

# ISBN Contract

## Introduction to the Contract with the ISBN Registration Agencies:

The implementation of International Standard Book Numbering is segmented to three hierarchical levels:

*First level:* The International ISBN Agency Limited (“IIA”) is responsible for the assignment of registration group elements and blocks of registrant elements to the ISBN Registration Agencies (“ISBN-RA”)

*Second level:* The ISBN Registration Agencies are responsible for the assignment of the ISBN registrant elements to the publishers/producers.

*Third Level:* Generally, the publishers/producers are responsible for assigning a specific ISBN from within their allocated ISBN registrant elements to each monographic publication that they publish/produce. However, in the case of author-publishers or very small publishers who require only one or two ISBNs, the ISBN Registration Agencies may assign ISBNs, from a shared block reserved for that purpose, on behalf of those publishers. Producers do not include printers but may include intermediaries acting on behalf of the publisher to produce digital editions where the publisher has not provided ISBNs to the intermediary for that purpose.

IIA is the body which has responsibility for the worldwide implementation of ISO 2108, *Information and documentation – International standard book number (ISBN)*.

The purpose of ISO 2108 is to coordinate and standardize the use of identifying numbers so that each International Standard Book Number (ISBN) is unique to a title or edition of a monographic publication from a specific publisher or producer. Monographic publications include editions in their various bindings/formats, audio-books, mixed media publications, other similar media including educational/instructional films/videos and transparencies, educational/instructional software, digital publications (either on physical carriers or on the internet), microform publications, and Braille publications. Serial publications and notated music are specifically excluded, as they are covered by other identification systems. ISO 2108 specifies the construction of the ISBN and the location of the number on the publication.

An International Standard Book Number consists of thirteen digits made up of the following parts:

- 1) GS1 element
- 2) Registration group element
- 3) Registrant element

4) Publication element

5) Check digit

*Inter alia*, ISO 2108 establishes the “Principles for the assignment and use of the ISBN”, “Administration of the ISBN system”, “Check digit for the ISBN” and “Metadata for the registration of an assigned ISBN”.

In order that the allocation of blocks of registrant elements may proceed on a continuing basis and as a condition of the ISO 2108 standard, an international agency has been set up to assume responsibility for the system. IIA is a not-for-profit company limited by guarantee and has been appointed by International Organization for Standardization (“ISO”) as the Registration Authority for ISO 2108. All ISBN registration agencies are invited to be members of the company. The IIA is governed by an elected Board of Directors and holds annual general meetings which all members are invited to attend.

The registered office of IIA is: 48/49 Russell Square, London, WC1B 4JP, United Kingdom.

## **Definitions**

**Cost Recovery** means the recovery of costs directly attributable to Services rendered under this Contract. Costs directly attributable to the Services are recoverable (such as overhead expenses incurred directly by ISBN-RA which are necessary or appropriate for the performance of the Services) through the fees charged for the Services. This may also include the maintenance of an operating surplus to facilitate, for example, strategic and developmental plans associated with providing the Services. Costs not directly related to the Services or costs directly related to additional services provided by ISBN-RA are not recoverable through the fees charged for the Services.

**Data** means any/all information required to enable the performance of the Services in accordance with this Contract, however stored, compiled and/or processed by or on the instructions of IIA and/or any ISBN-RA. For the avoidance of doubt, **Data** shall include information concerning which ISBNs within a specific block have already been allocated (and are therefore not available for allocation) and/or information concerning which ISBNs have not been allocated (and are therefore available for allocation) in order to avoid duplication of ISBN allocation.

**Intellectual Property Rights OR IPRs** means patents, utility models, rights to inventions copyright and neighbouring and related rights, moral rights, trade marks and service marks, business names, domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

**ISBN Registration Agency** is any legal entity that has been designated by IIA to partly or fully provide, one or more Services limited to a specific territory, or region, or a specific field

or other defined area of operation as part of a designated ISBN registration agency network or system to implement ISO 2108.

**RAND principle** means the principle of supplying services on reasonable and non-discriminatory terms in accordance with applicable competition law. It may include requiring entities occupying an exclusive position in the relevant market to supply services on terms which are not anti-competitive and which would not be considered unlawful or abusive if imposed by a dominant firm in the relevant market. Moreover, it may include requiring such entities to supply services at rates which are not anti-competitive and which would not be considered unlawful or unreasonable if imposed by a dominant firm in the relevant market. Finally, it may include requiring such entities to supply services on terms which do not discriminate arbitrarily between end users and which would not be considered unlawful or discriminatory if imposed by a dominant firm in the relevant market.

**Registration Authority** is a legal entity that has been designated by ISO to implement specified functions in an ISO Standard, for example the allocation and registration of unique identification codes or numbers and/or the provision of Services. In some cases, the Registration Authority may designate ISBN-RA to provide partly or fully such Services.

**Services** are as defined in Article IV of the Contract Terms and Conditions.

**Subcontractor** is one or more third parties that ISBN-RA may subcontract with for assistance in the performance of the Services. Subcontractors may provide support services such as, but not limited to, IT or financial services, software licenses or other facilities needed for the provision of the Services.

The IIA has the following functions:

- 1) To promote, coordinate and supervise the world-wide use of the ISBN system;
- 2) To represent the interests of the ISBN community to other relevant organizations;
- 3) To appoint appropriate organisations as ISBN registration agencies and revoke such appointments as necessary;
- 4) To maintain the international numbering system and associated databases;
- 5) To define registration groups and their areas of responsibility and allocate them to appropriate ISBN registration agencies;
- 6) To determine the definition of registration group rules which govern the length of available registrant elements within each group and ensure that an accurate and comprehensive register of these rules is available publicly at all times;
- 7) To allocate ranges of unique registrant elements within the appropriate registration groups to ISBN registration agencies and to maintain a complete and accurate register of the registrant elements that have been assigned;
- 8) To secure the maintenance of ISBNs and their associated ISBN metadata through ISBN registration agency registers;

