delegated powers shall be exercisable only within clear policy guidelines drawn up in advance by the Company;
  - (iii) the Managers shall be under a duty to report promptly to the Company any exercise of the delegated powers and in particular to report every transaction carried out by the Managers of the Company within 14 days and report regularly on the performance of investments managed by them;
  - (iv) the Company shall be entitled at any time to review, alter or terminate the delegation or the terms thereof;
  - (v) the Company shall be bound to review the arrangements for delegation at intervals but so that any failure by the Company to undertake such reviews shall not invalidate the delegation;
  - (vi) the Company shall be liable for any failure to take reasonable care in choosing the Managers; fixing or enforcing the terms upon which the Managers are employed; requiring the remedy of any breaches of those terms and otherwise supervising the Managers but otherwise shall not be liable for any acts and defaults of the Managers;
- (kk) to permit any investments belonging to the Company to be held in the name of any clearing bank, trust corporation or stockbroking company which is a member of the Stock Exchange (or any subsidiary of any such stockbroking company) as nominee for the Company and to pay any such nominee reasonable and proper remuneration for acting as such;

- (ll) to do all such other lawful things as are necessary for the attainment of said objects

## 5. Use of income and property

5.1 The income and property of the Company shall be applied solely towards the promotion of its objects and no part of it shall be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to members of the charity and no member of the Executive Committee may be appointed to any office of the charity paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the Company except as shown below under 'Allowed Payments'.

## 6. Allowed Payments

6.1 The Company may pay:-

- (a) Reasonable and proper payment to any officer or servant of the Company who is not a member of its Executive Committee for any services to the Company.
- (b) Reasonable and proper remuneration to a member of the Executive Committee for services actually rendered to the Company including the usual professional charges for services provided or business done by any member of the Executive Committee who is a solicitor, accountant or other person engaged in a profession, or by any partner of his or her firm instructed by the Company to act in a professional capacity on its behalf, PROVIDED THAT:-
  - (i) the number of members of the Executive Committee so remunerated shall not exceed a minority of the quorum of the members of the Executive Committee;
  - (ii) such member of the Executive Committee shall be absent from all meetings at which the terms and conditions of his or her employment with the Company are discussed;
  - (iii) such member of the Executive Committee shall not vote on any resolution relating to his or her employment;
  - (iv) the other members of the Executive Committee are

satisfied that his employment, or that of his or her firm, is both necessary and expedient in the interests of the Company.

- (c) Interest on the money lent by any member of the Company or its Executive Committee to the Company. The annual rate of interest must not be more than 2% below the base rate of one of the clearing banks or a rate of 3% whichever is the greater.
- (d) Reasonable out-of-pocket expenses to any member of the Executive Committee.
- (e) Reasonable and proper payment to a company of which a member of the Executive Committee holds not more than a hundredth of the capital.
- (f) Reasonable and proper rent of premises demised or let by any member of the Company or its Executive Committee.
- (g) All reasonable and proper premiums in respect of indemnity insurance effected in accordance with the powers in this Memorandum.
- (h) In exceptional cases other payments or benefits but only with the prior written approval of the Charity Commission.

PROVIDED THAT no member of the Company or the Executive Committee shall be present during the discussion of or voting on any decision to borrow money from or pay rent or make a payment or give a benefit to that member.

## **7. Alterations to this Memorandum**

- 7.1 No alterations to this Memorandum may be made which would cause the Company to cease to be a charity in law. Other alterations to this Memorandum may only be made by special resolution. For a special resolution to be valid, 21 clear days' notice of it must be given, and 75% of those voting whether present in person or by proxy must be in favour of it. Such a resolution may be passed on less notice if 95% of the total number of members having the right to vote agree.
- 7.2 Alterations may only be made to the objects of the Company or any clause of this Memorandum or Articles which directs or restricts the way monies or the property of the Company may be used with the Charity

Commission's prior written consent.

7.3 The Charity Commission and the Companies Registrar must be informed of alterations and all future copies of the Memorandum issued must contain the alteration.

## 8. **Limited Liability**

8.1 The liability of the members is limited.

## 9. **Guarantee by Members of the Company**

9.1 Every member of the Company agrees to contribute to the Company £1 or any smaller amount required if:-

- (a) The Company is wound-up while he or she is a member or within a year afterwards; and
- (b) The Company has debts and liabilities which it cannot meet out of its assets.

