

2.871 JUNE 0X

Company No. 1686164

THE COMPANIES ACTS 1985 TO 1989

COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

of

EDGE FOUNDATION



(as adopted by a Special Resolution passed on

June 2004)

GENERAL

1. In these Articles and the Memorandum of Association

"the Act"	means the Companies Act 1985 as amended by the Companies Act 1989, and where any provision of the Act is referred to the reference is to such provision as modified by any statute for the time being in force.
"these Articles"	means these Articles of Association as amended from time to time.
"the Company"	means Edge Foundation.
"the Charity Commission"	means the Charity Commissioners for England and Wales.
"the Chief Executive"	means the person for the time being employed by the Company pursuant to Article 43.
"Committee" <sup>1</sup>	means any Committee of the Board properly constituted pursuant to Article 39.
"the Board"	means a duly convened meeting of those members of the Company who have been appointed as, and have consented to act as, Directors of the Company.
"financial expert"	means an individual, company or

<sup>1</sup> Inserted by Special Resolution passed on 19 February 2002.

firm who is authorised to give investment advice under the Financial Services and Markets Act 2000.

"in writing" means 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.

Where the context admits terms denoting the singular number shall include the plural and terms denoting the masculine gender shall include the feminine.

The words "person" or "people" includes corporations.

#### **MEMBERS OF THE COMPANY**

2. The number of members with which the Company is registered is not to exceed fifteen and shall not be less than three. Every member shall serve in a personal capacity and his rights as a member shall not be transferable. Every member shall also be a Director of the Company.<sup>2</sup>
3. Subject to the provisions of Articles 5 and 12 each member of the Company shall continue to be a member for a period of up to three years from the date of being admitted to membership. The Board may determine by a simple majority vote that any member be admitted to membership for a shorter period.<sup>2</sup>
4. Any casual vacancy occurring among the members of the Company may be filled by some person appointed by a simple majority vote of the Board, for such period as the Board may determine not exceeding the unexpired period of office of the member whose resignation of membership of the Company shall have given rise to the casual vacancy.

#### **RETIREMENT AND ELECTION OF MEMBERS**

5. Subject to the provisions of these Articles, the members of the Company shall retire on the expiry of their period of office.<sup>3</sup>

The retiring members shall automatically cease to be duly elected members and Directors of the Company (unless they are proposed for re-election and duly re-elected in accordance with Article 6). Members may be re-elected for one or more further terms of three years.<sup>3</sup>

6. Prior to the Annual General Meeting in each year and

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<sup>2</sup> As amended by Special Resolution passed on 15 October 1997.

<sup>3</sup> As amended by a Special Resolution passed on 15 October 1997.

prior to any General Meeting, the Board shall propose such number of individuals as new members and such number of retiring members as shall be eligible for re-election as it deems appropriate provided always that the number of such members proposed shall be sufficient to ensure that the Company will have not less than three members, if duly elected. The proposed new members and retiring members proposed to be re-elected shall be subject to approval by a simple majority vote of the Board at the relevant General Meeting. Such individuals become duly elected members and Directors of the Company at the end of the relevant General Meeting. In the event that the number of members of the Company falls below three for any reason then such members of the Company as remain shall be entitled acting in Board to nominate and approve by a simple majority vote such number of individuals as members as may be necessary to ensure that the number of members equals three and such individuals shall become duly elected members and Directors of the Company at the end of the Board meeting held to nominate them and approve their appointment.<sup>3</sup>

7. Every person duly elected as a member and a Director of the Company shall sign a written consent to become a member and a Director and sign the Register of Members of the Company.

#### CHAIRMAN AND VICE CHAIRMAN

8. Upon the recommendation of the Board the members in General Meeting shall elect one of their number to be the Chairman of the Company and he shall hold office for the unexpired period of his appointment to membership unless the Board shall determine otherwise. The members in General Meeting by simple majority vote may terminate the appointment of the Chairman of the Company.
9. Upon the recommendation of the Board, the members of Board may elect one or more of their number to be a Vice Chairman or Vice Chairmen of the Company each of whom shall hold office for the unexpired period of his appointment to membership unless the Board shall determine otherwise. The Board by simple majority vote may terminate the appointment of any Vice Chairman.
10. The Chairman of the Company shall chair meetings of the Board.<sup>4</sup> In the absence of the Chairman, the Vice Chairman, or if there is more than one the Vice Chairman who has held office as Vice Chairman the longer or longest, shall discharge the duties of the Chairman.
11. The Chairman of the Company shall receive reasonable and proper remuneration, the amount of which shall be fixed annually by

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<sup>4</sup> The words "and the Executive Committee" were deleted by a by Special Resolution passed on 19 February 2002.

the <sup>5</sup>Board or any Committee thereof.