- 9) To develop, implement, monitor and enforce policies and procedures governing the operations of ISBN registration agencies and the process of ISBN registration by those ISBN registration agencies including any fees associated with that process;
- 10) To facilitate the review and resolution of duplicate assignments of ISBN;
- 11) To review and decide on any appeals relating to decisions made by ISBN registration agencies on applications for ISBN;
- 12) To analyze any complaint it receives relating to the Services provided under this Contract by an ISBN-RA;
- 13) To develop, maintain and make publicly available documentation for users of the ISBN system;
- 14) To implement and maintain funding arrangements as necessary to support the operations of IIA including, but not limited to, financial contributions from ISBN registration agencies;
- 15) To provide ISBN registration agencies with such software as the IIA may at its sole discretion develop from time to time to facilitate the operations of ISBN registration agency;
- 16) To provide ISBN registration agencies with information and educational material for their operational use and to assist in the promotion of ISBN;
- 17) To provide updates on matters related to the ISBN system in the form of newsletters and bulletins for ISBN registration agencies from time to time;
- 18) To arrange training seminars for ISBN registration agencies on a regional basis or other convenient location;
- 19) To continue to develop the International ISBN Agency Web Site and link it to ISBN registration agency web sites;
- 20) To compile and maintain statistical and other data on ISBN-related operations (“Progress Report”);
- 21) To receive, collate and process Data Submission Files from ISBN registration agencies in order to make available an international directory of publishers and their ISBN assignments; and
- 22) To provide ISBN registration agencies, free of charge, with copies of all materials related to the ISBN system that are produced by the IIA.

# Contract Terms and Conditions

## Article I, Parties:

The parties to this Contract are:

A) The International ISBN Agency Limited (company number 5332288), whose registered office is at 48/49 Russell Square, London WC1B 4JP, United Kingdom **(IIA)**

and

B) Slovak ISBN Group Agency, Slovak National Library whose registered office is at Nám J.C. Hronského 1, 03601 Martin, Slovakia **(ISBN Registration Agency or ISBN-RA)**

## Article II, Definitions:

“Territory” means the specific territory, or region, or a specific field or other defined area of operation of the ISBN-RA. The Territory of Slovak ISBN Group Agency, Slovak National Library is the Slovak Republic.

## Article III, Purpose:

This Contract sets out amongst other things the terms and conditions upon which the ISBN-RA shall be responsible for the performance of the Services in the Territory.

## Article IV, Services and obligations of the ISBN-RA:

The Services to be performed by the ISBN-RA in their designated Territory under this Contract in relation to ISBNs are as follows:

- 1) Use reasonable endeavours to ensure that a continuous service, as specified in the Contract between IIA and the ISBN-RA, is provided;
- 2) To develop and make publicly available to applicants and potential applicants defined service levels and timeframes for the assignment of ISBN registrant elements and, where applicable, of single ISBNs. Defined service levels and timeframes must be reasonable such that assignments shall not take in excess of four weeks from receipt of complete and accurate application. ISBN-RA shall submit details of service levels and timeframes to IIA on request. Repeated failure to meet defined service levels and timeframes shall be regarded as a material breach of this Contract;
- 3) To advise applicants promptly to make necessary and suitable amendments or supply extra information in order that applications which are not complete and accurate may be made so and appropriately processed within service levels;
- 4) To issue notification of the assignment of an ISBN or of an ISBN registrant element to the registrant of that monographic publication or publisher name;
- 5) To create, manage and maintain registers of ISBN, ISBN metadata and administrative data in accordance with the policies set out from time to time by IIA. (For the avoidance of doubt, tasks involving ISBN metadata may be delegated by the ISBN-RA to a designated bibliographic agency provided that compliance is made with these specifications);
- 6) To correct inaccurate ISBNs and ISBN metadata if proof of such inaccuracy is provided;
- 7) To provide details of its fee schedules for ISBN assignment and to collate and maintain statistical data on its ISBN-related operations and report these in the format and at the intervals to be stipulated by the IIA (“Progress Report”). ISBN-RA may be required by IIA to provide self-certified evidence that they are complying with the RAND principle and cost recovery;

- 8) To educate and train publishers and producers applying for ISBN in the use of the ISBN system in compliance with the specifications of the applicable edition of the ISBN standard in force at the time;
- 9) To adhere to the ISBN policies and procedures established from time to time by IIA in compliance with the specifications of the applicable edition of the ISBN standard in force at the time;
- 10) To make available a manual of ISBN instruction for publishers and other users;
- 11) To make available lists of ISBNs, with check digits already calculated, to publishers and producers numbering their publications;
- 12) Where appropriate, to assign ISBNs to publications for those publishers who do not assign their own ISBNs. To advise publishers and producers of ISBNs assigned upon request;
- 13) To promote ISBN and awareness of the ISBN system and to contact publishers who do not assign ISBNs to advise them of the importance and value of assigning ISBNs to all qualifying publications and supply them with full details about how to adopt the standard;
- 14) To use reasonable endeavours to liaise with publishers about the numbering of their back lists;
- 15) To use reasonable endeavours to achieve total ISBN numbering in the Territory for which the ISBN-RA is responsible;
- 16) To arrange for the publication of the ISBNs in appropriate trade lists or any other bibliographies and to use reasonable endeavours to ensure that end users of ISO 2108 may access and use such data and/or information as may be reasonably be required to apply ISO 2108 for their proper purposes;
- 17) If requested by IIA and in order to resolve specific queries, to make ISBN and associated metadata available to other ISBN-RA and to users of the ISBN system in compliance with policies set out by the IIA;
- 18) To use its best efforts to ensure that data and/or information produced and provided to end users under this Contract are accurate and up-to-date. ISBN-RA shall use its best efforts to ensure that data and/or information received by ISBN-RA, during the course of the performance of the Services is inputted and shall be maintained in a format that is readable by commercially available or open source software;
- 19) To submit to IIA periodically, or as and when requested, a list of all publishers (including address and other contact information) and their ISBN registrant elements or single ISBN allocations for inclusion in an international directory of publishers and their ISBN assignments edited by the IIA (“Global Register of Publishers”). The data shall be delivered free of charge in the format and schema requested by IIA by the date stipulated (“Data Submission File”);
- 20) To provide IIA, upon its request, with information and documentation that allows IIA to fully analyze a complaint in relation to the Services provided under this Contract, e.g.

regarding fees, access to and use of, as well as accuracy of data and/or information in connection with the implementation of this Contract. For clarification this includes the information and documentation of ISBN-RA. All information and documents provided by ISBN-RA to IIA under this clause shall be used solely for the purpose of verifying compliance with this Contract and for the enforcement of this Contract;

21) To comply with the latest version of the applicable law, and in particular with the following types of legislation in force in the territories where ISO 2108 shall be implemented:

- a) Competition legislation
- b) Data Protection legislation

ISBN-RA may be required by IIA to provide IIA with self-certified evidence of its compliance with this legislation; and

22) To comply with all reasonable instructions of IIA which relate to ISBNs.

