

ARTICLES OF ASSOCIATION

COMPANIES ACTS 1985-1989

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

Of

CH INTERNATIONAL (GROUP) LTD

COMPANY NO. 5329562

1 INTERPRETATION

1.1 In these articles:

1.1.1 'the Act' means the Companies Act 1985 including any statutory modification or re-enactment of it for the time being in force;

1.1.2 'the Association' means CH International (Group) Ltd;

1.1.3 'the CHI Logo' means the logo distinctive of Clarkson Hyde LLP and the Association as the same shall be varied from time to time and adopted by the Association and to the extent and for so long as the same shall be licensed to it by Clarkson Hyde

1.1.4 'Clarkson Hyde' LLP means Clarkson Hyde LLP (Chartered Accountants) of 70 Conduit Street, London W1S 2GF

1.1.5 'the Executive Committee' means the executive committee of the Association referred to in Article 11 hereof;

1.1.6 'the Name' means 'CH International' or such other variation thereof from time to time licensed to it by Clarkson Hyde LLP

1.2 Unless the context otherwise requires, words or expressions contained in these articles bear the same meaning as in the Act but excluding any statutory modification of it not in force when these articles become binding on the Association.

2 OBJECTS

The Association is established for the purposes expressed in the memorandum of association.

3 MEMBERSHIP

3.1 Full membership shall be open to any firm of accountants qualified to practice in its local jurisdiction but, not being a member of another competing International Association, club or organisation having objects or aims similar to those of the Association and no existing member of the association shall be permitted to become a member of a competing association, club or organisation. The number of full members of the Association is to be unlimited but with power of selection and dismissal reserved to the Association.

3.2 Associate membership shall be open to Lawyers and Tax Consultants to practice in its local jurisdiction, but not being a member of another competing International Association, club or organisation having objects or small aims similar to those of the Association and no existing member

of the association shall be permitted to become a member of a competing association, club or organisation. The number of Associate members of the Association is to be unlimited but with power of selection and dismissal reserved to the Association.

3.3 The Full Member shall be the lead member in each Jurisdiction.

3.4 Members shall include the CHI logo and the Name on their letter heading, website and any other material connected with their business in the manner and to the extent permitted by any licence to use the same granted to the member from time to time and in accordance with bye laws made from time to time by the Association under the provisions of Article 11.4.4 hereof which licence the members shall execute in such form and manner as the Association shall from time to time reasonably require.

4. ADMISSION OF MEMBERS

4.1 Any Association member may send out such invitations in writing to potential new members via the Secretary. The Executive Committee shall have absolute discretion in deciding upon any application in reply to an invitation and its decision shall be final and it shall not be bound to give any reason for its decision. All members will be circularised by the Secretary with regards to any new members. Each member has the right to veto a further potential new member in their own country.

4.2 The Association delegates its powers under this section to the Executive Committee for the purpose of finding, vetting and admitting new members.

4.3 If any potential new member is located in a country where there is an existing member then that member has the right to veto the potential new member. If a veto is exercised then the secretary shall circularise all of the members for a final determination at the annual general meeting or by postal ballot.

5. SUBSCRIPTION AND ADMISSION FEES

5.1 Members shall be liable to pay an admission fee upon joining the Association and thereafter an annual subscription fee for each year or part of a year during which they are members of the Association. The subscription fee shall be pro rated on a quarterly basis for the first year of membership of a new member.

5.2 The Executive Committee shall, having regard to the financial requirements or estimated financial requirements of the Association, provide a recommendation each year of the admission and subscription fees that shall apply during the then current financial year. This recommendation shall be considered and decided upon by the members.

6. SUSPENSION AND CESSER OF MEMBERSHIP

6.1 Membership may at any time cease by resignation or disqualification and the Association shall have power subject to the terms hereof to expel or suspend for any period or indefinitely any member.

6.2 Resignation shall be by notice in writing given to the Secretary and shall be effective immediately.

6.3 Disqualification shall be automatic if a member ceases to be qualified to practice within its local jurisdiction or ceases to be eligible for membership pursuant to Article 3.

6.4 The Executive Committee shall have power to suspend any member who has failed to pay subscription fees for a period of 3 months after written demand.

6.5 If in the opinion of the members of the Association any member has acted inconsistently with the objects of the Association, or has given insufficient support to the Association or be otherwise unsuitable for membership such member may be expelled or suspended by a special resolution of the

members of the Association and if the Executive Committee in its absolute discretion thinks fit, the members may vote upon such resolution in a postal ballot.