## 10. **Winding-up of the Company**

10.1 If the Executive Committee by a way of a simple majority decides at any time that on the ground of expense or otherwise it is necessary or advisable to dissolve the Company, it shall call a meeting of all members of the Company who have the power to vote, of which meeting not less than 21 clear days notice (stating the terms of the special resolution to be proposed thereat) shall be given. If such decision shall be confirmed by at least three quarters of those voting whether in person or by proxy at such meeting the Executive Committee shall have the power to dispose of or transfer any assets held by or on behalf of the Company.

10.2 If the Company is wound-up or dissolved, and there remains any property after all debts and liabilities have been met, the property must not be distributed among the members of the Company. Instead it must be given or transferred to some other charitable institution or institutions. This other institution must have similar objects to those of the Company and must prohibit the distribution of its income and property among its members to an extent at least as great as that required by this Memorandum of Association.

10.3 The institutions will be chosen by the Executive Committee of the Company at or before the time when the Company is wound-up or

dissolved and if that cannot be done then the property shall be given to some other charity or charitable object.

## THE COMPANIES ACTS 1985 AND 1989

### Company Limited by Guarantee and not having a Share Capital

#### ARTICLES OF ASSOCIATION OF ASSOCIATION OF CHARITABLE FOUNDATIONS

#### 1. Meaning of Words

1.1 In these Articles and the Memorandum the words in the first column of the table below will have the meanings shown opposite them in the second column, as long as this meaning is consistent with the subject or context:-

1.2 Words	Meanings
The Act	The Companies Acts 1985 and 1989 and as amended by subsequent Acts
The Charities Act	The Charities Act 1993 and as amended by subsequent acts and legislation
The Charity Commission	The Charity Commissioners for England and Wales
The Company	Association of Charitable Foundations
The Articles	These Articles of Association
The Executive Committee	The Executive Committee of the Company whose members are the directors of the Company and are charity trustees
The Honorary Officers	As defined in Article 24
The Office	The registered office of the Company
The Seal	The common seal of the Company
taxable trading	carrying on a trade or business for the principal purpose of raising funds and not for the purpose of actually carrying out the

objects of the Company, the profits of which are subject to corporation tax

The United Kingdom      Great Britain and Northern Ireland

Month      Calendar month

In writing      Written, printed or lithographed or partly one and partly another, and other ways of showing and reproducing words in a visible form including by fax or e-mail

1.3      Words in the singular form include the plural and vice versa.

1.4      The words "person" or "people" include corporations.

1.5      Apart from the words defined above, any words or expression defined in the Act or any change to the Act in force when these Articles become binding on the Company will have the same meanings in these Articles, provided they are consistent with the subject or context.

1.6      Headings are not part of the Memorandum or Articles.

## 2.      **The Constitution of the Company; Rights of Inspection by Members**

2.1      The Company is established for the objects shown in the Memorandum of Association.

2.2      A copy of the Memorandum and Articles and any rules the Executive Committee make must be available for inspection at the Office. Any member must be given a copy of these on payment of a reasonable administrative fee fixed by the Executive Committee.

## 3.      **Members**

3.1      The number of members of the Company is unlimited.

3.2      The Company must keep at the Office a register of members showing their name, address and date of membership.

3.3      The register is available for inspection.

#### 4. **Membership**

- (a) Full or associate membership of the Company will be open to any non-Governmental organisation whose functions or activities include grant-making for charitable purposes and which
  - (i) supports the objects of the Company;
  - (ii) undertakes to pay the appropriate subscription;
  - (iii) satisfies the Executive Committee that it is eligible for admission as a full or associate member.
  
- (b) Full membership will be open to any charitable organisation based in the United Kingdom which has grant-making as a principal function and which makes grants from income, a substantial part of which is derived either:-
  - (i) from property or other assets; or
  - (ii) from an assured source (in the opinion of the Executive Committee) other than property but excluding government or grant-making trusts.
  
- (c) Associate membership will be open to any organisation ineligible for full membership which falls into one or more of the categories below:-
  - (i) Any other charitable organisation having as a principal function or activity grant-making for charitable purposes;
  - (ii) An organisation based outside the UK which would otherwise be eligible for full membership;
  - (iii) Any other charitable organisation which in the opinion of the Executive Committee should be admitted to membership;
  - (iv) Any commercial company or non-charitable organisation which in the opinion of the Executive Committee should be admitted to membership.
  
- (d) Affiliate membership will be open to the discretion of the Executive Committee to any organisation which administers or acts as corporate trustee of organisations that are eligible for full or associate membership.