#### Article V, Administration:

- A) The ISBN-RA, when necessary, may be assisted in performing its work by an Advisory Board composed of representatives from the communities affected by the current edition of ISBN Standard ISO 2108.
- B) The ISBN-RA shall receive no compensation from IIA.
- C) To help recover its expenses as an ISBN-RA, the ISBN-RA may charge fees for the assignment of ISBNs. ISBN-RA shall use reasonable endeavours to ensure that the provision of all Services under this Contract shall be in compliance with the RAND principle. ISBN-RA may charge fees for the Services on a Cost Recovery basis only. ISBN-RA shall submit to IIA details of its fee schedules for ISBN assignment at least annually.
- D) If the fee schedules of ISBN-RA are not compliant with RAND principle and/or Cost Recovery basis, IIA shall have the right to require ISBN-RA to amend its fee schedules in accordance with RAND Principle and Cost Recovery. ISBN-RA must amend its fee schedules within thirty (30) days of any such notification.
- E) ISBN-RA may bundle the Services with other services not related to this Contract, however, only provided that they do not make it a condition for users of ISO 2108 to buy such additional services in order to have access to the Services under this Contract.
- F) The ISBN-RA agrees to pay an annual membership subscription for the maintenance of IIA. The amount of such annual subscription shall be decided by the Board of Directors of IIA. Changes to the amounts shall, at the latest, be notified at the AGM preceding the year in which the annual subscription is due.



## Article VI, Rights in Materials

- A) All intellectual property rights in any materials produced by the ISBN-RA under this Contract shall be the property of the ISBN-RA (or its third party suppliers).
- B) Copyright in the Global Directory of Publishers and its data in all formats, media, distribution channels and licences vests in the IIA.
- C) Upon termination of this Contract, ISBN-RA shall as soon as reasonably practicable cease using the ISO trademark (including the ISO name and logo) and transfer to ISO as soon as reasonably practicable any domain names incorporating ISO, or ISO 2108 or the Services.
- D) Upon termination of this Contract for any reason other than the withdrawal of ISO 2108, ISBN-RA shall, upon IIA's request and within thirty (30) days of termination, submit to IIA all Data in such format as may be agreed between the relevant parties, provided that all Data must be delivered in a format that is readable by commercially available or open source software.
- E) Upon termination of this Contract, if requested by IIA (or by a successor Registration Authority as the case may be), the ISBN-RA shall as soon as reasonably practicable enter into good faith negotiations with IIA (or with a successor Registration Authority as the case may be) with a view to negotiating licences of such Intellectual Property Rights as may be deemed essential or desirable for IIA (or for a successor Registration Authority as the case may be) to continue with the implementation of ISO 2108.
- F) Following termination of this Contract ISBN-RA may continue to use the Data, provided that such use:
  - a) is restricted to purposes not related to the services (e.g. research, compilations in relation to authors);
  - b) makes no reference, direct or indirect to ISO, ISO 2108, or the services; and
  - c) would not lead a reasonable person to believe that ISBN-RA was in any way connected to ISO, ISO 2108 or the services.

## Article VII, Term:

This Contract shall commence on the date of signature by both parties whereupon the ISBN-RA shall also become a member of IIA, subject to the payment of the appropriate annual membership subscription. The ISBN-RA hereby agrees to execute all required documentation in relation to its membership of IIA.

Article VIII, Termination:

- A) This Contract will automatically terminate:
  - i) On the date that the agreement between IIA and ISO ends and IIA is no longer the Registration Authority for ISO 2108. IIA will provide notification of at least thirty (30) days that such agreement shall be terminated.
  - ii) If ISO 2108 is withdrawn.
- B) IIA may terminate this Contract at any time by giving [thirty (30) days] written notice to the ISBN-RA upon a material breach by the ISBN-RA of any part of this Contract which is incapable of remedy or which, if capable of remedy, is not so rectified within [thirty (30)] days.
- C) IIA may terminate this Contract at any time forthwith by giving written notice to the ISBN-RA upon an order being made for the purposes of liquidation of the ISBN-RA.
- D) IIA may terminate this Contract at any time forthwith by giving written notice to the ISBN-RA if the ISBN-RA ceases to be a member of IIA for any reason, including, but not limited to, by reason of the provisions of the Articles of Association of IIA.
- E) The ISBN-RA may terminate this Contract at any time provided that it gives not less than one hundred and twenty (120) days' notice in writing to IIA.
- F) This Contract may be terminated at any time by mutual written agreement of the Parties.
- G) Upon termination of this Contract the ISBN-RA shall not act as or hold itself out as an ISBN-RA.
- H) Appeals against decisions in relation to membership of IIA shall be dealt with in accordance with Article 24 of the Articles of Association of IIA and as reproduced in the attached Schedule A (the Memorandum and Articles of Association).

Article IX, General Provisions:

- A) The ISBN-RA shall fully indemnify and hold harmless IIA from any and all judgments, actions, damages, claims and costs, including reasonable attorney fees, arising directly or indirectly from any act or omission of the ISBN-RA.
- B) Subject to IIA's compliance with the terms of this Contract (including with its functions as set out in the Introduction to this Contract), ISBN-RA waives its right, to the maximum extent permitted by English law, to bring any claim against IIA, its employees, representatives, mandatees and other members in relation to this Contract, except where such claim results solely from (a) the gross negligence or wilful misconduct of IIA, its employees, representatives, mandatees or other members; or (b) a breach of this Contract by IIA, its employees, representatives, mandatees or other members.

