



## ZIRCON INDUSTRY ASSOCIATION LIMITED

### ARTICLES OF ASSOCIATION

INTERPRETATION AND LIABILITY OF MEMBERS .....	2
ARTICLE 1: NAME AND STRUCTURE.....	3
ARTICLE 2: PURPOSE.....	3
ARTICLE 3: MEMBERSHIP.....	5
ARTICLE 4: ORGANISATION OF ZIA .....	8
ARTICLE 5: PLENARY MEETINGS .....	15
ARTICLE 6: COMMITTEES AND WORKING GROUPS.....	15
ARTICLE 7: INTELLECTUAL PROPERTY .....	16
ARTICLE 8: CODE OF CONDUCT .....	16
ARTICLE 9: LIABILITY OF DIRECTORS AND SECRETARIAT AND INDEMNITY .....	17
ARTICLE 10: DISSOLUTION OF ZIA.....	17
ARTICLE 11: OTHER TERMS AND CONDITIONS.....	17
APPENDIX I: CODE OF CONDUCT - GUIDELINES FOR COMPLIANCE WITH ANTITRUST LAWS .....	19

## INTERPRETATION AND LIABILITY OF MEMBERS

### Interpretation

In these Articles of Association, unless the context requires otherwise "Articles" shall mean the Articles of Association of Zircon Industry Association Limited.

- "Alternate Delegate" shall mean the person appointed for the purposes referred to in Clause 3.4.2
- "Assembly" shall have the meaning given in Clause 4.1.
- "bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
- "Board" means the persons appointed in accordance with Clause 4.2.1 (a);
- "Chairman" shall have the meaning given in Clause 4.2.1(d)
- "Code of Conduct" means the code of conduct included as Appendix 1 to these Articles as may be revised from time to time;
- "Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to Zircon Industry Association Limited;
- "Delegate" means the person, being either a Primary Delegate or an Alternate Delegate, designated to cast a Member's vote;
- "Director" means a director of Zircon Industry Association Limited 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;
- "Executive Director" has the meaning given in Clause 4.3;
- "Member" has the meaning given in Clause 3.1;
- "Membership Year" shall be the calendar year;
- "ordinary resolution" has the meaning given in section 282 of the Companies Act 2006;
- "Plenary Meetings" means the meetings referred to in Article 5;
- "President" has the meaning given in Clause 4.1.1;
- "Primary Delegate" shall mean the person appointed for the purposes referred to in Clause 3.4.1
- "Reference Year" shall be the calendar year two years prior to a Membership Year;
- "Secretariat" has the meaning given in Clause 4.3;
- "special resolution" has the meaning given in section 283 of the Companies Act 2006;
- "Steering Committee" shall have the meaning given in Clause 4.2;
- "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 Zircon Industry Association Limited.

"Article," "Clause" and other headings contained in these Articles are for reference purposes only and shall not affect in any way the meaning or interpretation thereof. All personal pronouns used in these Articles shall include the other genders, whether used in the masculine, feminine or neuter gender, and the singular shall include the plural and vice versa, whenever and as often as may be appropriate.

The Articles of Zircon Industry Association Limited will normally be subject to review on a triennial basis.

### **Liability of Members**

The liability of each Member is limited to \$1 (one dollar), being the amount that each Member undertakes to contribute to the assets of Zircon Industry Association in the event of its being wound up while a Member or within one year after ceasing to be a Member, for:

- a) payment of Zircon Industry Association Limited's debts and liabilities contracted before cessation of membership;
- b) payment of the costs, charges and expenses of winding up, and
- c) adjustment of the rights of the contributories among themselves.

### **ARTICLE 1: NAME AND STRUCTURE**

The name of this company shall be Zircon Industry Association Limited to be known as Zircon Industry Association and hereinafter referred to as "ZIA." It is incorporated in England in accordance with the Companies Act 2006 as a not-for-profit company, limited by guarantee and shall be governed by English law.

The registered address of ZIA shall be Grenville Court, Britwell Road, Burnham SL1 8DF, United Kingdom. The business and postal address may be different to the registered address. The business and accounting year shall be January 1<sup>st</sup> to December 31<sup>st</sup>. The operating currency of ZIA shall be the United States dollar.