- (e) Individual membership may be offered at the discretion of the Executive Committee to individuals who have professional knowledge, skills or experience of relevance to the work of the Company.
- (f) Honorary membership may be conferred on such individuals as the Executive Committee deems worthy of recognition in this manner.
- (g) The Executive Committee shall have the following duties in relation to applications for membership:
  - (1) to approve applications which meet the conditions set out above;
  - (2) to reject applications which do not meet the said conditions;
  - (3) in any case of doubt, to determine whether an application should be approved or rejected or approved subject to such conditions as the Executive may think fit.
- (h) The Executive Committee shall have the following powers in relation to membership:
  - (1) for good and sufficient reason to terminate the membership or amend the category or conditions of the membership of any member or impose fresh conditions, provided that the member concerned shall have the right to be heard by the Executive Committee before a final decision is made;
  - (2) to interpret the conditions for membership and publish its interpretations;
  - (3) to make and publish rules about the procedures for admission and termination of membership and for the collection of subscriptions;
  - (4) to request such information from applicants as it deems necessary for the fulfilment of its duties under (g) above and from members for the proper collection of subscriptions;
  - (5) to appoint a standing committee in accordance with article 22.6 below to carry out its duties and exercise its powers in relation to membership provided the Executive Committee itself shall hear any member exercising the right to be heard under sub-paragraph (h)(1) above.

**5. No transfer of Membership**

5.1 None of the rights of any member of the Company may be transferred or transmitted to any other person.

**6. Ending of Membership**

6.1 A member stops being a member of the Company if:-

- (a) the member resigns from membership by giving notice in writing to the Company;
- (b) membership is ended under Article 4(h)(l); or
- (c) the member's subscription (if any) remains unpaid six months after it is due and the Executive Committee resolves to end that person's membership.

**7. General Meetings**

7.1 Each year, the Company must hold an annual general meeting in addition to any other general meeting in that year. The annual general meeting must be specified as such in the notices calling it. The first annual general meeting must be held within 18 months of the incorporation of the Company after which not more than 15 months must pass between one annual general meeting and the next.

7.2 At each annual general meeting the business shall include:

- (a) The consideration of an annual report or review of the work done by or under the auspices of the Executive Committee and of the audited accounts;
- (b) The consideration of proposals (if any have been made) for altering the memorandum and articles of association;
- (c) The election of Honorary Officers and other members of the Executive Committee as necessary to fill any vacancies that have arisen or that will arise at the end of the meeting;
- (d) The appointment of one or more qualified auditors (who in each case may be an individual, a company, or partnership);
- (e) The transaction of such matter as may from time to time be

necessary.

## **8. Extraordinary General Meetings**

8.1 All general meetings except annual general meetings are called extraordinary general meetings.

## **9. Calling of Extraordinary General Meetings**

9.1 The Executive Committee may call an extraordinary general meeting whenever they wish. Such a meeting must also be called if 10% of the full members of the Company request it

## **10. Notice of General Meetings**

10.1 An annual general meeting and a meeting called for the passing of a special resolution must be called by giving at least 21 clear days' notice in writing. Other meetings of the Company must be called by giving at least 14 clear days' notice in writing. These notices must specify the place, date and time of the meeting. If special business is to be discussed, full details or the general nature of the business must be given. Notice of the meeting must be given to everyone entitled by these Articles to receive it.

10.2 However, even if shorter notice is given than that required above, the meeting will be treated as having been correctly called if it is so agreed:-

- (a) in the case of an annual general meeting, by all the members entitled to attend and vote at it; or
- (b) in the case of any other general meeting, by a majority of the members who have a right to attend and vote so long as the majority represents at least 95% of the total membership of the Company members who have voting rights.

## **11. Ordinary and Special Business at General Meetings**

11.1 At an extraordinary general meeting all business will be treated as special business. At an annual general meeting all business will be treated as special except the consideration of accounts and balance sheets, the reports of the members of the Executive Committee and Auditors, the election of members of the Executive Committee in place of those retiring, the appointment of Auditors, and the fixing of the payments to the Auditors.

12. **Quorum**

12.1 Business may be done at a general meeting only if a quorum of members is present when the meeting begins to deal with its business. A quorum is 10% of the members unless shown differently below.

13. **Adjournment if no Quorum**

13.1 If the meeting is called by the demand of members, it must be dissolved if, within half an hour after the appointed starting time, a quorum is not present. If called in another way, the meeting must be adjourned to another day, time and place as the Executive Committee may decide.