#### CESSATION OF MEMBERSHIP

12. A person shall cease to be a member and a Director of the Company forthwith:

12.1 if he shall resign in writing as a member or a Director addressed to the Secretary or the Chairman of the Company;

12.2 if he shall be removed as a Director by the Company in general meeting;

12.3 if the Board shall resolve by a simple majority that he shall cease to be a Director and a member of the Company;

12.4 if he shall be properly certified or found by a competent court to be incapable by reason of mental illness of managing his affairs;

12.5 if he shall be found guilty of any criminal offence involving dishonesty or violence or any other matter which in the opinion of the Board would make him unfit to be a member of the Company;

12.6 if he shall become bankrupt or makes any arrangement or composition with his creditors generally;

12.7 if he ceases to be a member or Director by virtue of any provision of the Act or these Articles;

12.8 if he becomes prohibited by law from being a director or the trustee of a charity.

On his ceasing to be a member of the Company he shall also automatically cease to be a member of the Board of the Company and of any Committee thereof.

#### GENERAL MEETINGS

13.<sup>6</sup> The Company shall hold a General Meeting in every calendar year as its Annual General Meeting at such time and place as may be determined by the Board or (if the Board shall make no such determination) by the Chairman of the Company and the meeting shall be specified as such in the notices calling it, provided that every Annual General Meeting shall be held not more than fifteen months after the holding of the last preceding Annual General Meeting.

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<sup>5</sup> By a Special Resolution passed on 19 February 2002 the words "Remuneration Committee" were deleted and replaced by the words "Council or any Committee thereof".

<sup>6</sup> By a Special Resolution passed on 19 February 2002 the articles previously designated as articles 13-16 (inclusive) were deleted in their entirety and the subsequent articles were re-numbered accordingly.

14. All general meetings of the Company other than Annual General Meetings shall be called Extraordinary General Meetings.
15. The Board may whenever it thinks fit convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened on such requisition, or, in default, as provided by Section 368 of the Act.
16. At least twenty one days' notice in writing of every Annual General Meeting and of every meeting convened to pass a Special Resolution, and at least fourteen days' notice in writing of every other Extraordinary General Meeting specifying the place, the date and the time of meeting, and in the case of special business the general nature of that business, shall be given in manner hereinafter mentioned to all members of the Company and to such other persons (including the Auditors) as are under these Articles or under the Act entitled to receive such notices from the Company. The period of such notice shall in every case be exclusive both of the day on which it is served and the day for which it is given.
17. The accidental omission to give notice of a meeting to, or the non-receipt of such notice by, any person entitled to receive notice thereof shall not invalidate any resolution passed, or proceeding, at that meeting.

#### PROCEEDINGS AT GENERAL MEETINGS

18. All business that is transacted at an Extraordinary General Meeting shall be deemed special and all business that is transacted at an Annual General Meeting shall also be deemed special, with the exception of consideration of the accounts and balance sheet and the reports of the Board and Auditors, and the appointment and remuneration of the Auditors.
19. No business shall be transacted at any General Meeting unless a quorum is present. Save as herein otherwise provided three members, entitled to vote and personally present shall be a quorum.
20. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened on the requisition of members, 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 such day, time and place as the chairman of the meeting shall appoint, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be a quorum. The Chief Executive shall be entitled to attend and speak at all General Meetings<sup>8</sup> but not to vote at such meetings.

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<sup>8</sup> By a Special Resolution passed on 19 February 2002 the words "meetings of the Council" were replaced with the words "General Meetings".

21. The Chairman of the Company, or in his absence one of the Vice Chairmen shall preside as chairman at every General Meeting, but if there be no such Chairman or Vice Chairman, or if at any meeting one of them is not present within fifteen minutes after the time appointed for holding the same or is unwilling to preside<sup>9</sup> the members present shall choose one of their number to act as chairman.
22. The chairman of any meeting at which a quorum is present may with the consent of those present, 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 meeting other than business which might have been transacted at the meeting from which the adjournment took place. Whenever a meeting is adjourned for fourteen days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, the members shall not be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting.
23. A declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the Minute Book 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 that resolution.
24. In the case of an equality of votes the chairman of the meeting shall be entitled to a second or casting vote.
- 25.<sup>10</sup> Subject to the provisions of the Act a resolution in writing signed by all the members of the Company for the time being entitled to receive notice of and to attend and vote at any General Meeting shall be valid and effective as if the same had been passed at a meeting of the Company convened and held.

#### VOTES OF MEMBERS

26. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands and every member present in person or, <sup>11</sup>by proxy, shall have one vote.<sup>12</sup>

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<sup>9</sup> By a Special Resolution passed on 19 February 2002 the words "the members present shall choose a member" up to and including the words "willing to act" were deleted.

<sup>10</sup> This article was inserted by a Special Resolution passed on 19 February 2002 and the subsequent articles were re-numbered accordingly.

