

Company number 05024694

THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION

OF

BUILDINGSMART INTERNATIONAL LIMITED

(INCORPORATED ON 23 JANUARY 2004)

(ADOPTED BY SPECIAL RESOLUTION

ON 21 JUNE 2017)

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PART 1: DEFINED TERMS AND INTERPRETATION

1 DEFINED TERMS AND INTERPRETATION

1.1 In the Articles, unless the context requires otherwise:

Act	or any numbered section of it, means the Companies Act 2006 or such section as amended, restated or re-enacted from time to time;
Articles	the Company's articles of association;
Chapter	a Full Chapter of the Company and as such a Member of the Company;
Chapter Representative	an individual nominated to represent a Chapter in accordance with Article 26;
Chair of the Board	has the meaning given in Article 16;
Chair of the meeting	has the meaning given in Article 36;
Company	the Company called "buildingSMART International Limited";
International Council	the body of Members of the Company;
International Council Meeting	a general meeting of the Company, including the AGM of the International Council attended by the Chapter Representatives;
International Council Nominations Committee	a committee of the International Council whose membership is determined in accordance with the International Council Nominations Committee terms of reference made in accordance with Article 56;
Director	a director of the Company;
Electronic Communication	any document or information sent or supplied in electronic form (for example by email or fax) within the meaning of section 1168 of the Act;
Incorporation Date	the date upon which the Company was

	incorporated at Companies House;
AGM of the International Council	the annual general meeting of the Company attended by the Chapter Representatives;
Member	the meaning given in section 112 of the Act and having the right to attend and vote at International Council Meetings of the Company;
Model Articles	the model articles of association for a private Company limited by guarantee set out in Schedule 2 of the Companies (Model Articles) Regulations 2008 (SI2008/3229) and any amendment or replacement from time to time;
Objects	Company's objects as defined at Article 2;
Ordinary Resolution	has the meaning given in section 282 of the Act and includes such a resolution passed by written resolution;
Proxy Notice	has the meaning given in Article 42;
Secretary	the company secretary (if any) and includes any joint, assistant or deputy Secretary;
Special Resolution	has the meaning given in section 283 of the Act and includes such a resolution passed by written resolution;
Statutes	the Act, the Charities Legislation and every other statute or statutory instrument, law or regulation for the time being in force and concerning companies in so far as they apply to the Company;

1.2 Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Act.

1.3 A reference to:

1.3.1 words importing the singular only shall include the plural and vice versa;

1.3.2 "in writing" or "written" includes Electronic Communication but excludes text messaging via mobile phone; and

1.3.3 “clear” or “clear days” in relation to a period of notice means the period excluding the day on which 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.

1.4 The Model Articles shall not apply to the Company.

PART 2: OBJECTS

2 OBJECTS

The objects for which the Company is established are to encourage a sustainable built environment through the development of SMARTER information sharing and communication systems by (but not limited to):

- 2.1 developing and maintaining open international standards for building information modelling and linking with other international standards organisations;
- 2.2 acting and developing services to accelerate market assimilation of interoperability;
- 2.3 enabling structured communications to and from front line users;
- 2.4 working to resolve high cost problems that hinder data sharing;
- 2.5 developing buildingSMART processes and technology to the whole built environment, over its lifecycle, and encompassing leadership, production, facilities management, engineering maintenance and operations; and
- 2.6 managing and protecting the Company's intellectual property to maximise the development and uptake of open standards.

PART 3: APPLICATION OF INCOME AND PROPERTY AND DIRECTORS' BENEFITS

3 APPLICATION OF INCOME AND PROPERTY

3.1 The income and property of the Company shall be applied solely towards the promotion of the Objects, and no part thereof shall be paid or transferred directly or indirectly, by way of dividend, bonus or otherwise by way of profit, to the Members. This does not prevent:

3.1.1 a Member receiving a benefit from the Company in the capacity of a beneficiary of the Company; or

3.1.2 reasonable and proper remuneration to any Member who is not also a Director for any goods or services provided to the Company.

4 DIRECTORS' BENEFITS

4.1 No Director shall be appointed to any office of the Company, be employed by the Company or receive any remuneration or other benefit in money or money's worth from the Company unless the payment or benefit in question is permitted pursuant to Article 5.

5 PERMITTED BENEFITS

Subject to Article 6, nothing herein shall prevent the payment in good faith by the Company of:

- 5.1 reasonable and proper remuneration to a Director for services rendered to the Company otherwise than any remuneration for services provided by a Director in his/her capacity as a Director or under a contract of employment;
- 5.2 monies for the supply of goods by a Director to the Company, whether such goods are provided in connection with the provision of services referred to at Article 5.1 or otherwise;
- 5.3 interest at a reasonable and proper rate on money lent to the Company by any Director;
- 5.4 reasonable and proper rent for premises demised or let to the Company by any Director;
- 5.5 reimbursement of reasonable out-of-pocket expenses actually incurred by any Director in or about the affairs of the Company;
- 5.6 any payments made pursuant to Articles 24 (Directors' Indemnity) and 25 (Directors' Indemnity Insurance).