13.2 If at the adjourned meeting a quorum is not present within half an hour after the appointed starting time, the members present will be a quorum.

14. **Chairperson**

14.1 The Chairperson (if any) of the Executive Committee must preside as Chairperson at every general meeting of the Company. If there is no Chairperson, or if he/she will not be present within 15 minutes after the appointed starting time or is unwilling to take the chair, the members of the Executive Committee present must elect one of their number to be Chairperson of the meeting.

15. **Election of Chairperson by Members**

15.1 If at any meeting no member of the Executive Committee is willing to act as Chairperson or if no member of the Executive Committee is present within 15 minutes after the appointed starting time, the members present must choose one of their number to be Chairperson of the meeting.

16. **Adjournment of the Meeting**

16.1 The Chairperson may, with the consent of any meeting at which a quorum is present (and must if so directed by the meeting), adjourn the meeting from time to time and from place to place. But no business may be done at any adjourned meeting except business left unfinished at the meeting from which the adjournment took place.

16.2 When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as for the original meeting. Apart from that, it is not necessary to give any notice of an adjourned meeting

nor of the business to be done at it.

**17. Voting on Resolutions**

17.1 At any general meeting a resolution put to the vote of the meeting is decided by a simple majority on a show of hands unless a poll is demanded (before or after the result of the show of hands is declared). A poll can be demanded by the Chairperson or at least two full members who are present. Proxy votes are allowed.

**18. Declaration of Chairperson is Final**

18.1 Unless a poll is demanded, the Chairperson's declaration that a resolution has been carried by a particular majority or lost on a show of hands and an entry saying so in the minute book is conclusive evidence of the result. The number or proportion of the votes need not be entered in the minute book.

18.2 The demand for a poll may be withdrawn.

**19. When a poll is taken**

19.1 A poll must be taken immediately, if it is correctly demanded to elect a Chairperson or to decide upon an adjournment. Polls about other things will be taken whenever the Chairperson says so. Business which is not the subject of a poll may be dealt with before or during the poll.

19.2 The Chairperson will decide how a poll will be taken. The result of a poll will be treated as a resolution of the meeting.

**20. Voting and Speaking**

20.1 Every full member has one vote at general meetings of the Company (including the Chairperson) exercisable by any trustee, employee or other representative of the member concerned (subject to any limitation on the choice of representative of which may be imposed by the Executive Committee in fulfilment of its duties under Article 4(h)), save that associate and affiliate members representatives and individual and honorary members shall have the right to participate in general meeting but have no voting rights. If the votes are level, the Chairperson has a casting vote.

20.2 Each member organisation may appoint observers (who shall not be entitled to vote) to attend general meetings.

## 21. **Written Agreement to Resolution**

21.1 Unless the law says otherwise, members may pass a valid resolution without a meeting being held. But for the resolution to be valid:

- (a) it must be in writing;
- (b) it must be signed by all those members (or their duly authorised representatives) entitled to receive notice to attend general meetings;
- (c) it may consist of two or more documents in identical form signed by members.

## 22. **Powers and Duties of the Executive Committee**

22.1 The policy and general management of the affairs of the Company shall be directed by an Executive Committee, whose members shall be the directors and the trustees of the Company.

22.2 The Committee may exercise any or all of the powers of the Company except those which are reserved to General Meetings to any of the Honorary Officers or to the Chief Executive, and the Executive Committee shall act where an Honorary Officer or the Chief Executive has failed to carry out a duty imposed by the constitution or by the law. The Executive Committee shall also have the powers and duties in relation to membership set out in article 4 above and the other powers and duties set out below.

22.3 The Executive Committee shall meet not less than twice a year.

22.4 The Executive Committee shall appoint and fix the remuneration of a chief executive and approve the appointment of all such other staff (not being members of the Executive Committee) as may in their opinion be necessary, and fix the remuneration of all employees.

22.5 The Executive Committee shall set the terms of appointment (including any remuneration) of any auditor insofar as these have not been set at the annual general meeting under article 7.2 above. Should the auditor appointed at the annual general meeting be unable to accept appointment or unwilling to do so on reasonable terms the Executive Committee may appoint a properly qualified substitute auditor.

22.6 The Executive Committee may appoint such special or standing committees as

it may deem necessary and delegate any of its powers to such committee and shall determine their terms of reference, powers, duration and composition. All acts and proceedings of such special or standing committees shall be reported back to the Executive Committee as soon as possible.