6.6 No such resolution as is mentioned in Article 6.4 hereof shall be passed or have any validity or effect unless the member concerned has been given a proper opportunity of submitting written representations not exceeding a reasonable length to the Association for circulation to the members. Such representations will be circulated by the Association with the ballot paper within 60 days of receipt of the complaint.

6.7 The Secretary shall within 30 days inform all the members of any decision taken to expel or suspend a member.

6.8 The termination of the membership of any member of the Association shall be without prejudice to the accrued rights of the remaining members and any provision hereof which relates to or governs the acts of the remaining members subsequent to such expiry or termination hereof shall remain in full force and effect and shall be enforceable notwithstanding such expiry or termination.

7. DUTY OF MEMBERS

7.1 Members shall use all reasonable endeavours to promote the objects of the Association.

8. MEETINGS OF THE ASSOCIATION

8.1 The Association must hold a general meeting as its annual general meeting in each year in addition to any other meetings in that year and must specify the meeting as such in the notices calling it.

8.2 At the annual general meeting the following business shall be conducted:-

8.2.1 the report of the Executive Committee shall be considered and approved; and

8.2.2 the accounts for the previous year shall be considered and approved and

8.2.3 calls upon the members may be made; and

8.2.4 a budget for the following year (which shall include the proposed remuneration of the Secretary) shall be considered and approved; and

8.2.5 the office of Future President shall be elected for the following year (by ballot if the number of nominations exceeds the number of vacancies), to serve in the current year as a Reserved Member; and

8.2.6 the annual subscription fee and joining fee shall be fixed; and

8.2.7 any other business may be transacted that may be transacted at an annual general meeting by statute or these articles.

8.3 All general meetings other than the annual general meeting must be called extraordinary general meetings.

8.4 The Association shall hold not less than two annual meetings in each calendar year, such meetings being one virtual conference in the first half of the calendar year and a regular conference in the second half of the calendar year

8.5 Meetings shall be convened by the Secretary but three members of the Association may whenever they think fit convene an Extraordinary General Meeting on 28 days notice.

- 8.6 The accidental omission to give notice of a meeting to, or non-receipt of such notice by any person entitled to receive notice thereof shall not invalidate any resolution passed, or proceedings, at any meetings.
- 8.7 No business shall be transacted at any meeting unless a quorum is present when the meeting proceeds to business. Save as herein otherwise provided a simple majority in number of the then current members shall have to be present in person to form a quorum for any Extraordinary General Meeting.
- 8.8 At all meetings a resolution put to the vote of the meeting shall be decided on a show of hands or poll vote, and a declaration by the chairman of the meeting that a resolution has been carried, or has been carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect made in the minute book of the Association shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against that resolution.
- 8.9 Unless otherwise expressly stated a resolution shall be passed by simple majority of votes cast.
- 8.10 A resolution in writing (which, for the avoidance of doubt shall include a fax or email transmission) adopted by a majority consent of all members of good standing shall be as effective as if it had been passed at a meeting duly convened and held. Any member proposing such a resolution shall send such resolution to the Secretary for circulation to the members at least 28 days before any meeting. The Secretary must ensure that every member has received notification.

9. VOTES OF MEMBERS

- 9.1 Each member may be represented at any meeting of the Association by any number of delegates but shall only be entitled to one vote.
- 9.2 All votes shall be given in person or by proxy, or in the case of a postal vote by an authorised signatory of the member firm.
- 9.3 Save as herein expressly provided, no person other than a member duly registered, and who shall have paid every subscription and their sum (if any), which shall be due and payable to the Association in respect of his membership, shall be entitled to vote on any question at any general meeting or postal vote, but any accidental omission to enforce this provision shall not invalidate any resolution.

10. OFFICERS

- 10.1 The Executive Committee of the Association shall consist of the President, the Future President and the Immediate Past President elected pursuant to paragraph 8.3 above. Casual vacancies amongst Officers should be filled by the already Reserved Member as under section 8.2.5.
- 10.2 The Executive Committee shall appoint a Secretary to act as secretary of the Association and of the Executive Committee and of any committees established by it. The Secretary shall not be an Officer of the Association. The Secretary will be a remunerated post. Such remuneration being agreed annually for inclusion in the annual subscription budget.
- 10.3 Nominations for those offices held by the Officers of the Association may be received by the Secretary at any time.
- 10.4 On the 1st of July the Immediate Past President retires. The President will take the office of Immediate Past President and the Future President will become the President. The Reserved Member as elected under section 8.2.5 shall join the Executive Committee as Future President.