6 CONDITIONS RELATING TO DIRECTORS' BENEFITS

- 6.1 Save for the payments referred to in Articles 5.5 and 5.6, the Company and its Directors may only rely upon the authority provided by Article 5 in respect of payments or benefits to a Director if each of the following conditions is satisfied:
- 6.2 the remuneration or other sums paid to the Director does not exceed an amount that is reasonable in all the circumstances;
- 6.3 the Director is absent from the part of any meeting at which there is discussion of:
 - 6.4 his/her contract or remuneration, or any matter concerning the contract;
 - 6.5 his/her performance in the employment, or his/her performance of the contract; or
 - 6.6 any proposal to enter into any other contract or arrangement with him/her or to confer any benefit upon him/her that would be permitted under Article 5;
- 6.7 the Director does not vote on any such matter and is not counted when calculating whether a quorum of Directors is present at the meeting;
- 6.8 the remaining Directors are satisfied and agree that it is in the best interests of the Company to contract with that Director rather than with someone who is not a Director;
- 6.9 the reason for their decision is recorded by the Directors in the minute book;

- 6.10 the amount or maximum amount of any remuneration payable to a Director is set out in an agreement in writing between the Company or Directors and that Director; and
- 6.11 the number of Directors then in office who have received remuneration or other benefits from the Company are in a minority.

7 PART 3 DEFINITIONS

The following words in Articles 3, 4, 5, 6, and 7 (as the case may be) shall have the following meanings:

- 7.1 “Company” shall include any company in which the Company:
- 7.1.1 holds more than 50% of the shares; or
 - 7.1.2 controls more than 50% of the voting rights attached to the shares; or
 - 7.1.3 has the right to appoint one or more directors to the board of the company; and
- 7.2 “Director” shall include the following:
- 7.2.1 a child, parent, grandchild, grandparent, brother or sister of a Director;
 - 7.2.2 the spouse or civil partner of a Director or of any person falling within Article 7.2.1;
 - 7.2.3 a person carrying on a business in partnership with a Director or with any person falling within Articles 7.2.1 or 7.2.2;
 - 7.2.4 an institution which is controlled:
 - (a) by a Director or by any person falling within Articles 7.2.1, 7.2.2 or 7.2.3; or
 - (b) by two or more persons falling within Article 7.2.4(a) when taken together; and
 - 7.2.5 a body corporate in which:
 - (a) the Director or any person falling within Articles 7.2.1, 7.2.2 or 7.2.3 has a substantial interest; or
 - (b) two or more persons falling within paragraph (a), when taken together, have a substantial interest.
- 7.3 The following definitions apply for the purposes of interpreting the terms used at Article 7.2 as follows:
- 7.3.1 “child” includes a step-child and an illegitimate child;

- 7.3.2 “civil partner” shall include a person living with a Director as that Director’s husband or wife and includes two persons of the same sex who are not civil partners but live together as if they were;
- 7.3.3 a person controls an institution if he/she is able to secure that the affairs of the institution are conducted in accordance with his/her wishes;
- 7.3.4 a person has a substantial interest in a body corporate if he/she is:
- (a) interested in shares comprised in the equity share capital of that body of a nominal value of more than one-fifth of that share capital; or
 - (b) is entitled to exercise, or control the exercise of, more than one-fifth of the voting power at any general meeting of that body.

PART 4: DIRECTORS

DIRECTORS’ POWERS AND RESPONSIBILITIES

8 DIRECTORS’ GENERAL AUTHORITY

Subject to the Articles, the Directors are responsible for the management of the Company’s business, for which purpose they may exercise all the powers of the Company.

9 MEMBERS’ RESERVE POWER

- 9.1 The Members may, by ordinary resolution, direct the Directors to take, or refrain from taking, specified action.
- 9.2 No such Members’ resolution invalidates anything which the Directors have done before the passing of the resolution.

10 DIRECTORS MAY DELEGATE

- 10.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles:
- 10.1.1 to such person or committee;
 - 10.1.2 by such means (including by power of attorney);
 - 10.1.3 to such an extent;
 - 10.1.4 in relation to such matters or territories; and
 - 10.1.5 on such terms and conditions,
- as they think fit.
- 10.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors’ powers by any person to whom they are delegated.

10.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

11 COMMITTEES OF THE BOARD

11.1 Committees of the board to which the Directors delegate any of their powers must contain at least one Director and must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors.

11.2 The Directors may make rules of procedure for all or any committees of the board, which prevail over any rules or bye-laws derived from the Articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

12 MEETINGS OF DIRECTORS

12.1 Subject to the provisions of these Articles, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.

12.2 At any time any Director may, and the Secretary on the requisition of a Director shall, summon a meeting of the Directors.