- 22.7 No member of the Executive Committee shall be liable for any loss to the property of the Company arising by such reason of any improper investment made in good faith (so long as he/she shall have sought professional advice before making such investment) or for the negligence or fraud of any agent employed by him/her or by any other member of the Executive Committee in good faith (provided reasonable supervision shall have been exercised) or by reason of any mistake or omission made in good faith by any member of the Executive Committee or by reason or any other matter or thing other than wilful and individual fraud or wrongdoing or wrongful omission on the part of the member of the Executive Committee who is sought to be made liable.

### **23. Powers of the Executive Committee**

- 23.1 The Executive Committee may subject to such consents as the law requires use all the powers of the Company to:
- (a) borrow money;
  - (b) mortgage or charge its property or any part of it;
  - (c) issue debentures, debenture stock or other securities, whether outright or as security for any debt, liability or obligation of the Company or any charitable third party;
  - (d) resolve pursuant to the Memorandum of Association to effect indemnity insurance notwithstanding their interest in such a policy.

### **24. Executive Committee and Honorary Officers – Method of Selection**

- 24.1 The Company may also elect a President and such other Honorary Officers including two Vice Chairs as it shall from time to time decide, and shall determine whether or not such President and other Honorary Officers shall be members of the Executive Committee.
- 24.2 The Executive Committee shall consist of not less than nine or more than fifteen members, counting any Honorary Officers elected under article 24.1 above but not counting any other Honorary Officers or any co-opted members.

- 24.3 Only trustees, employees or other representatives of member organisations may be nominated for election under article 24.1 above, and a nomination shall only be valid if the nominee is willing to serve.
- 24.4 Full members shall be invited by notice given at least 21 clear days before the annual general meeting to make nominations for Honorary Officers and other members of the Executive Committee. If prior to any annual general meeting there is a lack of sufficient nominations to fill any elective vacancy further nominations (which must be valid under article 24.3 above) may be proposed and seconded by full members at the Meeting.
- 24.5 In nominating members for the Executive Committee, members shall be mindful of the advantages of having an Executive Committee whose membership is:
- Balanced between representatives of foundations of different sizes, types and geographical locations and between trustees and employees of member organisations;
  - Inclusive of people with disabilities and as regards gender and sexual orientation; and
  - Diverse as regards ethnic, cultural and religious backgrounds.

In order to assist members in voting, the nominees shall be invited to supply such information as they may consider relevant for the above purpose (the "Nomination Information").

## **25. Postal or Electronic Voting for the Election of the members of the Executive Committee only**

- 25.1 When the Company holds a postal or electronic ballot for the election of the members of the Executive Committee:
- (a) members must be informed of the method and time limits for submitting nominations not less than 63 days before the annual general meeting such notice may be in any publication sent to members;
  - (b) those members who are entitled to vote shall as in Article 20.1 be entitled to nominate for Honorary Officers and other members of the Executive Committee any member qualified to serve on the Executive Committee as in Article 24.4 provided that written notice of such nomination signed by the proposer and countersigned by the nominee indicating his/her consent to stand for election, together with his Nomination Information shall be

submitted to the Company no later than 35 days before the date of the annual general meeting;

- (c) ballot papers or directions for electronic voting containing the names of the persons nominated, together with the Nomination Information and the names of those continuing members of the Executive Committee and the attendance records of the last year of the Executive Committee members seeking re-election shall be sent to all the members of the Company by post or by electronic means no later than 21 days before the date of the annual general meeting;
- (d) ballot papers or electronic votes shall be returned to the Company no later than seven days before the annual general meeting and the counting of the ballots and the electronic votes shall take place at or prior to the annual general meeting;
- (e) the election of the Executive Committee members shall be carried by a simple majority and in case of equality of votes the Chairperson shall decide between those candidates by lot, and proceed as if the candidate on whom the lot falls had received an additional vote;
- (f) in case the vote of any members voting by post or electronically shall be uncertain or spoilt, or should doubt arise as to the intention of the member so voting the Chairperson shall have an absolute discretion to reject the vote;
- (g) where there are no more nominations than vacant posts the candidates shall be declared elected at the annual general meeting without the necessity of a ballot.

## 26. **Subscriptions**

26.1 The level of subscription for all classes of membership shall be determined at general meetings of the Company or by the Executive Committee.