11. THE EXECUTIVE COMMITTEE

- 11.1 The overall management of the Association shall be vested in the Executive Committee.
- 11.2 All acts bona fide done by any meeting of the Executive Committee or any committee of the Executive Committee, or by any person acting as a member of the Executive Committee, shall notwithstanding it being afterwards discovered that there was some defect in the appointment or continuance in office of any such member or person acting as aforesaid, or that they or any of them were disqualified, be valid as if such person had been duly appointed or had been continued in the office and was qualified to be a member of the Executive Committee.
- 11.3 The Executive Committee shall cause proper minutes to be made of all relevant decisions.
- 11.4 The Executive Committee shall have authority to establish Sub-Committees of the Executive Committee and appoint members to act as Officers of such Sub-Committees and may:
- 11.4.1 regulate its own proceedings;
 - 11.4.2 fix the quorum necessary for the transaction of business at its meetings;
 - 11.4.3 delegate any of its powers to sub-committees or special committees consisting of members of the Executive Committee or to other members of the Association;
 - 11.4.4 make, alter and revoke byelaws or regulations (so long as any byelaws or regulations are not inconsistent with these articles) and
 - 11.4.5 generally exercise all powers of the Association that are not by these articles or by statute required to be exercised by the Association in general meeting, subject nevertheless to these articles, to the provisions of statute and to regulations made by the Association in general meeting.
 - 11.4.6 No regulation made by the Association in general meeting may invalidate any prior act of the Executive Committee that would have been valid had the regulation not been made.
 - 11.4.7 The Executive Committee must make a report to every annual general meeting.

12. THE SECRETARY

Subject to the overall policies laid down by the Association the Secretary shall be responsible for the day to day management and control of the Association, including the preparation of the Annual Accounts. The Secretary shall be, until otherwise determined by the Association, in the UK. The UK office shall be entitled to receive a contribution towards the cost of those services as may from time to time be agreed by the members at the annual general meeting.

13. THE ASSOCIATION'S ASSETS

The income and property of the Association, whensoever derived, shall be applied solely towards the promotion of the objects of the Association as set out herein and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit, to the members of the Association.

14. ANNUAL REPORT

The Executive Committee shall in every year cause to be prepared and printed and circularised amongst the members a report of the work carried on by the Association during the preceding year.

15. ACCOUNTS

15.1 The Executive Committee shall cause accounting records to be kept. The books of account shall be kept at the office of the secretary and shall always be open to the inspection by the members.

15.2 The financial year of the Association shall commence on the 1st July each year and end on the 30th June each year.

16. AUDIT

It shall not be necessary for an auditor to be appointed by the Association. The members may at any time by a resolution require that an audit be carried out of the income, expenditure and accounts of the Association.

17. BANKING ARRANGEMENTS

The Executive Committee will open a bank account in the name of the Association at a bank decided upon by the Executive Committee. All cheques are to be signed as the Executive Committee may determine.

18. NOTICES

A notice may be served by the Association upon any member, either personally or by sending it through the post, addressed to such member, at his registered address, or by way of facsimile or email appearing in the register of members.

18.1 Any notice, if served by post, shall be deemed to have been served seven days following that on which the letter containing the same is put into the post (and notwithstanding that it may subsequently be returned undelivered through post) and in providing such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post.

18.2 Any notice, if served by facsimile or email, shall be deemed to have been served on the day following the day on which the same was transmitted.

19. AMENDMENTS

Any amendments to these Articles shall be made only by a resolution of a majority of at least three-fourths of the members of the Association.

20. DISSOLUTION OF THE ASSOCIATION

20.1 The Association may be dissolved by a resolution proposed by a member and passed at a General Meeting by a majority of not less than three-fourths of those members present or by proxy.

20.2 No resolution for the dissolution of the Association will be effective unless provision is made for the distribution or disposal of the assets belonging to the Association.

We, the subscribers to the Memorandum of Association, agree to the terms of these Articles of Association.

Name of Member Subscriber:

Name of Member Firm Subscriber:

Addresses of Member Firm Subscriber:
.....
.....

Signature of Member Subscribers:

Dated:

Witness to the above signatures:

Name:

Address:

.....

Signature:

Signed for and on behalf of the board:

.....

Colin Ellis

Board Member