12.3 Any such summons shall specify where, when and how the meeting is to be held. Any Director may waive notice (on their own account) of any meeting and such waiver may be retrospective.

12.4 All acts done in good faith by any meeting of the Directors or of any committee shall, notwithstanding it be discovered afterwards that there was some defect in the appointment or continuance in office of any such persons or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Director or member of the committee as the case may be.

13 QUORUM FOR MEETINGS AND VOTING

13.1 The quorum necessary for the transaction of business of the Directors may be fixed from time to time by the Directors and, unless so fixed at any other number shall be four save that the quorum for the purposes for authorising a conflict of loyalty shall be two.

13.2 A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

13.3 Questions arising at any meeting of the Directors shall be determined by a majority of votes. In case of an equality of votes the Chair of the Board shall have a second or casting vote.

14 MEETINGS BY CONFERENCE TELEPHONE ETC

- 14.1 All or any of the Directors or any committee of the Directors may participate in a meeting of the Directors or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear and speak to each other throughout the meeting.
- 14.2 A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.
- 14.3 Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chair then is.

15 RESOLUTIONS IN WRITING

- 15.1 A resolution executed by all the Directors, or by all the members of a committee constituted under these Articles, shall be as valid and effectual as if it had been passed at a meeting of the Directors, or (as the case may be) at a meeting of that committee, which in every case was duly convened and held.
- 15.2 For the purposes of this Article 15:
- 15.2.1 a resolution shall consist of one or more written instruments or one or more Electronic Communications sent to an address specified for the purpose by the Secretary, or a combination of them, provided that each such written instrument and Electronic Communication (if more than one) is to the same effect;
 - 15.2.2 a written instrument is executed when the person executing it signs it;
 - 15.2.3 an Electronic Communication is executed when the person executing it sends it provided that it has been authenticated in such manner (if any) as the Secretary shall prescribe;
 - 15.2.4 the Directors, or (as the case may be) members of a committee constituted under these Articles, need not execute the same written instrument or Electronic Communication;
 - 15.2.5 a resolution shall be effective when the Secretary certifies that sufficient evidence has been received by him/her that the resolution has been executed in accordance with this Article 15; and
 - 15.2.6 if no Secretary is appointed, the Chair of the Board shall perform the functions of the Secretary under this Article 15.

16 CHAIRING OF DIRECTORS' MEETINGS

- 16.1 The Chair of the Board appointed by the AGM of the International Council chairs all Directors' meetings or in his / her absence the meeting shall be chaired by the Vice Chair appointed in accordance with Article 22.

16.2 If neither the Chair of the Board or the Vice Chair are participating in a Directors' meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.

17 DIRECTORS' CONFLICTS OF INTEREST

17.1 A Director must declare to the other Directors any situation of which he/she is aware in which he/she has, or could have, a direct or indirect interest that conflicts, or possibly might conflict, with the interests of the Company unless it relates to a contract, transaction or arrangement with the Company or the matter has been authorised by the Directors or the situation cannot reasonably be regarded as likely to give rise to a conflict of interest.

17.2 The Directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law any conflict or potential conflict disclosed under Article 17.1. Provided that for this purpose the Director in question and any other interested Director are not counted in the quorum for any resolution at any board meeting pursuant to which such conflict or potential conflict is authorised and it is agreed to without their voting or would have been agreed to if their votes had not been counted.

17.3 A Director shall not, by reason of his/her office, be accountable to the Company for any benefit which he/she derives from any matter where the conflict or potential conflict has been authorised by the Directors pursuant to Article 17.2 (subject in any such case to any limits or conditions to which such authorisation was subject).

18 DIRECTORS' INTEREST IN A CONTRACT WITH THE COMPANY

18.1 A Director who becomes aware that he/she is in any way, directly or indirectly interested in a proposed or existing contract, transaction or arrangement with the Company must declare the nature and extent of that interest to the other Directors unless it cannot reasonably be regarded as likely to give rise to a conflict of interest.

18.2 Save as herein provided, a Director shall not vote in respect of any contract, transaction or arrangement with the Company in which he/she has an interest which is to his/her knowledge a material interest otherwise than by virtue of being a member or otherwise in or through the Company. A Director shall not be counted in the quorum at the meeting in relation to any resolution on which he/she is debarred from voting.