- C) Subject to IIA's compliance with the terms of this Contract (including with its functions as set out in the Introduction to the Contract), ISBN-RA shall indemnify IIA, its employees, mandates, or other representatives against all claims which have their cause in the unlawful implementation of this Contract by ISBN-RA, including the consequences of possible actions of competition law authorities in connection with ISO 2108 and its implementation.
- D) Subject to IIA's compliance with the terms of this Contract this Contract expressly excludes any liability on the part of IIA, its employees, mandatees or other representatives towards any Subcontractor of ISBN-RA as well as towards any user of ISO 2108.
- E) This Contract, together with Memorandum and Articles of Association of IIA (as may be amended from time to time) and any policies from time to time issued by IIA, contains the entire understanding of the parties in respect of the subject matter hereof and supersedes all prior agreements, negotiations and discussions between the parties relating to it. No alteration or amendment to this Contract will be binding unless it has been agreed in writing by authorised representatives of both parties.
- F) Unless otherwise specifically stated herein this Contract does not create any rights under the Contracts (Rights of Third Parties) Act 1999 which are enforceable by any person who is not a party to it and no person who is not a party to this Contract may enforce any of its terms or rely on any exclusion or limitation contained in it.
- G) IIA shall not be liable under this Contract to the ISBN-RA for any:
- (i) indirect or consequential loss;
  - (ii) loss of revenue;
  - (iii) loss of profits;
  - (iv) loss of business or goodwill; or
  - (v) loss of contracts,
- howsoever caused and even if such loss was reasonably foreseeable or IIA had been advised of the possibility of the ISBN-RA suffering such loss.
- H) The provisions as to liability shall continue in full force and effect despite termination of this Contract for whatever reason.
- I) The ISBN-RA may not assign this Contract without the prior written consent of IIA.
- J) If any term or provision of this Contract shall be held to be invalid, illegal or unenforceable, the remaining terms or provisions shall remain in full force and effect and such invalid, illegal or unenforceable terms and provisions shall be deemed, ab initio, not to have been part of this Contract.
- K) Any waiver, concession or indulgence made by either party shall not be considered as a continuing waiver of its rights.
- L) In the event of any inconsistency between the terms of this Contract and the Articles of Association of IIA the terms of the Articles of Association shall prevail.

M) This Contract shall be subject to and construed in accordance with the laws of England and Wales and the parties hereby submit to the exclusive jurisdiction of the English courts.

N) All disputes arising out of or in connection with the present Contract shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one arbitrator appointed in accordance with the said Rules. The Emergency Arbitrator Provisions shall not apply. The governing law of the Contract shall be the laws of England and Wales. The number of arbitrators shall be one. The seat, or legal place, of arbitration shall be the courts of England and Wales. The language to be used in the arbitration proceedings shall be English.

**The International ISBN Agency Ltd**

**Slovak ISBN Group Agency, Slovak National Library**

Signed: \_\_\_\_\_

Signed: \_\_\_\_\_

By:

By:

Title:

Title:

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Signed: \_\_\_\_\_

By:

Title:

Date: \_\_\_\_\_

**Schedule A**  
**The Memorandum and Articles of Association of The International ISBN Agency Ltd**

**Memorandum of Association**  
**of The International ISBN Agency**

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**(Revised November 2006)**

## **The Companies Acts 1985 to 1989**

### **COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL**

#### **MEMORANDUM OF ASSOCIATION** of The International ISBN Agency

1. The Company's name is The International ISBN Agency.
2. The Company's Registered Office is to be situated in England & Wales.
3. The Company's objects are:
  - To operate the International Registration Authority for International Standard Book Numbers 'ISBN' (ISO 2108);
  - To agree and implement policies for the abovementioned International Registration Authority;
  - To promote the use of the ISBN internationally;
  - To provide training and advice to the regional ISBN agencies;
  - To represent ISBN on standards committees and bodies;
  - To liaise with national and international bodies concerned with product identification and metadata;
  - To compile an international directory of publishers and their ISBN prefixes; and
  - To do such things as are incidental or conducive to the attainment of the above objects or any of them.

And the Company shall have the following powers exercisable in furtherance of its said objects but not otherwise, namely:-

- (A) To raise funds, whether by the levying of subscriptions by the Company, by means of donations from companies and other business concerns, by private or public appeals or otherwise, and to seek any form of assistance, sponsorship or grant from government, municipal, commercial or private sources or from National, International or European institutions for or on behalf of the Company, or any person or body of persons pursuing any object which this Company is authorised to carry on, and to take and accept gifts of property, whether subject to any special trust or not, for the objects of the Company.

- (B) To carry on any trade or business whatsoever which can, in the opinion of the Board of Directors, be advantageously carried on in connection with or ancillary to any of the businesses of the Company.
- (C) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any estate or interest, sell, mortgage, lease or otherwise dispose of or turn to account any real or personal property and any rights or privileges which the Company may think necessary or convenient for the promotion of its objects and to construct, maintain and alter any buildings or erections necessary or convenient for the work of the Company.
- (D) To borrow or raise money for the purposes of the Company on such terms and on such security as the Board of Directors shall think fit, and whether by the creation and issue of debentures or debenture stock or otherwise.
- (E) To receive money on deposit or loan upon such terms as the Company may approve, and to undertake and execute any trusts which may lawfully be undertaken by the Company and may be conducive to its objects.
- (F) To invest and deal with the monies of the Company not immediately required for its purposes in or upon such investments or securities and in such manner as may from time to time be determined, subject nevertheless to such conditions (if any) and such consents (if any) as may from the time being be imposed or required by law and subject also as hereinafter provided.
- (G) To sell, mortgage, improve, manage, turn to account, exchange, let, or grant licences, easements and other rights in or over, and in any other manner deal with or dispose of all or any of the property and assets for the time being of the Company as may be expedient for the promotion of its objects.
- (H) To pay out of the funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company.
- (I) To remunerate any person, firm or company rendering services to the Company.
- (J) To promote or establish any other body whether corporate or unincorporate which may advance the interests, usefulness or efficiency or otherwise assist or benefit the Company and to make such grants or other contribution towards the promotion, establishment, aid or maintenance of such body and where such body is corporate to place or guarantee the placing or underwrite, subscribe for or otherwise acquire all or any part of the shares or securities thereof.
- (K) To make such rules or regulations as may be considered necessary for the conduct of the affairs of the Company and to maintain and protect such rules or regulations for the time being in force.
- (L) To do all such other things as are necessary for the attainment of the objects of the Company or any of them.