<sup>11</sup> By a Special Resolution dated 19 February 2002 the words "in the case of an extraordinary general meeting present in person or" were deleted.

<sup>12</sup> As amended by a Special Resolution passed on 4 December 1996.

27. Any instrument appointing a proxy shall be in writing, executed by or on behalf of the Appointor, and shall be in such form as may be approved from time to time by the Board or as near to such form as circumstances allow. A proxy need not be a member of the Company.
28. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified to the satisfaction of the Board should be deposited at the registered office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting 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. An instrument of proxy which is not deposited or delivered in such manner shall be invalid.
29. A vote given by proxy shall be valid notwithstanding the previous determination of the authority of the person voting unless notice of the determination was received by the Company at the registered office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote was given.
30. A member who is proxy for one or more members, and a proxy who is proxy for more than one member, shall be entitled at any meeting to exercise separately each vote to which he is entitled at such meeting and shall notify the Chairman of such purpose at the time of voting.

#### **FUNCTIONS OF THE BOARD**

31. The business of the Company shall be directed by the Board who may exercise all the powers of the Company, and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by statute or by these Articles required to be exercised or done by the Company in General Meeting, subject nevertheless to the provisions of these Articles, to the provisions of the statutes for the time being in force and affecting the Company, and to such regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by the Company in General Meeting, but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

#### **PROCEEDINGS OF THE BOARD**

32. The Board shall meet at least twice each calendar year and may adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Unless otherwise determined three members entitled

to vote and personally present shall constitute a quorum.<sup>13</sup> Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote.<sup>14</sup> The Chief Executive shall be entitled to attend and vote at all meetings of the Board.

33. The Chairman or at least ten per cent of members entitled to vote may require the Secretary at any time to call a special meeting of the Board by a notice delivered or sent by post to all members specifying the business to be brought before the meeting and such meeting shall be called accordingly. A member of the Board who is absent from the United Kingdom shall be entitled to notice of such meeting at his address in the United Kingdom.
34. If at any meeting the Chairman of the Company or one of the Vice Chairmen be not present within five minutes after the time appointed for holding the meeting or is unwilling to act,<sup>15</sup> the members present shall choose one of their number to be the chairman of the meeting.
35. A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers and discretions by or under the regulations of the Company for the time being vested in the Board generally.
36. Members shall be entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with the activities of the Company or in attending and returning from meetings of the Board or of Committees or General Meetings.
37. It is the duty of a member of the Company who is in any way, whether directly or indirectly, interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company to declare the nature of his interest at a meeting of the Board. In the case of a proposed contract, transaction or arrangement, the declaration shall be made at the meeting of the Board at which the question of entering into the contract, transaction or arrangement is first taken into consideration or if the member was not at the date of that meeting interested in the proposed contract, transaction or arrangement at the next meeting of the Board after he became so interested. Where a member becomes interested in a contract, transaction or arrangement after it is made, the declaration shall be made at the first meeting of the Board held after he becomes so interested.

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<sup>13</sup> As amended by a Special Resolution passed on 15 October 1997.

<sup>14</sup> As amended by a Special Resolution passed on 4 December 1996.

<sup>15</sup> By a Special Resolution passed on 19 February 2002 the words "the members of the Executive Committee present shall" up to and including the words "willing to act then" were deleted.



A member shall not vote in respect of any contract, transaction or arrangement in which he is in any way, whether directly or indirectly, interested. A member shall not be counted in the quorum at a Board meeting in relation to any resolution on which he is debarred from voting.

For the purposes of this Article, a general notice to the Company by a member shall be deemed to be a sufficient declaration of interest in relation to the contract, transaction or arrangement; but the notice shall not be effective unless either it is given at a meeting of the Board or the member takes reasonable steps to ensure that it is noted at the next Board meeting after it is given.<sup>16</sup>

- 38.<sup>17</sup> Members of the Board and members of any Committee may participate in or hold a meeting of the Board or any Committee (as the case may be) by means of conference telephone or similar communications equipment so that all persons participating in the meeting can hear each other. Participation by such means shall be deemed to constitute presence in person and business so transacted shall be effective for all purposes as that of a meeting of the Board or a Committee (as the case may be) duly convened and held with such persons physically present.

#### COMMITTEES

- 39.<sup>18</sup> The Board may delegate any of its powers or the implementation of any of its resolutions to any Committee provided that:

39.1 the resolution making that delegation shall specify who shall serve or be asked to serve on such Committee (although the resolution may allow the Committee to make co-options up to a specified number);

39.2 the composition of any such Committee shall be entirely at the discretion of the Board and may comprise such of their number as the resolution may specify;

39.3 the deliberations of the Committee shall be reported regularly to the Board and any resolution passed or decision taken by such committee shall be reported forthwith to the Board;

39.4 all delegations under this Article shall be

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<sup>16</sup> As amended by a Special Resolution passed on 4 December 1996.