18.3 Subject to the provisions of the Act and always to the provisions of Article 12, a director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning:

18.4 the giving of any security, guarantee or indemnity in respect of a debt or obligation of the Company or any subsidiary for which he/she has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

- 18.5 any arrangement for the benefit of Directors or employees of the Company or directors or employees of any subsidiary which does not award him/her any privilege or benefit not generally awarded to the other persons to whom such arrangement relates.
- 18.6 If any question shall arise at any time as to the materiality of a director's interest or as to the entitlement of any director to vote and such question is not resolved by his/her voluntarily agreeing to abstain from voting, such question shall be referred to the person chairing the meeting (or if the Director concerned is the chair of the meeting to the other Directors at the meeting) and his/her or their ruling (as the case may be) shall be final and conclusive except in a case where the nature or extent of the interests of such Director has not been fairly disclosed.
- 18.7 Subject as otherwise provided in the Act or these Articles, a Director may be in any way, directly or indirectly, interested in any contract or arrangement or transaction with the Company or any group company and he/she may hold and be remunerated in respect of any office or place of profit (other than the office of auditor of the Company or any group company) under the Company, any group company or any other company in which the Company is in any way interested and he/she (or any firm of which he/she is a member) may act in a professional capacity for the Company or any group company or any such other company and be remunerated therefor and in any such case as aforesaid (save as otherwise agreed) he/she may retain for his/her own absolute use and benefit all profits and advantages accruing to him/her thereunder or in consequence thereof.

19 MEANS OF DISCLOSURE

- 19.1 An interest of a Director to be disclosed under Articles 17 or 18 may be declared at a meeting of Directors, by notice in writing pursuant to section 184 of the Act or by means of a general notice under section 185 of the Act.

20 CONNECTED PERSONS INTERESTS AND WAIVER

- 20.1 For the purposes of Article 17 and 18 above an interest of a person who is, connected with a Director (within the meaning of section 252 of the Act) shall be treated as an interest of the Director.
- 20.2 The Members may by ordinary resolution suspend or relax the provisions of Article 18 to any extent or ratify any transaction not duly authorised by reason of a contravention of Article 18.

21 RECORDS OF DECISIONS TO BE KEPT

The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every decision taken by the Directors.

22 APPOINTMENT AND RETIREMENT OF DIRECTORS

Directors shall be appointed/re-appointed as subsequently provided in the Articles.

- 22.1 The number of Directors shall not be less than four and shall not be more than nine and shall include a Chair of the Board, a Vice Chair and an Honorary Treasurer (the "Officers").
- 22.2 Save as otherwise provided in the Articles, the Chapter Representatives at an AGM of the International Council may by Ordinary Resolution appoint a person who is recommended by the International Council Nominations Committee as being willing to act as a Director to fill an Officer vacancy or other vacancies on the Board (such number of vacancies to be determined by the International Council Nominations Committee).
- 22.3 Only individuals who are Chapter Representatives on the International Council or sit on the governing body of a Chapter or hold an equivalent level of responsibility within a Chapter or are from an organisation recognised by the International Council Nominations Committee (at the discretion of its members) as having equivalent standing shall be eligible for election.
- 22.4 Directors (including the Officers) shall be appointed for a term of two years, commencing from the end of the AGM of the International Council at which they were appointed until the end of the AGM of the International Council on the second anniversary of their appointment.
- 22.5 Upon the expiry of his/her office pursuant to Article 22 a Director may be re-appointed any number of times.
- 22.6 The Directors may appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director PROVIDED THAT the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the Articles as the maximum number of Directors. A Director so appointed shall hold office only until the next following AGM of the International Council. If not reappointed at such meeting, he/she shall vacate office at the conclusion thereof.
- 22.7 No person may be appointed as a Director:
- 22.7.1 unless he/she has attained the age of 18 years; or
- 22.7.2 in circumstances such that, had he/she already been a Director, he/she would have been disqualified from acting under the provisions of Article 23.

23 **TERMINATION OF DIRECTOR'S APPOINTMENT**

A person ceases to be a Director:

- 23.1 if by notice in writing to the Company he/she resigns (but only if at least three Directors remain in office when the notice of resignation is to take effect);
- 23.2 if he/she is removed by notice in writing to the Company signed by a majority of the Members;

- 23.3 if he/she ceases to hold office by reason of any order made under the Company Directors Disqualification Act 1986, or by virtue of any provision of the Statutes;
- 23.4 if he/she is removed from office by a resolution duly passed pursuant to Section 168 of the Act;
- 23.5 if he/she is absent from three consecutive meetings of the Directors without the consent of the Chair of the Board;
- 23.6 if he/she becomes incapable by reason of mental disorder, illness or injury of managing and administering his/her own affairs; or
- 23.7 if he/she is convicted of any criminal offence, other than any minor motoring or similar offence that cannot reasonably damage the reputation of the Company; or
- 23.8 if he/she does anything which in the reasonable opinion of the Directors brings or is likely to bring the name and/or reputation of the Company, its Directors and/or its Members into disrepute.

24 **DIRECTORS' INDEMNITY**

- 24.1 Subject to Article 24, a relevant Director of the Company or an associated company may be indemnified out of the Company's assets against:
 - 24.1.1 any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company,
 - 24.1.2 any liability incurred by that Director in connection with the activities of the Company or an associated company in his/her capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act); and
 - 24.1.3 any other liability incurred by that director as an officer of the Company or an associated company.
- 24.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 24.3 In this Article:
 - 24.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
 - 24.3.2 a "relevant director" means any director or former director of the Company or an associated company.