26.2 Subscriptions may be related to such factors as the Executive Committee shall from time to time decide.

## 27. **Finance**

27.1 The Executive Committee shall make proper arrangements for opening and operating one or more bank accounts in the name of the Company. The name(s) of the Company's banker(s) shall be included in the audited statement of the accounts.

**28. Indemnity of members of the Executive Committee**

28.1 Subject to the provisions of the Act but without prejudice to any indemnity to which a member of the Executive Committee may otherwise be entitled every member of the Executive Committee or other officer 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 judgment was given in his or her favour or in connection with any application in which relief is granted to him or her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company and against all costs, charges, losses, expenses or liabilities incurred by him or her in the execution and discharge of his or her duties or in relation thereto.

**29. Payment of reasonable expenses to members of the Executive Committee**

29.1 The members of the Executive Committee may be paid reasonable out-of-pocket expenses that they have properly incurred in connection with the business of the Company but shall not be paid any other remuneration save as permitted in the memorandum of association.

**30. The Keeping of Minutes**

30.1 The Executive Committee must have minutes entered in the minute books:-

- (a) of all appointments of officers by the Executive Committee;
- (b) of the names of the members of the Executive Committee present at each of its meetings and of any committee of the members of the Executive Committee;
- (c) of all resolutions and proceedings at all meetings of:
  - (i) The Company;
  - (ii) The Executive Committee;
  - (iii) Committees of the Executive Committee.

**31. The Make-up of the Executive Committee**

31.1 The first Executive Committee consists of those people named in Statement of First Directors filed under Section 10 of the Act and sent to

the Registrar of Companies when the Company is formed or appointed by them. They hold office until the first annual general meeting. The respective periods of service of each member of the Executive Committee for their term of office prior to incorporation of the Company shall continue to count towards their total period of their term of office. After the first annual general meeting, the Executive Committee consists of those persons specified in article 24.

## **32. Retirement of members of the Executive Committee**

32.1 Election to the Executive Committee and election as an Honorary Officer shall normally be for a term of three years. A year shall be counted from the conclusion of the annual general meeting at which election takes place to the conclusion of the next following annual general meeting. A term on the Committee may also be limited by sub-clause (i) below. A person may serve on the Executive Committee in no more than one capacity at a time, and election or appointment as an Honorary Officer shall take precedence over membership of the Executive Committee achieved by any other means.

32.2 At the end of the specified term, an Executive Committee member shall be eligible for re-election, provided that the following maximum periods shall apply:

- (i) An Executive Committee member may not serve for more than six successive years except where (iv) below shall apply;
- (ii) The Chairperson, Vice-Chairs and the Treasurer may serve as such for up to six consecutive years;
- (iii) No person may serve as a member of the Executive Committee for a total of more than 9 years irrespective of their elected role.
- (iv) A prior period of appointment under sub-clause 34.1 or of co-option under sub-clause 34.1 shall not be counted.

32.3 A period of one year must elapse before a member who has served for the maximum period shall be eligible for further election.

## **33. Notification of Change of members of the Executive Committee to the Registrar of Companies**

33.1 All appointments, retirements or removals of directors must be notified to the Registrar of Companies.

### **34. Filling vacancies in the membership of the Executive Committee and Co-option**

34.1 The Executive Committee can appoint any person who was eligible for election at the most recent annual general meeting or who is a trustee, employee, or other representative of an organisation that has been admitted to membership since that meeting to fill a vacancy in the membership of the Executive Committee. They will hold office until the conclusion of the next annual general meeting. The Executive Committee may also co-opt up to five additional persons onto the Committee at any one time provided that a co-option may not cause the number of appointed and co-opted members together to exceed one third of the total membership of the Executive Committee. No person shall be co-opted who is ineligible to serve because of the duration of his or her previous service under article 32.2 above. A co-opted member will be only eligible for re-election if a period of one year has elapsed since their previous election as a co-opted member to the Executive Committee. A co-opted member may vote at meetings of the Executive Committee.

### **35. Ending of Executive Committee Membership**

35.1 A member of the Executive Committee must cease to be a member if he or she:-

- (a) ceases to represent a member organisation; or
- (b) does not attend meetings of the Executive Committee held during any period of 12 months (unless the Executive Committee shall accept a reasonable excuse for non-attendance); or
- (c) becomes barred from membership of the Executive Committee because of any order made under the Act or by virtue of Section 72 of the Charities Act 1993; or
- (d) becomes bankrupt or makes any arrangement or composition with his or her creditors generally; or
- (e) becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs; or
- (f) resigns the office by notice in writing to the Company but only if at least two members of the Executive Committee will remain in office when the resignation takes effect; or

- (g) is directly or indirectly involved in any contract with the Company and fails to declare the nature of his or her interest in the proper way. The proper way is by giving notice at the first meeting at which the contract is discussed or the first meeting after the member became interested in the contract; or
- (h) is removed from office.