<sup>17</sup> This Article was inserted by a Special Resolution passed on 19 February 2002.

<sup>18</sup> This Article was inserted by a Special Resolution passed on 19 February 2002.

revocable at any time;

39.5 the Board may make such regulations and impose such terms and conditions and give such mandates to any such committee as it may from time to time think fit;

39.6 for the avoidance of doubt, the Board may delegate all financial matters to any Committee and shall be empowered to resolve upon the operation of any bank account according to such mandate as it shall think fit from time to time.

#### **PROCEEDINGS OF COMMITTEES**

40.<sup>19</sup> All acts bona fide done by any meeting of the Board or of any Committee, or by any person acting as a member of the Board or of a Committee, or group shall notwithstanding it be afterward discovered that there was some defect in the appointment or continuance in office of any such person acting as aforesaid, or that they or any of them were for some reason disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified.

41. The Board shall cause proper minutes to be made of all appointments of officers made by the Board and of the proceedings of all meetings of the Company and of the Board and of Committees, and all business transacted at such meetings and any such minutes of any meeting, if purporting to be signed by the chairman of such meeting or by the chairman of the next succeeding meeting, shall be sufficient evidence without further proof of the facts therein stated.

42. A resolution in writing signed by all the members for the time being of the Board or of any Committee who are entitled to receive notice of a meeting of the Board or of such Committee shall be as valid and effectual as if it had been passed at a meeting of the Board or of such Committee duly convened and constituted.

#### **CHIEF EXECUTIVE**

43. The Chief Executive shall be appointed by Board and shall at all times carry out its instructions and administer its policies.<sup>20</sup>

#### **SECRETARY**

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<sup>19</sup> By a Special Resolution passed on 19 February 2002 the article previously designated as articles 41 was deleted in its entirety and the subsequent articles were re-numbered accordingly.

<sup>20</sup> By a Special Resolution passed on 19 February 2002 the existing article previously designated Article 45 was replaced in its entirety and re-numbered as Article 43.

44. Subject to the provisions of the Act, the Secretary (not being a member) shall be appointed by the Board for such term, at such remuneration and upon such conditions as the Board may think fit, and any Secretary so appointed may be removed by the Board.<sup>22</sup>

#### ACCOUNTS

45. The Board shall cause proper records of account to be kept in compliance with the requirements of the Companies Acts. The Board shall cause accounts to be drawn up annually to show a true and fair view of the state of its affairs. The Charity Commission may require the Board to produce such records and reports as may be requested of them.
46. The records shall be kept at the Registered Office of the Company or at such other place or places as the Board shall think fit, and shall always be open to the inspection of the members of the Board.

#### AUDIT

47. Once at least in every year the accounts of the Company shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by one or more registered Auditor or Auditors.
48. Auditors shall be appointed and their duties regulated in accordance with the Act the members of the Board being deemed to be directors for the purposes of those sections.

#### NOTICE

49. A notice may be served by the Company upon any member, either personally or by fax or by email or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the Register of Members. 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. If sent by fax or email it will be treated as properly sent if the Company receives no indication that it has not been properly sent. 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. If sent by fax or email, the notice will be treated as having been received 24 hours after having been successfully sent.
50. Any member described in the Register of Members by an address not within the United Kingdom, who shall from time to time have given to the Company an address within the United Kingdom at which notices may be served upon him, shall be entitled to have

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<sup>22</sup> As amended by a Special Resolution passed on 16 September 1996.

notices served upon him at such address but, save as aforesaid, and as provided by the Act, only those members who are described in the Register of Members by an address within the United Kingdom shall be entitled to receive notices from the Company.

51. Any notice if served by post shall be deemed to have been served on the second day following that on which the letter containing the same is put into the post, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office as a prepaid letter.

#### DISSOLUTION

52. Clause 8 of the Memorandum of Association relating to the winding up or dissolution of the Company shall have effect as if the provisions thereof were repeated in these Articles.<sup>24</sup>

#### INDEMNITY

53. The directors shall have power to resolve pursuant to Clause 4 of the Memorandum of Association to effect directors' indemnity insurance notwithstanding their interest in such policy.<sup>25</sup>
54. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director 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 judgement is given in his or her favour or in which he or she is acquitted 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.<sup>25</sup>

#### ALTERATIONS TO THE ARTICLES

- 55.1 No alterations to the Articles may be made which would cause the Company to cease to be a charity in law. Other alterations to the Articles 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.

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<sup>24</sup> As amended by a Special Resolution passed on 4 December 1996.

<sup>25</sup> As amended by a Special Resolution passed on 16 September 1996.

55.2 Alterations may only be made to the objects of the Company or any clause of the 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.

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