25 **DIRECTORS INDEMNITY INSURANCE**

- 25.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director in respect of any relevant loss.
- 25.2 In this Article:

- 25.2.1 a “relevant director” means any director or former director of the Company or an associated company;
- 25.2.2 a “relevant loss” means any loss or liability which has been or may be incurred by a relevant director in connection with that director’s duties or powers in relation to the Company, any associated company or any pension fund or employees’ share scheme of the Company or associated company; and
- 25.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

PART 5: BECOMING AND CEASING TO BE A MEMBER

26 APPLICATIONS FOR MEMBERSHIP

- 26.1 The Members of the Company are the incorporated bodies based around the world admitted by the Directors as BuildingSMART International Full Chapters in accordance with the criteria set out in the Rules and Byelaws made pursuant to Article 56
- 26.2 The Chapters are each entitled to nominate two individuals “Chapter Representatives” to represent the Chapter at the International Council Meetings. Such nominations shall be made in writing, and sent to the Directors of the Company detailing the full name and address and other contact information of the Chapter Representatives as required by the Directors from time to time.
- 26.3 No organisation shall become a Chapter unless:
 - 26.3.1 it has completed an application for membership in a form approved by the Directors; and
 - 26.3.2 the Directors have approved the application.

27 CLASSES OF NON VOTING MEMBERSHIP

- 27.1 An incorporated body may be admitted by the Directors to be a BuildingSMART International Developing Chapter in accordance with the criteria set out in the Rules and Byelaws made pursuant to Article 56. However for the avoidance of doubt a Developing Chapter is not a Chapter or Member for the purposes of these Articles and Developing Chapter membership does not entitle the Developing Chapter to vote at International Council meetings or to participate in the governance of the Company.
- 27.2 The Directors may establish, subject to Article 56, different classes of membership and prescribe and vary their respective rights, privileges and obligations, provided that the Chapters acting through their Chapter Representatives are the only Members of the Company.

28 **BENEFITS OF MEMBERSHIP**

A Chapter shall be entitled to use the initials “bS” or the words “buildingSMART” in its Chapter name and shall enjoy all other Chapter membership rights as set out in the Rules and Byelaws made pursuant to Article 56.

29 **TERMINATION OF MEMBERSHIP**

An organisation shall forthwith cease to be a Chapter (PROVIDED ALWAYS THAT at least one Chapter remains on the Register of Members thereafter):

- 29.1 if the Chapter is removed by notice in writing to the Company signed by a majority of the remaining Chapters;
- 29.2 if the Chapter is removed by a Directors’ resolution that it is in the best interests of the Company that its Membership is terminated provided that such a resolution may only be passed if:
 - 29.2.1 it has been given at least 21 days’ notice in writing of the meeting of the Directors at which the resolution will be proposed and the reasons why it is to be proposed; and
 - 29.2.2 its Chapter Representative(s) has / have been allowed to make representations to the meeting;
- 29.3 if by notice in writing to the Company, the Chapter resigns its Membership;
- 29.4 if an order is made or resolution is passed for its winding up or administration or distribution or it has a receiver appointed over all or some part of its assets;
- 29.5 if the Chapter fails to pay any subscription or other monies due to the Company and such debts remain unsettled after a period of 6 months; or
- 29.6 if the Chapter does anything which in the reasonable opinion of the Directors brings, or is likely to bring the name and reputation of the Company, its Directors and/or its Members into disrepute.

30 **TRANSFER OF MEMBERSHIP**

Membership of the Company is not transferable.

PART 6: ORGANISATION OF INTERNATIONAL COUNCIL MEETINGS

31 **INTERNATIONAL COUNCIL MEETINGS**

- 31.1 The Directors may whenever they think fit convene an International Council Meeting and shall, following requisition in accordance with the Act, proceed to convene an International Council Meeting in accordance therewith.
- 31.2 The Company shall hold an AGM of the International Council in every calendar year as its “annual general meeting” at such time and place as may be determined by the Directors, and shall specify the meeting as such in the notices calling it, provided that

every AGM of the International Council except the first shall be held not more than fifteen months after the holding of the last preceding AGM of the International Council.

32 CALLING INTERNATIONAL COUNCIL MEETINGS

- 32.1 An International Council Meeting of the Company shall be called by at least 28 days' clear notice.
- 32.2 The Company may give such notice by any means or combination of means permitted by the Act.
- 32.3 An International Council Meeting, notwithstanding that it has been called by a shorter notice than that specified above, shall be deemed to have been duly called if it is so agreed by a majority in number of the Members, being a majority who together hold not less than 90 per cent of the total voting rights.