### **ARTICLE 2: PURPOSE**

A guiding principle for ZIA shall be as follows: to carry out any and all lawful activities in connection with or incidental to the accomplishment of the purposes below without pecuniary profit to ZIA or any Member.

The purpose of ZIA shall be to:

1. promote the use of zircon and zircon-based materials in a wide range of applications;
2. represent the collective interests of Members in international industry, trade, and other forums;
3. to consult, for purposes of its research or investigations, with governments and agencies and with other organisations and entities;
4. collect and provide technical and other industry information, commercially sensitive or proprietary information always excluded;
5. provide a forum for co-operation and exchange of ideas and information on scientific and technical matters related to the zircon industry.

The information so collected may be distributed to government agencies, public or private organisations or individuals if doing so is deemed to be in the interests of ZIA or is required by law.

In furtherance of the above purposes, but not otherwise, ZIA shall have the following powers:

- (a) Subject to such consents as may, from time to time, be required by law to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which are necessary or expedient for the promotion of these objects, and to construct,

maintain, alter and manage any buildings or erections necessary or convenient for the work of ZIA.

- (b) To publicise, educate the public in, and provide information about the work of ZIA.
- (c) To hold exhibitions, meetings, lectures and classes, to publish and or distribute newspapers, magazines, books and other literary works in connection with the activities and in furtherance of the purposes of ZIA.
- (d) Subject to such consents as may be required by law to sell, let, mortgage, dispose of or turn to account all or any of the property or assets of ZIA as may be expedient for the promotion of its purposes.
- (e) Subject to such consents as may be required by law to undertake and execute any charitable trusts which may be lawfully undertaken by ZIA and are conducive to its objects.
- (f) Subject to such consents as may be required by law to borrow or raise money for the purpose of ZIA on such terms and on such security as may be thought fit.
- (g) To invest the moneys of ZIA not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided.
- (h) To raise money for, establish and support or aid in the raising of money for, establishment and support of any charitable companies or institutions and to subscribe or guarantee money for charitable purposes in any way connected with the purposes of ZIA or calculated to further its objects.
- (i) To do all such other lawful things as are necessary to the attainment of the above objects or any of them.

Neither ZIA nor any Member may engage in any activity that contravenes the anti-trust, cartel or restrictive trade practices legislation applicable in the country in which ZIA is registered or operates or in any other applicable jurisdiction.

ZIA shall maintain strict neutrality and objectivity towards all Members. Information concerning any Member or information disclosed to ZIA in confidence shall not be disclosed to any other party unless authorised in writing by the Member concerned.

The income and property of ZIA shall be applied solely towards the promotion of its purpose as set forth in this Article 2 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 Members of ZIA and no member of its Assembly or Board shall be appointed to any office of ZIA paid by salary or fees, or receive any remuneration or other benefit in money's worth from ZIA.

Provided that nothing herein shall prevent any payment in good faith by ZIA:

- i. of reasonable and proper remuneration to any Member, officer or servant of ZIA (not being a member of its Board of Directors) for any services rendered to ZIA;

- ii. of interest at a rate per annum not exceeding 2 per cent less than the minimum rate presented for the time being by a clearing bank or 3 per cent whichever is the greater on money lent; or reasonable and proper rent for premises demised or let by any Member of ZIA or of its Board of Directors;
- iii. to any member of its Board of Directors of reasonable out-of-pocket expenses;
- iv. to a company of which a Director may be a member holding not more than one hundredth part of the capital of such company, and such Director shall not be bound to account for any share of profits he may receive in respect of any such payment; provided further that neither Directors nor any of them shall concur in exercising any voting rights in respect of any shares or debentures or other securities comprised in the assets of ZIA in such a way that a personal benefit is thereby secured to such Director or any of them.

## **ARTICLE 3: MEMBERSHIP**

### **3.1 Membership**

#### **3.1.1 Full Members**

Full Members shall be organisations, companies and individuals involved in production or consumption of zircon sand. Full Members shall be classified for the purposes of Clause 3.7 into the following categories (which may be amended by a decision of the Board if it determines that the interests of all Members would so be better served):

- (a) Producers (those producing zircon sand);
- (b) Consumers (those consuming zircon sand in the manufacture of zircon-based products such as opacifiers, refractories, zirconia and zircon chemicals and intermediates).