**Provided that:-**

4. The income and property of the Company, wheresoever derived, shall be applied solely towards the promotion of the objects of the Company as set forth in this Memorandum of Association, and no portion of such income and property shall be paid or transferred directly or indirectly by way of funds dividend bonus or otherwise howsoever by way of profit to members of the Company,

**Provided** that nothing herein shall prevent the payment in good faith, by the Company:-

- (a) of reasonable and proper remuneration to any member, officer or servant of the Company for any services rendered to the Company;
  - (b) of interest on monies lent by any member of the Company or of its Board of Directors at a rate per annum to be agreed by the Board of Directors;
  - (c) of fees, remuneration or other benefit in money or monies' worth to a company or other corporate entity of which a member of the Board of Directors may be a member;
  - (d) of reasonable and proper rent for premises demised or let by any member of the Company or of its Board of Directors;
  - (e) to any member of its Board of Directors for out-of-pocket expenses.
5. No addition, alteration, or amendment shall be made to or in the provisions of the Memorandum or Articles of Association for the time being in force, which would have the effect that the Company shall cease to be a company to which section 30 of the Companies Act 1985 applies.
  6. The liability of the members is limited.
  7. Every member of the Company undertakes to contribute such amount as may be required (not exceeding £1.00) to the assets of the Company if it should be wound up while he, she or it is a member or within one year after he, she or it ceased to be a member, for payment of the Company's debts and liabilities contracted before he, she or it ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.
  8. If upon winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liability, any property whatsoever, the same shall be paid to or distributed among the Members of the Company in proportion to the membership subscriptions paid by each member in the last financial year.



We, the subscribers to this Memorandum of Association, wish to be formed into a company pursuant to this Memorandum of Association.

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NAME AND ADDRESS OF SUBSCRIBER

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Signed: \_\_\_\_\_

Date: \_\_\_\_\_

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Witness to the above signature:  
\_\_\_\_\_

**THE COMPANIES ACT 2006**

**COMPANY LIMITED BY GUARANTEE AND  
NOT HAVING A SHARE CAPITAL**

**NEW**

**ARTICLES OF ASSOCIATION**

**OF**

**THE INTERNATIONAL ISBN AGENCY LIMITED**

**(As adopted by Special Resolution  
passed on 11 September 2017)**

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## PART 1

### INTERPRETATION AND LIMITATION OF LIABILITY

#### Defined

1. In the articles, unless the context requires otherwise:

“articles” means the Company’s articles of association;

“Board” means the Board of Directors for the time being of the Company;

“clear days” in relation to a period of notice means that period excluding the day when the notice is given or deemed to be given and the day on which it is to take effect;

“Companies Acts” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;

“Director” means a Director of the Company, and includes any person occupying the position of Director, by whatever name called;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“electronic form” has the meaning given in section 1168 of the Companies Act 2006;

“Local ISBN Agency” means a body appointed by the Company or the Company’s predecessor to perform the functions of an ISBN registration agency in a specific area of operation defined by the Company or the Company’s predecessor;

“Major International Book Trade Associations” means The International Publishers Association, The European and International Booksellers Federation, The International Federation of Library Associations and Institutions, GS1, CERLALC and any other body, association or federation deemed appropriate by the Board.

“Office” means the office of Chairman, Vice Chairman or Treasurer of the Company as the case may be;

“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006;

“participate”, in relation to a Directors’ meeting, has the meaning given in article 10;

“proxy notice” has the meaning given in article 36;

“special resolution” has the meaning given in section 283 of the Companies Act 2006;

“subsidiary” has the meaning given in section 1159 of the Companies Act 2006; and

“writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the Company

### **Liability of members of the Company**

2. The liability of each Member is limited to £1, being the amount that each member undertakes to contribute to the assets of the Company in the event of its being wound up while he is a Member or within one year after he ceases to be a Member, for
  - (a) payment of the Company’s debts and liabilities contracted before he ceases to be a Member,
  - (b) payment of the costs, charges and expenses of winding up, and
  - (c) adjustment of the rights of the contributories among themselves.

## **PART 2**

### **DIRECTORS**

#### **DIRECTORS’ POWERS AND RESPONSIBILITIES**

#### **Directors’ general authority**

3. (1) Subject to the provisions of the Companies Act, these articles and the memorandum of association, the business of the Company shall be conducted by the Board, who may exercise all powers of the Company. The Board shall consist of no more than eight elected and two co-opted voting members appointed in accordance with these articles plus ex-officio non-voting.
- (2) At any one time there may be no more than one representative of any given Member of the Board.

#### **Members’ reserve power**

4. (1) The Members may, by special resolution, direct the Directors to take, or refrain from taking, specified action.
- (2) No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

## **Specific Officers**

5. (1) The Board shall elect, on such terms as it thinks fit, a Chairman, Vice Chairman and Treasurer (who, together with each Immediate Past Chairman, and the Company Secretary (if there is one), shall be the “Officers” of the Company).
- (2) Any elected or co-opted Director of the Company is eligible for election to office.
- (3) Each Director elected to Office will be elected for an initial term of three years and, on expiry of the initial term, shall be eligible for re-election, for one further term of three years, to the same Office. On expiry of any further three year term the Director then vacating shall be ineligible for re-election to that same Office.
- (4) Following a three year term in which a Director has not served in a particular Office, that Director shall be eligible, once again, for re-election to that particular Office for the terms stated in article 5(3).
- (5) The Chairman shall chair meetings of the Board and General Meetings of the Company and the Vice Chairman shall chair such meetings in the event of the unavoidable absence of the Chairman.
- (6) On expiry of the Chairman’s initial term of three years (as may be extended by re-election) he shall become the Immediate Past Chairman.