33 NOTICE OF INTERNATIONAL COUNCIL MEETINGS

- 33.1 Every notice calling an International Council Meeting shall specify the place and the day and hour of the meeting.
- 33.2 There shall appear with reasonable prominence in every such notice a statement that a Chapter Representative entitled to attend and vote is entitled to appoint a proxy to attend, speak and vote instead of him/her.
- 33.3 The text of each special resolution to be proposed at the International Council Meeting shall be set out in the notice. The text of, or sufficient information to enable a Member to understand the purpose of, each ordinary resolution shall be set out in the notice.

34 MEETINGS BY CONFERENCE TELEPHONE ETC.

- 34.1 International Council Meetings shall always be held as a face to face meeting. However, all or any of the Members or persons permitted to attend International Council Meetings may at the discretion of the Directors participate in the meeting by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to communicate effectively with each other throughout the meeting.
- 34.2 A Member so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.
- 34.3 Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or if there is no such group, where the Chair of the meeting then is.

35 QUORUM FOR INTERNATIONAL COUNCIL MEETINGS

If the Company only has one Member that Member shall be a quorum. In any other case an International Council Meeting shall be quorate when two thirds of the

Chapters are represented by one of their Chapter Representatives. A Chapter Representative or his / her properly appointed proxy shall count for the purposes of the quorum. No business other than the appointment of the Chair of the meeting is to be transacted at an International Council Meeting if the persons attending it do not constitute a quorum.

36 CHAIRING INTERNATIONAL COUNCIL MEETINGS

36.1 The first business of the meeting at each AGM of the International Council and each International Council Meeting shall be the appointment of a person to be the Chair of the meeting. For the avoidance of doubt the Chair of the Board shall not chair International Council Meetings unless requested to do so by Chapter Representatives voting at the meeting.

36.2 The person appointed in accordance with Article 36.1 is referred to as “the Chair of the meeting”.

37 ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS

37.1 Directors may attend and speak at International Council Meetings, whether or not they are Chapter Representatives.

37.2 The Chair of the meeting may permit other persons who are not:

37.2.1 Chapter Representatives; or

37.2.2 otherwise entitled to exercise the rights of Members in relation to International Council Meetings,

to attend and speak at an International Council Meeting.

38 ADJOURNMENT

38.1 If the persons attending an International Council Meeting within half an hour (or longer if those present and eligible to vote agree) of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present the Chair of the meeting must adjourn it.

38.2 The Chair of the meeting may adjourn an International Council Meeting at which a quorum is present if:

38.2.1 the meeting consents to an adjournment; or

38.2.2 it appears to the Chair of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

38.3 The Chair of the meeting must adjourn an International Council Meeting if directed to do so by the meeting.

38.4 When adjourning an international Council Meeting, the Chair of the meeting must:

- 38.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
 - 38.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 38.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- 38.5.1 to the same persons to whom notice of the Company's International Council Meetings is required to be given; and
 - 38.5.2 containing the same information which such notice is required to contain.
- 38.6 No business may be transacted at an adjourned International Council Meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

39 **VOTING: GENERAL**

- 39.1 A resolution put to the vote at an International Council Meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.
- 39.2 Every Chapter shall have one vote cast on its behalf by its Chapter Representatives acting together or by one of them (if only one is voting).

40 **ERRORS AND DISPUTES**

- 40.1 No objection may be raised to the qualification of any person voting at an International Council Meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 40.2 Any such objection must be referred to the Chair of the meeting, whose decision is final.

41 **POLL VOTES**

- 41.1 A poll on a resolution may be demanded:
 - 41.1.1 in advance of the International Council Meeting where it is to be put to the vote; or
 - 41.1.2 at an International Council Meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 41.2 A poll may be demanded by:
 - 41.2.1 the Chair of the meeting;
 - 41.2.2 the Directors;

- 41.2.3 two or more persons having the right to vote on the resolution; or
 - 41.2.4 a person or persons representing not less than one tenth of the total voting rights of all the Members.
- 41.3 A demand for a poll may be withdrawn if:
- 41.3.1 the poll has not yet been taken; and
 - 41.3.2 the Chair of the meeting consents to the withdrawal.
- 41.4 Polls must be taken immediately and in such manner as the Chair of the meeting directs.

42 **CONTENT OF PROXY NOTICES**

- 42.1 Proxies may only validly be appointed by a notice in writing (a “**proxy notice**”) which:
- 42.1.1 states the name and address of the Chapter Representative appointing the proxy;
 - 42.1.2 identifies the person appointed to be that Chapter Representative’s proxy at the International Council Meeting in relation to which that person is appointed and sets out their position within their Chapter;
 - 42.1.3 is signed by or on behalf of the Chapter Representative appointing the proxy, or is authenticated in such manner as the Directors may determine; and
 - 42.1.4 is delivered to the Company Secretary in accordance with the International Council Meeting to which they relate.
- 42.2 All Proxies must sit on the governing body of a member Chapter or hold an equivalent level of responsibility within a Chapter.
- 42.3 The Company may require proxy notices to be delivered in a particular form and, subject to the Act, by a particular time and may specify different forms for different purposes.
- 42.4 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 42.5 Unless a proxy notice indicates otherwise, it must be treated as:
- 42.5.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
 - 42.5.2 appointing that person as a proxy in relation to any adjournment of the International Council Meeting to which it relates as well as the meeting itself.