Producers and Consumers whose annual production or consumption of zircon sand in the Reference Year for the Membership Year in question is less than 10,000 tonnes shall have the option of becoming an Associate Member.

#### **3.1.2 Associate Members**

Associate Members shall be organisations, companies and individuals that are (a) Producers or Consumers of less than 10,000 tonnes of zircon sand or (b) associated with the production, transformation and use of zircon and zircon-based products, such as traders and distributors, providers of technology, proprietary or specialised equipment, raw materials, freight and logistics services, consultancy services, etc.

#### **3.1.3 Membership application**

Companies, organisations, or individuals may apply to become Members of ZIA by submitting an application form to the Executive Director. Such application form shall include a clear statement that the prospective Member agrees to be bound by these Articles and the Code of Conduct.

Applications for membership shall be subject to approval by the Board of Directors.

Prospective Members must satisfy the above criteria or such other criteria as may from time to time be approved by the Assembly in order to be considered for membership. No prospective Member satisfying such criteria shall be refused membership unless the Board in its reasonable opinion considers that there is reason to believe that such organisation, company or individual would cause damage to the reputation or integrity of ZIA. In considering membership applications from prospective Members, the Board reserves the right to ask for references. In the event that the Board reaches a decision that a prospective Member should be refused membership, such decision shall at the request of the prospective Member concerned be referred to the Assembly for ratification or reversal as the case may be.

Membership rights cannot be exercised without payment of the annual membership fee.

### **3.2 Member Responsibilities**

Members shall subscribe to membership for periods of one Membership Year [or the balance of the current Membership Year in the case of members joining part way through a Membership Year) and shall have a binding obligation to pay membership fees. Members who fail to pay membership fees or make suitable arrangements to do within three months of the date of their membership fee invoice may at the sole discretion of the Board be suspended from membership of ZIA.

Members wishing to resign their membership in ZIA shall do so by the provision of not less than three months written notice prior to the start of the next Membership Year. In the absence of such notice, a Member shall be deemed to have renewed its membership for the following Membership Year. Membership in ZIA shall be non-transferable except that a Member may transfer its membership to another entity within the same corporate group as the Member with the written consent of the Board which shall not be unreasonably withheld.

Members undertake to support ZIA in order to enable it to fulfil its objectives in an appropriate manner.

A Member must notify the Executive Director immediately in writing if its circumstances change such that it no longer complies with the criteria for membership listed and defined in Clause 3.1 and its membership will be deemed to have terminated automatically with effect from the date on which it ceased so to comply.

### **3.3 Member Delegates**

Each Member shall appoint one Primary Delegate and one Alternate Delegate to represent its interests and undertake its obligations with respect to ZIA. All delegates must be contactable by email. It is expected that the Primary Delegate and/or the Alternate Delegate will attend General Meetings and Plenary Meetings. Members shall immediately notify ZIA of any changes of delegate and/or their contact information.

### **3.4 Delegates Duties**

#### **3.4.1 Primary Delegate**

The obligations of a Primary Delegate are to represent the interests of the Member in ZIA activities and to act in the best interests of ZIA as a whole. Accomplishing this may involve: attending meetings either in person or electronically, disseminating information provided by

ZIA to Members, responding to requests from ZIA for information about the Member and participating in ZIA decision making processes. The Primary Delegate is authorised to vote on any ZIA matter on behalf of the Member concerned.

### **3.4.2 Alternate Delegate**

The duty of an Alternate Delegate is to represent the Member in the absence of the Primary Delegate. An Alternate Delegate is authorised to vote on ZIA matters only in the absence of the Primary Delegate.

### **3.5 Removal of Delegates**

Delegates may be removed from the position of delegate at any time by the Member. If a delegate fails to perform his/her duties as specified above and does not rectify such failure within a reasonable period of time, ZIA may request that the Member replaces the delegate in question.

### **3.6 Use of Contact and Personal Information**

From time to time it may be necessary to use or provide Member contact information for ZIA-related purposes. Therefore, unless denied in writing by the Member, permission is hereby granted to ZIA to use said Member's name and contact information in ZIA's website, publications and presentations.

Information received from Members relative to the purpose of ZIA may sometimes be useful to ZIA in the fulfilment of its objectives. With respect to the provision of any such information to ZIA that is not marked as being confidential, the Member hereby grants ZIA permission to use said information as it relates to ZIA activities.