## **Executive Committee**

6. (1) The Board shall appoint an Executive Committee comprising of the Chairman, Vice Chairman, Immediate Past Chairman and Treasurer on such terms as it thinks fit.
- (2) The Executive Committee shall undertake such functions as directed from time to time by the Board.
- (3) The Executive Committee may co-opt additional members to the Executive Committee on such terms as it thinks fit
- (4) Responsibility for the day to day management of the Company in between meetings of the Board shall reside with the Executive Committee.
- (5) The Executive Committee shall produce periodic management and operations reports for the Board as directed by the Board.

## DECISION-MAKING BY DIRECTORS

### Directors to take decisions collectively

7. The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.

### Unanimous decisions

8. (1) A decision of the Directors is taken in accordance with this article when all eligible Directors indicate to each other by any means that they share a common view on a matter.
- (2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible Director or to which each eligible Director has otherwise indicated agreement in writing.
- (3) References in this article to eligible Directors are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting.
- (4) A decision may not be taken in accordance with this article if the eligible Directors would not have formed a quorum at such a meeting.

### Directors' meetings

9. (1) The Board shall meet as frequently as it may determine save that it shall meet not less than once each calendar year.
- (2) A meeting of the Board shall be summoned at any time on the authority of the Chairman, or in the Chairman's absence, of the Vice Chairman, or on a written requisition signed by two members of the Board and deposited with the Secretary.
- (3) Notice of any Directors' meeting must indicate
- (a) its proposed date and time;
  - (b) where it is to take place; and
  - (c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- (4) Notice of a Directors' meeting must be given to each director, but need not be in writing.



- (5) A Director may waive his or her entitlement to receive notice of a meeting by giving notice to that effect to the Company in advance or not more than 7 days after the date on which the meeting is held. Where such notice of a waiver is received, then the Director need not be given any notice of the meeting. Where notice of the waiver is given after the meeting is held, then that does not affect the validity of the meeting or any of the business conducted at the meeting.

### **Participation in Directors' meetings**

10. (1) Subject to the articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when
- (a) the meeting has been called and takes place in accordance with the articles, and
  - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (2) In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- (3) If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

### **Quorum for Directors' meetings**

11. (1) At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum for Directors' meetings shall be five voting members of the Board.
- (3) If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision
- (a) to appoint further Directors, or
  - (b) to call a general meeting so as to enable the members to appoint further Directors.

### **Casting vote**

12. (1) If the numbers of votes for and against a proposal are equal, the Chairman or other Director chairing the meeting has a casting vote.

- (2) But this does not apply if, in accordance with the articles, the Chairman or other Director is not to be counted as participating in the decision-making process for quorum or voting purposes.

### **Conflicts of interest**

13. (1) If a proposed decision of the Directors is concerned with an actual or proposed transaction or arrangement with the Company in which a Director is interested, that Director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- (2) But if paragraph (3) applies, a Director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in the decision-making process for quorum and voting purposes.
- (3) This paragraph applies when
  - (a) the Company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a Director from being counted as participating in the decision-making process;
  - (b) the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
  - (c) the Director's conflict of interest arises from a permitted cause.
- (4) For the purposes of this article, the following are permitted causes
  - (a) a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;
  - (b) subscription, or an agreement to subscribe, for securities of the Company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and
  - (c) arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former Directors.
- (5) For the purposes of this article, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting.
- (6) Subject to paragraph (7), if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the

conclusion of the meeting, be referred to the Chairman whose ruling in relation to any Director other than the Chairman is to be final and conclusive.

- (7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

#### **Records of decisions to be kept**

14. 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 unanimous or majority decision taken by the Directors.

#### **Directors' discretion to make further rules**

15. Subject to the articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

### **APPOINTMENT OF DIRECTORS**

#### **Elected members of the Board: eligibility and period of service**

16.
  - (1) Any Member is eligible to nominate an employee for election to the Board.
  - (2) Elected members of the Board shall be elected for an initial term of three years subject to article 16(3), but shall be eligible for re-election for further terms of three years.
  - (3) A minimum of two elected Directors shall retire from office at each annual general meeting by rotation. Each retiring elected Director shall be eligible for immediate re-election as a Director.
  - (4) The Board shall have the power to fill any vacancy arising among the elected members of the Board for the remaining term of office of the vacating member.
  - (5) No employee of a Member of the Company of which the due subscription remains unpaid at the date of nomination shall be eligible for nomination as a candidate for Director (or Officer) of the Company

#### **Election of Directors**

17.
  - (1) Any person eligible and willing to serve as an elected member of the Board may be proposed and seconded in the appropriate election by Members of the Company.
  - (2) A person may propose himself to serve as an elected member of the Board;

- (3) Nominations for elected posts shall be invited from all Members eligible to nominate by the Secretary on dates determined by the Board which shall be sufficiently in advance of the relevant annual general meeting to enable elections to be properly held.
- (4) Nominations shall be returned to the Secretary within fourteen days of the date of the issue of the invitation by the Secretary.
- (5) In the event of a contest, a list of candidates shall be prepared and sent to all Members of the Company eligible to vote. Votes shall be returned to the Secretary, duly completed, by the deadline date issued by the Board.
- (6) Votes may be returned by post, fax or email, such contact details to be specified by the Secretary.
- (7) Votes shall be completed by a person properly authorised on behalf of each Member. The Board shall appoint a teller to count the votes, take all reasonable steps to ensure secrecy and communicate the result to the Secretary, who shall arrange for the result to be announced at the relevant annual general meeting.
- (8) The system of voting in the election for members of the Board shall be by simple majority, the candidate with the largest number of votes being elected first. In the event of a tie, the Chairman shall have a casting vote.

#### **Ex officio and co-opted members of the Board**

18. (1) The Board shall invite each of the Major International Book Trade Associations to nominate one person to sit on the Board ex officio for an initial term of three years. Such ex officio Directors shall be eligible for nomination by their respective Major International Book Trade Association for further terms of three years.
- (2) Such ex officio members shall enjoy the same privileges, rights and obligations of elected members of the Board, with the exception of the right to vote on resolutions.
- (3) The Board may, at its discretion, appoint not more than two persons from among those eligible for nomination for election to the Board to serve on the Board as a co-opted member for an initial term of three years. Such co-opted Directors shall be eligible for appointment for further terms of three years.
- (4) Such co-opted members shall enjoy the same privileges, rights and obligations of elected members of the Board, including the right to vote on resolutions.