### **36. Removal of a member of the Executive Committee by a General Meeting**

- 36.1 A general meeting of the Company may remove any member of the Executive Committee before the end of his or her period of office whatever the rest of these Articles or any agreement between the Company and the member may say.
- 36.2 Removal can take place only by the Company passing an ordinary resolution saying so. At least 28 days' notice must be given to the Company and at least 21 days' notice to the membership. Once the Company receives such notice it must immediately send a copy to the member of the Executive Committee concerned. He or she has a right to be heard at the general meeting. He or she also has the right to make a written statement of reasonable length. If the statement is received in time it must be circulated with the notice of the meeting. If it is not sent out, the member may require it to be read to the meeting.

### **37. Meetings of the Executive Committee**

- 37.1 The Executive Committee may meet, adjourn and run its meetings as it wishes, subject to the rest of these Articles.
- 37.2 Questions arising at any meeting must be decided by a majority of votes. Every member has one vote including the Chairperson. If the votes are equal, the Chairperson has a casting vote.
- 37.3 A member of the Executive Committee may, and the Secretary if requested by a member of the Executive Committee must, summon a meeting of the members of the Executive Committee.
- 37.4 A meeting of the Executive Committee may be held either in person or by suitable electronic means agreed by the Executive Committee in which all participants may communicate with all the other participants.

### **38. Replacement of Honorary Officers**

38.1 The Executive Committee may elect a Chairperson, Vice-Chairs, Treasurer and any other honorary officers that it wishes where the office becomes vacant between annual general meetings.

**39. Quorum of the Executive Committee**

39.1 The quorum shall be 5 or such other number as the Company may in General Meeting from time to time determine.

**40. Vacancies on the Executive Committee**

40.1 The Executive Committee may act despite any vacancy on the committee. But if the number of members falls below the quorum, it may act only to summon a general meeting of the Company.

**41. A Resolution may be Approved by Signature Without a Meeting**

41.1 A resolution in writing signed by all the members of the Executive Committee or any committee is as valid as if it had been passed at a properly held meeting of the Executive Committee or committee. The resolution may consist of several documents in the same form signed by one or more members of the Executive Committee or committee.

**42. Validity of Acts Done at Meetings**

42.1 It may be discovered that there was some defect in the appointment of a member of the Executive Committee or someone acting as a member or that he or she was disqualified. If this is discovered, anything done before the discovery at any meeting of the Executive Committee is as valid as if there were no defects or disqualification.

**43. Chairperson of Committees**

43.1 A committee may elect a Chairperson of its meetings if the Executive Committee does not nominate one.

43.2 If at any meeting the committee's Chairperson is not present within 10 minutes after the appointed starting time, the members present may choose one of their number to be Chairperson of the meeting.

**44. Meetings of Committees**

44.1 A committee may meet and adjourn whenever it chooses.

44.2 Questions at the meeting must be decided by a majority of votes of the members present.

44.3 The committee must have minutes entered in minute books. Copies of these minutes must be given to all members of the Executive Committee.

## **Company Secretary**

### **45. Appointment and Removal of the Company Secretary**

45.1 The members of the Executive Committee may appoint and may also remove the Company Secretary and may decide his or her period of office, pay (if not a member of the Executive Committee) and conditions of service.

### **46. Actions of Directors and Company Secretary**

46.1 Where the Act states that certain actions must be taken both by a member of the Executive Committee (a Director) and by the Company Secretary, if one person is both a member of the Executive Committee and the Company Secretary, it is not enough for him or her to do the action first as a Executive Committee member and then as Company Secretary or vice versa.

### **47. The Seal**

47.1 If the Company shall decide to use a Company Seal the Executive Committee must provide safe custody of the Seal.

47.2 The Seal may only be used as the authority of the Executive Committee or of a committee authorised by the Executive Committee to use it.

47.3 Everything to which the Seal is affixed must be:-

- (a) signed by a member of the Executive Committee; and
- (b) countersigned by the Company Secretary or by a second member of the Executive Committee or by some other person appointed by the Executive Committee for that purpose.