Personal information of ZIA Members, their officers, or delegates will not be released outside the organisation for any other purpose without the officer's or delegate's permission.

### **3.7 Membership Fees**

Membership fees shall be set annually by the Board as part of the budget process. Where appropriate individual membership fees shall be based on the tonnage of zircon sand produced or consumed during the Reference Year in question. Membership fees shall be advised to Members as soon as approved and in any case no later than September 1<sup>st</sup> of the year prior to the Membership Year in question. Membership fees for new Members joining during the course of a Membership Year shall be pro-rated on a monthly basis for the balance of the Membership Year in question.

Membership fees shall be invoiced to Members at the beginning of each year, or on joining in the case of new Members, such invoices being payable on receipt. The Board shall have the right to levy an interest charge of 2% above the United States Prime Rate as quoted in the Financial Times on the date of the invoice where payment of an invoice is seriously overdue.

### **3.8 Exclusion of Members**

The Board may decide that a certain Member should be excluded from membership, in particular, but not limited to when such Member infringes these Articles and has not rectified such infringement within 30 days of receipt of notice thereof. The Member concerned shall be so notified, such notification to include precise reasons, and shall have the right either to accept the decision of the Board or to submit a written protest within four weeks of receipt of such notification.

In the event of such protest being submitted, it, together with copies of all relevant documents, it shall be referred to the decision of the Assembly which shall be final and binding. The Member concerned shall have the right to present its case at such meeting, but, shall not be entitled to vote on the matter and its presence shall not be counted for the purposes of establishing whether or not the required 75% majority exists.

### **3.9 Resigned and Excluded Members**

Members who have resigned or been excluded from membership shall have no claim on the funds or assets of ZIA and no such claims shall be considered. Resignation or exclusion shall not release any Member from obligations incurred during its membership.

An excluded Member shall not normally be permitted to reapply for membership within a period of three years following exclusion.

Membership shall cease automatically in the event of dissolution or bankruptcy of a Member.

## **ARTICLE 4: ORGANISATION OF ZIA**

### **4.1 The Assembly**

The Members shall meet in a General Meeting (“the Assembly”) in order to make the decisions set out in Clause 4.1.2 or any other decisions delegated to the Assembly under this Agreement.

#### **4.1.1 Composition of the Assembly**

The Assembly shall comprise the Primary Delegates or in the absence of a Primary Delegate the Alternate Delegate of all the Members. Each Member shall designate one Delegate to act as its representative in the Assembly. The designated representative of the Member shall have authority to commit the Member in decisions to be taken by the Assembly.

Members of the Assembly shall elect by majority vote a President thereof for a period of one year at a time. Upon expiry of such period the President may seek re-election. The President shall co-ordinate the Assembly with the assistance of the Secretariat.

#### **4.1.2 Role of the Assembly**

The Assembly shall take decisions in connection with the following:

- (a) modification to any provision of these Articles of Association;
- (b) expulsion of a Member pursuant to Clause 3.5;
- (c) approval of the annual audited accounts of ZIA;
- (d) election of the President of the Assembly;
- (e) appointment of the Board of Directors; and
- (f) any matter reserved by law for decision by the General Meeting of Members.

#### **4.1.3 Meetings of the Assembly**

Delegates may participate in person or by conference call. The Secretariat shall serve as



secretary of the Assembly and shall delegate one or more of its officers to the Assembly for this purpose. The Secretariat shall have no voting rights on the Assembly.

#### **4.1.3.1 Ordinary General Meetings and Annual General Meetings**

- (a) The Assembly shall hold its Annual General Meeting, being an Ordinary General Meeting, every 12 months at such time and place as shall be determined by the Board, provided (i) that every Annual General Meeting except the first is held no later than 15 months after the previous Annual General Meeting and (ii) that as long as the first Annual General Meeting is held within 18 months of incorporation it need not hold it in its year of incorporation or in the following year.
- (b) No business will be transacted at an Ordinary General Meeting other than the items specified on the agenda. The Assembly may, however, with the consent of Members representing 50% or more of the total votes present or represented at the meeting, bring forward any business which it considers requires decision or action by the Members.