#### **Termination of Director's appointment**

- 19 A person ceases to be a Director, an ex officio or co-opted member of the Board as soon as

- (a) that person ceases to be a Director by virtue of any provision of the Companies Act 2006 or is prohibited from being a Director by law;
- (b) a bankruptcy order is made against that person;
- (c) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms;
- (d) a notice removing him from office is delivered in accordance with the provisions of these articles.

#### **Directors' remuneration and expenses**

- 20.** (1) No remuneration shall be payable to the Directors in respect of their services as Directors.
- (2) The Company may pay any reasonable expenses which the Directors properly incur in connection with their duties as members of the Board.

### **PART 3**

#### **MEMBERS**

##### **BECOMING AND CEASING TO BE A MEMBER**

#### **Membership**

- 21.** (1) No entity shall become a Member of the Company unless
- (a) they have completed an application for membership in a form approved by the Directors, and
  - (b) the Directors have approved the application based on their assessment of the applicant's ability to fulfil the terms of the contract with the Company (referred to in article 25(b))
- (2) Save as specifically provided otherwise in these articles, the Board shall have absolute discretion to grant or refuse membership to any applicant.

#### **Applications/Invitations for membership**

- 22.** (1) Existing Local ISBN Agencies shall be invited, by the Board, to become Members of the Company.

- (2) Any organisation wishing to be appointed as a Local ISBN Agency and Member of the Company shall apply in the form and manner prescribed by the Board. Any application is subject to the conditions set out in these articles.
- (3) An applicant may request the Board to reconsider any decision to refuse that applicant's membership. Any such request must be in writing. The applicant may also make such written submissions to the Board as it thinks fit in support of its request. The applicant shall make any such request, and provide any such submissions, within twenty one days of receiving from the Board notice of its reasons for such refusal.
- (4) Upon receiving any request from an applicant under article 22(3), the Board shall duly reconsider its decision, taking into account any submissions provided by the applicant in support of that request. The Board shall promptly notify the applicant of its eventual decision.

#### **Discontinuation of membership/removal of a Member**

- 23.**
- (1) Subject to article 23(2), the Board may at any time decide to discontinue the membership of or remove any Member who the Board believes has ceased to meet the criteria and requirements for membership as determined by the Board from time to time, has ceased to be eligible for membership, has not fulfilled the terms of its contract with the Company (referred to in article 25(b)), has not paid its subscription fee or has acted in any way detrimental to the interests of the Company. Such decision must be approved by at least two thirds of the Board present at the meeting at which it is made.
  - (2) Where the Board decides to discontinue the membership of or remove any Member, either in accordance with articles 23(1) or otherwise, it shall notify the Member in writing of its intention to do so giving reasons for its proposed decision.
  - (3) A Member may request the Board to reconsider any decision which it takes to discontinue that Member's membership. Any such request must be in writing. The Member may also make such written submissions to the Board as it thinks fit in support of its request. The Member shall make any such request, and provide any such submissions, within twenty one days of receiving from the Board notice of its reasons for such decision.
  - (4) Upon receiving any request from a Member under article 23(3), the Board shall duly reconsider its decision, taking into account any submissions provided by the Member in support of that request. The Board shall promptly notify the Member of its eventual decision.

## **Appeals against decisions by the Board in relation to membership**

24. (1) Where the Board decides not to grant membership to an applicant in accordance with article 22(4), or decides to discontinue the membership of or remove a Member in accordance with article 23(4) the applicant or Member may appeal against the Boards' decision.
- (2) The Company and the appellant must nominate one representative each for the appeal process.
- (3) An applicant or Member who wishes to appeal against a decision by the Board under article 24(1) shall give notice in writing to the Board within twenty one days of receiving notice of the Boards' decision.
- (4) Both parties shall bear their own costs associated with such appeal, except that the parties shall share evenly any costs incurred in connection with appointing the person chosen to hear the appeal under article 24(5) and that person's costs associated with hearing the appeal.
- (5) Any appeal made under this article shall be heard by a representative of one of the Major International Book Trade Associations, to be agreed by the Board and the appellant, or where the Board and the appellant cannot reach such agreement within two months of the Board receiving notice from the appellant under article 24(3), by a person considered suitable by the President of the Law Society of England and Wales.
- (6) The person chosen to hear any such appeal may adopt such procedures as he or she thinks fit, but those procedures must provide both the Board and the appellant with an appropriate opportunity to make such submissions, and to present such material, as they consider necessary for him or her to properly reconsider the Boards' decision.
- (7) The decision of the person chosen to hear any such appeal shall be final and binding on the parties. The person chosen to hear any such appeal shall promptly notify the parties of his or her decision. As appropriate, the Board shall then promptly confirm or reverse its original decision.

## **Obligations of Membership**

25. The obligations of membership are to comply with the obligations arising under or pursuant to these articles and the memorandum of association together with such rules and regulations made by the Board from time to time and in particular
- (a) To pay subscriptions due as provided in article 26; and
- (b) To enter into a contract with the Company, such contract, inter alia, to set out performance criteria to be met by the Member.

## **Subscriptions**

26. (1) Each Member shall pay such annual subscriptions as may from time to time be determined by the Board. Annual subscriptions shall be payable for each year in advance.
- (2) For the purpose of determining the appropriate membership subscriptions, Members shall be grouped into five bands (which may be subdivided for the purposes of determining subscriptions payable) as specified in the subscription regulations, with a rate or rates for each band determined by the Board from time to time.
- (3) Any Member whose subscription remains unpaid on the day before a vote or poll shall not be entitled to exercise his or her vote in that poll.