42.6 If a Chapter has appointed two Chapter Representatives a proxy notice shall only be effective if neither Chapter Representative attends the meeting and if it is signed by both of them.

43 **DELIVERY OF PROXY NOTICES**

43.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at an International Council Meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.

43.2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

43.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

43.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

44 **AMENDMENTS TO RESOLUTIONS**

44.1 An Ordinary Resolution to be proposed at an International Council Meeting may be amended by Ordinary Resolution if:

44.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the International Council Meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chair of the meeting may determine); and

44.1.2 the proposed amendment does not, in the reasonable opinion of the Chair of the meeting, materially alter the scope of the resolution.

44.2 A Special Resolution to be proposed at an International Council Meeting may be amended by Ordinary Resolution, if:

44.2.1 the Chair of the meeting proposes the amendment at the International Council Meeting at which the resolution is to be proposed; and

44.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

44.3 If the Chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, then his/her error does not invalidate the vote on that resolution.

45 **RESOLUTIONS IN WRITING**

- 45.1 A resolution executed by such number of Members as would have been required to vote for the resolution had it been proposed in an International Council Meeting at which all of the Members were present and voting shall be as valid and effectual as if it had been passed at an International Council Meeting duly convened and held.
- 45.2 For the purposes of this Article 45:
- 45.2.1 a resolution shall consist of one or more written instruments (including faxes) or one or more Electronic Communications sent to an address specified for the purpose by the Secretary, or a combination of them, provided that each such written instrument and Electronic Communication (if more than one) is to the same effect;
 - 45.2.2 a written instrument is executed when the person executing it signs it;
 - 45.2.3 an Electronic Communication is executed when the person executing it sends it provided that it has been authenticated in such manner (if any) as the Secretary shall prescribe;
 - 45.2.4 the Members need not execute the same written instrument or Electronic Communication;
 - 45.2.5 a resolution shall be effective when the Secretary certifies that sufficient evidence has been received by him/her that the resolution has been executed in accordance with this Article 45;
 - 45.2.6 if no Secretary is appointed, the chair shall perform the functions of the Secretary under this Article 45;
 - 45.2.7 the resolution must be accompanied by a statement informing the Member how to signify his/her agreement to it and the date by which this is to be done;
 - 45.2.8 a proposed written resolution will lapse if it is not passed before 28 days from the circulation date; and
 - 45.2.9 in the case of a Chapter that has appointed two Chapter Representatives such resolution will be deemed to give consent on behalf of the appointing Chapter if signed by one of its Chapter Representatives.

PART 7: LIABILITY OF MEMBERS AND DISSOLUTION

46 **LIABILITY OF MEMBERS**

Each Member undertakes that, if the Company is wound up while it is a Member or within one year after it ceases to be a Member, it will contribute an amount to the assets of the Company as may be required for:-

- 46.1 payment of the Company's debts and liabilities contracted before it ceases to be a Member;
- 46.2 payment of the costs, charges and expenses of winding up; and
- 46.3 adjustment of the rights of the contributories among themselves,
- provided that any amount payable by a Member under this Article 46 shall not in aggregate exceed £1000.

47 DISTRIBUTION OF ASSETS ON WINDING UP/DISSOLUTION

- 47.1 If upon the winding up or dissolution of the Company any assets remaining, after the satisfaction of all its debts and liabilities, shall be transferred to the Chapters in existence at the time of dissolution in proportion to each Chapter's financial contribution to the Company during the previous three years.
- 47.2 If at the time of the dissolution of the Company the Chapters also cease to exist, any remaining assets shall be transferred to such body or bodies (whether incorporated or unincorporated) as may be determined by the Directors to be used solely for purposes similar to the purposes of the Company.

PART 8: ADMINISTRATIVE ARRANGEMENTS

48 MEANS OF COMMUNICATION TO BE USED

- 48.1 Any notice to be sent to or by any person pursuant to these Articles including a notice calling a meeting of the Directors shall be in writing and may be delivered or sent by post or using Electronic Communications to an address for the time being notified for that purpose to the person giving the notice. In this Article "address" in relation to Electronic Communications, includes any number or address used for the purpose of such communications.
- 48.2 Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- 48.3 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.
- 48.4 Subject to Article 48.3, any notice, if served by post, shall be deemed to have been served 48 hours after it was posted, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed, prepaid and posted. A notice or other document sent by Electronic Communication shall be deemed to have been delivered 48 hours following the date on which the communication was sent and electronic confirmation of receipt shall be conclusive evidence that a notice was given to a facsimile number or email address. If a notice, document or information posted on the Company's website was already on the

Company's website at the time the notice was sent to the Member, it will be deemed to have been sent on the day the notice was sent but if the notice, document or information was not on the Company's website on the date the said notice was sent then it will be deemed to have been sent on the day on which it appears on the website.