#### **4.1.3.2 Extraordinary General Meetings**

An Extraordinary General Meeting of the Assembly may be convened:

- (a) At the request of the President of the Assembly;
- (b) At the request of at least one third of the Members

#### **4.1.3.3 Organisation and minutes of General Meetings**

- (a) General Meetings of the Assembly shall be held following written notice given by the Secretariat for Ordinary Meetings and upon written notice given by the Secretariat on behalf of the President of the Assembly or of a majority of Members for Extraordinary Meetings. The notice shall indicate the venue of the meeting and/or telephone conference details and shall also include where possible a draft Agenda for the Meeting.
- (b) The notice period for Ordinary and Extraordinary Meetings shall be four weeks from issue of notice by the Secretariat, unless a shorter period is agreed by all Members.
- (c) A Member's written submission on agenda matters received by the Secretariat 24 hours in advance of the opening of the Meeting shall be taken into consideration by the Assembly.
- (d) One or more representatives of the Secretariat and the Board of Directors shall attend Ordinary Meetings of the Assembly, as appropriate, to report on their activities.
- (e) Minutes of the Assembly meetings shall be prepared by the Secretariat which shall forward copies of them within 4 weeks to all Members. Members must notify the Secretariat within 2 weeks after dispatch of the minutes if there is

anything contained in the minutes with which they disagree. Failure to do so will indicate acceptance of the minutes.

#### **4.1.3.4 Procedure at General Meetings**

- (a) A meeting of the Assembly can be held and any decisions taken in connection with such meeting will be valid if a quorum of Members representing fifty percent plus one of the total votes are present or represented at the meeting.
- (b) If a quorum is not achieved within 30 minutes of the scheduled starting time of the meeting (unless the Members present agree unanimously to extend that period), the meeting, if convened upon the requisition of Members, shall be dissolved; in any other case the Secretariat shall convene a subsequent meeting at least 3 weeks later and shall provide written notice of that fact to all Members.
- (c) If at such subsequent meeting a quorum is not present within 30 minutes from the time appointed for the meeting (unless the Members present agree unanimously to extend that period), those Members present shall be entitled to deliberate and take decisions as if a quorum were present.
- (d) The President or in his absence the Chairman shall preside over General Meetings of the Assembly.
- (e) The President may, with the consent of the Members present at any meeting at which a quorum is present (and shall if so directed by such Members), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (f) Members may be represented at each meeting by another Member, the President or the Secretariat provided the latter is able to show at the start of each such meeting an original proxy notice in a format approved by the Board duly signed by the Member concerned. There shall be no limit to the number of proxies an individual representative may hold.
- (g) A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
  - I. by the President;
  - II. by a least two Members having the right to vote at the meeting; or
  - III. by a Member or Members representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting;and a demand by a person as proxy for a Member shall be the same as a demand by the Member.
- (h) Unless a poll is duly demanded a declaration by the President that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or

not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

- (i) The demand for a poll may, before the poll is taken, be withdrawn, but only with the consent of the President and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- (j) The poll shall be taken as the President directs and he may appoint a scrutineer (who need not be a Member) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- (k) In the case of an equality of votes, whether on a show of hands or a poll, the President shall be entitled to a casting vote in addition to any other vote he may have.
- (l) A poll demanded on the election of the President or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the President directs not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- (m) No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven days' notice shall be given specifying the time and place at which the poll is to be taken.
- (n) A resolution in writing executed by or on behalf of each Member who would have been entitled to vote upon it if it had been proposed at a General Meeting at which he was present shall be as effectual as if it had been passed at a General Meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more Members.

#### **4.1.3.5 Amendments to resolutions**

- (a) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
  - I. notice of the proposed amendment is given to Secretariat 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 President of the meeting may determine), and
  - II. the proposed amendment does not, in the reasonable opinion of the President of the meeting, materially alter the scope of the resolution.

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

#### **4.1.3.6 Voting Rights**

- (a) Each Member or their representative shall be entitled to one vote on any decision taken at the Assembly meeting.
- (b) The Assembly Members shall strive for consensus.
- (c) Decisions shall be taken by a majority of 50% + 1 vote of the votes of Members present or represented at the meeting except:
  - I. Decisions to expel a Member must be taken by a majority of 75% of votes by the Members present or represented at the meeting, and
  - II. Decisions to modify any provision of these Articles of Association must be taken by a majority of 75% of the votes of all the Members present or represented at the meeting. (For avoidance of doubt, such decisions once taken with the required number of votes shall be binding on all Members, unless the Members who voted against the decision or were not present at the meeting at which such decision was taken can demonstrate that such decision discriminates unfairly against any or all of them).