## **Commencement, withdrawal and termination of membership**

27. (1) A Local ISBN Agency becomes a Member of the Company on signature of a contract with the Company (as referred to in article (25(b))) and payment of the appropriate fee.
- (2) A Member may withdraw from the Company by giving notice in accordance with the provisions of its contract with the Company (as referred to in article (25(b))).
- (3) The privileges of a Member shall not be transferable and any Member of the Company shall cease to be a Member if being a corporate body it enters into liquidation.

## **ORGANISATION OF GENERAL MEETINGS**

### **Annual General Meeting**

28. An annual general meeting shall be held to coincide with a meeting of the Board at some convenient place to be determined by the Board.

### **Notice of General Meetings**

29. (1) Not less than fourteen clear days before the date set for any general meeting, the Secretary shall circulate a notice announcing the date and place of the meeting and setting out any business and formal resolutions proposed by the Board of which Members have given notice they wish to raise at the general meeting in accordance with article 29(2).
- (2) Members wishing to propose matters or formal resolutions as business for a general meeting pursuant to these articles must give formal notice to the Secretary to this effect no less than twenty eight clear days prior to the relevant general meeting



- (3) The Company may give any notice to a Member personally, or by sending it by post in a prepaid envelope addressed to the Member at his or her registered address, or by leaving it at that address. Where the member has given to the Company a fax number or email address to which notices may be sent electronically, the Company may give a valid notice by means of fax or email.
- (4) Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given to a postal address. Electronic confirmation of receipt shall be conclusive evidence that a notice was given to a fax number or email address. A notice shall be deemed to be given at the expiration of seventy two hours after it was posted or (as the case may be) forty eight hours after being transmitted electronically.
- (5) The accidental omission to give notice of a meeting to, or the non-receipt of such notice by any person entitled to receive any notice thereof shall not invalidate any resolution passed, or any proceedings, at any meetings.

#### **Attendance and voting at general meetings**

30. (1) Any employee of a Member of the Company properly authorised to do so may attend and speak at general meetings. Save as specifically provided otherwise in these articles, all Members shall be entitled to vote.
- (2) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- (3) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

#### **Quorum for general meetings**

31. No business is to be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Twenty Members personally represented by an employee or proxy, and as such entitled to vote, shall form a quorum of a general meeting.

#### **Adjournment**

32. (1) If the persons attending a general meeting within half an hour 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 Chairman of the meeting must adjourn it.
- (2) The Chairman of the meeting may adjourn a general meeting at which a quorum is present if

- (a) the meeting consents to an adjournment, or
  - (b) it appears to the chairman 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.
- (3) The Chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the Chairman of the meeting must
- (a) 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
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (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)
- (a) to the same persons to whom notice of the Company's general meetings is required to be given, and
  - (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## **VOTING AT GENERAL MEETINGS**

### **Voting: general**

33. (1) A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.
- (2) Except as provided otherwise in these articles the business at a general meeting shall be determined by a simple majority or, in the case of a matter which requires a special resolution, by a majority of seventy five percent of the votes cast, in a show of hands (with each Member having one vote), by the members present and entitled to vote.

### **Errors and disputes**

34. (1) No objection may be raised to the qualification of any person voting at a general 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.

- (2) Any such objection must be referred to the Chairman whose decision is final.

### **Poll votes**

35. (1) A poll on a resolution may be demanded
  - (a) in advance of the general meeting where it is to be put to the vote, or
  - (b) at a general 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.
- (2) A poll may be demanded by
  - (a) the Chairman of the meeting;
  - (b) the Directors;
  - (c) two or more persons having the right to vote on the resolution; or
  - (d) a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution.
- (3) A demand for a poll may be withdrawn if
  - (a) the poll has not yet been taken, and
  - (b) the Chairman of the meeting consents to the withdrawal.
- (4) Polls must be taken immediately and in such manner as the Chairman of the meeting directs.

### **Proxy notices**

36. (1) Proxies may only validly be appointed by a notice in writing (a “proxy notice”) which
  - (a) states the name and address of the member appointing the proxy;
  - (b) identifies the person appointed to be that member’s proxy and the general meeting in relation to which that person is appointed;
  - (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the Directors may determine; and

- (d) is delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) 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.
- (4) Unless a proxy notice indicates otherwise, it must be treated as
  - (a) 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
  - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.
- (5) No Member may act as a proxy for more than three other Members at any general meeting.

#### **Delivery of proxy notices**

- 37. (1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general 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.
- (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.
- (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.
- (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.

#### **Amendments to resolutions**

- 38. (1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if
  - (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general 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 Chairman of the meeting may determine), and

- (b) the proposed amendment does not, in the reasonable opinion of the Chairman of the meeting, materially alter the scope of the resolution.
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- (3) If the Chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

## **PART 4**

### **ADMINISTRATIVE ARRANGEMENTS**

#### **Means of communication to be used**

39. (1) Subject to the articles, anything sent or supplied by or to the Company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- (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.
- (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.

#### **Company seals**

40. (1) Any common seal may only be used by the authority of the Directors.
- (2) The Directors may decide by what means and in what form any common seal is to be used.

- (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.
- (4) For the purposes of this article, an authorised person is—
  - (a) any Director of the Company;
  - (b) the Company Secretary (if any); or
  - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

#### **No right to inspect accounts and other records**

- 41. 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.

#### **Provision for employees on cessation of business**

- 42. The Directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former Director or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

### **DIRECTORS' INDEMNITY AND INSURANCE**

#### **Indemnity**

- 43. (1) Subject to paragraph (2), a relevant Officer of the Company or an associated company may be indemnified out of the Company's assets against—
  - (a) any liability incurred by that Officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company,
  - (b) any liability incurred by that Officer in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
  - (c) any other liability incurred by an Officer of the Company or an associated company.

- (2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- (3) In this article
  - (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
  - (b) a “relevant Officer” means any Director or former Director of the Company or an associated company or the Company Secretary.

**Insurance**

- 44.** (1) The Directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant Officer in respect of any relevant loss.
- (2) In this article
- (a) a “relevant Officer” means any Director or former Director of the Company or an associated company or the Company Secretary,
  - (b) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant Officer in connection with that Officer’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
  - (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

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NAME AND ADDRESS OF SUBSCRIBER

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Signed.....

Date.....

Name .....

Witness to the above signature:.....