## **ACCOUNTS**

### **48. Proper Accounts must be Kept**

48.1 The Executive Committee must comply with the requirements of the Act and of the Charities Act as to keeping financial records, the audit of accounts and the preparation and transmission to the Registrar of Companies and the Charity Commission of:

- (1) annual returns;
- (2) annual reports; and
- (3) annual statements of account.

48.2 The Executive Committee must keep proper records of:

- (1) all proceedings at general meetings;
- (2) all proceedings at meetings of the Executive Committee;
- (3) all reports of committees.

#### 49. **Books must be Kept at the Office**

49.1 The books of account must be kept at the registered office of the Company or at other places decided by the Executive Committee. The books of account must always be open to inspection by members of the Executive Committee.

#### 50. **Inspection of Books**

50.1 The Executive Committee must decide whether, how far, when, where and under what rules the books of account may be inspected by members who are not on the Executive Committee. A member who is not on the Executive Committee may only have the right to inspect a book of account or document of the Company if the right is given by law or authorised by the Executive Committee or a general meeting.

#### 51. **Profit and Loss Account and Balance Sheets**

51.1 The Executive Committee must, for each accounting reference period, put before a general meeting of the Company:-

- (a) any statement of financial activities and income and expenditure accounts;

- (b) a report by the Executive Committee on the state of the Company as required by the law;
- (c) a balance sheet; and
- (d) such other reports statements or accounts as are from time to time required by law.

## 52. **Copies for Members**

52.1 Certain documents must be sent to members of the Company at least 21 days before the date of the general meeting. These documents are:-

- (a) a copy of every balance sheet (including every document required by law to be attached to it) which is to be laid before the Company at the general meeting;
- (b) a copy of any report from Reporting Accountants or Auditors; and
- (c) a copy of the report of the members of the Executive Committee.

52.2 However this Article does not require a copy of these documents to be sent to anyone whose address the Company does not know.

## 53. **Appointment of Reporting Accountants or Auditors**

53.1 The Company must appoint properly qualified reporting accountants or properly qualified auditors if the level of the Company's income or assets from time to time makes this legal requirement.

## 54. **Service of Notices**

54.1 The Company may give notice to any member either personally or by delivering it or sending it by ordinary post to his or her registered address. If the member lacks a registered address within the United Kingdom, notice may be sent to any address within the United Kingdom which he or she has given the Company for that purpose. If a notice is sent by post, it will be treated as having been served by properly addressing, pre-paying and posting a sealed envelope containing the notice. The notice will be treated as having been received 48 hours after the envelope containing it was posted if posted by first class post and 72 hours after posting if posted by second class post.

**55. Accidental Omission of Notice**

55.1 A technical defect in the giving of notice (which results in a member not receiving such notice) of which the Executive Committee is unaware at the time does not invalidate decisions taken at a meeting.

**56. Who is Entitled to Notice of General Meetings**

56.1 Notice of every general meeting must be given to:-

- (a) every Member (except those members who lack a registered address within the United Kingdom and have not given the Company an address for notices within the United Kingdom);
  - (b) Reporting Accountants or Auditor of the Company;
  - (c) all members of the Executive Committee; and
- all those with rights of nomination to the Executive Committee (if any).

56.2 No-one else is entitled to receive notice of general meetings.

**57. Alteration of the Articles**

57.1 The Company may alter these Articles only by a special resolution. A special resolution must be passed at a meeting of members of which 21 days notice has been given of the intention to pass a special resolution and at which 75% of those voting whether present in person or by proxy must be in favour of. Such a resolution may be passed on shorter notice if 95% of members having the right to vote agree.

57.2 No alteration may be made to an article which directs or restricts the way monies or property of the Company may be used without the Charity Commission's prior written approval.

**58. Dissolution of the Company**

58.1 The Executive Committee or a general meeting may decide at any time to dissolve the Company. The Company shall then call a meeting of all members and those entitled to notice of general meetings.

58.2 Any surplus must be used in accordance with the provisions of the Memorandum of Association.

## **59. Standing Orders and Rules**

- 59.1 The Executive Committee shall have the power to adopt and issue standing orders and/or rules for the Company. Such standing orders and/or rules shall come into operation immediately PROVIDED ALWAYS THAT they shall be subject to review by the Company in general meeting and shall not be inconsistent with the provisions of the Memorandum and Articles of Association.