49 WEBSITE COMMUNICATION

49.1 The Company may send any notice, document or other information to Members by making them available on the Company's website provided that:

49.1.1 each Member has been asked individually by the Company to agree to communication via the Company's website (either generally or in relation to a specific notice, document or information);

49.1.2 the Company's request states clearly that if the Member fails to respond to the request within twenty-eight days of the date on which the request is sent, he/she will be deemed to have given such consent; and

49.1.3 the Company's request is not sent less than twelve months after a previous request made to the Member in relation to a similar class of documents.

49.2 The Company must notify each Member who has agreed to receive communications through the Company's website of the presence of the information on the website, the website address, the place on the website where the information can be found and how to access the information.

49.3 Any notice, document or information posted on the Company's website must be in a form that the Member can read and take a copy of. The notice, document or information must be available on the Company's website for either twenty-eight days from the date the notification was sent to the Member or for such other period as may from time to time be specified in the Act.

50 EXECUTION OF DEEDS / COMPANY SEAL

50.1 Any common seal may only be used by the authority of the Directors.

50.2 The Directors may decide by what means and in what form any common seal is to be used.

50.3 Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

50.4 For the purposes of this Article, an authorised person is:

50.4.1 any Director;

50.4.2 the Secretary (if any); or

50.4.3 any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

51 **SECRETARY**

A Secretary may be appointed by the Directors for such time, at such remuneration and upon such conditions as the Directors may think fit, and any Secretary so appointed may be removed by the Directors. The Directors may from time to time by resolution appoint an assistant or deputy Secretary, and any person so appointed may act in place of the Secretary if there be no Secretary or no Secretary capable of acting.

52 **CHIEF EXECUTIVE OFFICER**

52.1 The Directors may appoint a Chief Executive Officer to lead the paid, voluntary and semi voluntary staff in implementing the Directors policies and plans. The Chief Executive Officer shall (subject to the Directors' consent) be entitled to attend (but not vote at) Directors' meetings.

52.2 The Chief Executive Officer is an authorised person for the purposes of Article 50.4.

53 **ACCOUNTS**

53.1 The Directors shall cause proper and adequate books of account to be kept to enable accounts to be prepared which comply with the relevant provisions of the Act. Proper and adequate books shall not be deemed to be kept and/or deemed sufficient if there are not kept such books of account as are necessary to give a true and fair view of the state of the affairs of the Company, to show and explain its transactions and to disclose with reasonable accuracy at any time, the financial position of the Company at any time.

53.2 The books of account shall be kept at the registered office of the Company, or, subject to section 388 of the Act, at such other place or places as the Directors shall think fit and shall always be open to the inspection of any Director.

53.3 The Company must, pursuant to section 423 of the Act, send a copy of its annual accounts and reports for each financial year to every Member, to every holder of the Company's debentures and to every person who is entitled to receive notice of general meetings. Copies need not be sent to a person for whom the Company does not have a current address as defined in section 423 of the Act.

53.4 The Company must, pursuant to section 424 of the Act, comply with the obligations set out at Article 53.3 not later than:

53.4.1 the end of the period for filing accounts and reports to the Registrar of Companies; or

53.4.2 if earlier, the date on which the Company actually delivers its accounts to the Registrar of Companies.

54 **NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Member.

55 **AUDIT**

55.1 The accounts of the Company shall be examined and reported upon either by the auditor or, if no auditor is appointed, by a reporting accountant if so required by the Statutes.

55.2 The appointment or re-appointment (as appropriate) of the auditor (if any) shall be determined by the Chapters at the AGM of the International Council.

55.3 The determination of the auditor's or reporting accountant's (if any) remuneration is normally delegated to the Directors by the Chapters at the AGM of the International Council.

56 **RULES AND BYE-LAWS**

The Directors may from time to time make (and vary) such rules or bye-laws as they may deem necessary or expedient or convenient for the proper conduct and management of the Company and for the purposes of prescribing (a) classes of and conditions of membership and (b) the rights, privileges and obligations of membership, whether statutory membership or otherwise. The Members shall have power to alter, add to or repeal any such rules or bye-laws and the Directors shall adopt such means as they think sufficient to bring to the notice of the Members all such rules or bye-laws, which shall be binding on all Members PROVIDED THAT no rule or bye-law shall be inconsistent with, or shall affect or repeal anything contained in, these Articles.