## **4.2 Board of Directors**

The Board of Directors ("the Board") shall consist of elected representatives of the Members. Until the first Board of Directors has been elected in accordance herewith, the duties and responsibilities of the Board shall be assumed by a Steering Committee comprised of representatives of the founding members. The Steering Committee and its members shall in all respects be governed by this clause 4.2.

### **4.2.1 Composition of the Board**

- (a) The Board shall be elected by the Assembly in accordance with 4.1 and shall be composed of up to nine members ("Directors"). Nominees shall normally be the Primary or Alternate Delegate of Members. Only one representative of a particular Member can serve as a Director at any one time.
- (b) Election of Directors shall take place at a General Meeting of the Assembly.
- (c) Directors shall not normally serve for more than four consecutive years.
- (d) Directors shall elect by majority vote a Chairman for a period of two years. The

Chairman shall coordinate the Board and organise its work with the assistance of the Secretariat.

- (e) After the first year, one Director shall retire from office each year, but may stand for re-election. Directors shall decide among themselves the order in which they shall either retire or stand for re-election. In default of agreement, a decision shall be made by the Chairman who shall in reaching a decision utilise the principle of fairness.
- (f) The Directors and their representatives shall:
  - I. serve in their respective positions for no compensation or remuneration whatsoever; and
  - II. in carrying out their functions as Directors in good faith take into account the interests of all Members, irrespective of whether or not such Members are represented on the Board.
- (g) In the event that a Director wishes to resign from office before the end of his term of office, he may do so subject to giving a minimum of two months' prior written notice to the Chairman.
- (h) A vacancy on the Board may be filled by appointment of the Board for the remainder of the term of the resigning Director, subject to the ratification of the Assembly at the next Annual General Meeting.
- (i) The Secretariat shall serve as secretary of the Board and shall delegate one or more of its officers to the Board for the purpose. The Secretariat shall have no voting right on the Board. The Secretariat shall take and issue minutes of all Board meetings and ensure that such minutes are kept for at least ten years from the dates thereof.

#### **4.2.2 Duties of the Board**

The Board shall be responsible for the overall performance of ZIA in achieving its objectives in accordance with Article 2 hereof. In so doing it shall give direction to the Executive Director on ZIA's general strategy. The Board shall also be responsible for setting financial policy, overseeing the audit process, setting governance procedures for operation of ZIA's bank accounts and ensuring that the Code of Conduct is up to date. The Board shall be involved in other matters as specified herein.

#### **4.2.3 Budget**

The Board shall approve an operating budget, to be submitted annually by the Executive Director. Such budget shall include a contingency of \$25,000 (or such other amount as the Board may from time to time determine) to cover unbudgeted expenses which are considered by the Executive Director as necessary for the achievement of ZIA's objectives. The Board shall approve any unbudgeted expenditure in excess of such contingency.

#### **4.2.4 Meetings of the Board**

- (a) The Board shall normally meet at quarterly intervals and at other times as necessary, or as called by the Chairman, or by three Directors to discuss any pending business. The quorum for taking decisions at Board Meetings shall be three if the Board comprises five

members or less and four if the Board comprises six or seven members and five if the Board comprises eight or nine members.

- (b) Meetings may be conducted in person or via electronic means (e.g. telephone conference or via the Internet). The Board, including the Chairman, shall vote by simple majority of those present or represented. In the event of a tie, a second ballot shall be cast. In the event of a tie on the second ballot, the chairman of the meeting shall cast the deciding vote.
- (c) Board members shall be entitled to appoint others to represent them at Board meetings, such appointment to be notified to the Secretariat in writing confirming of their attendance at the Board meeting.
- (d) The Chairman shall preside at Board meetings. In case the Chairman is not present those Directors present shall elect one of their number to chair the meeting in question.
- (e) One representative from the ranks of Associate Members shall be entitled to attend Board meetings as an observer, subject to there being at least five Associate Members. Such representative shall have no voting rights and shall be elected by the Associate Members for a term of up to four years, the election process to be conducted by the Secretariat in a fair and transparent manner.

#### **4.2.5 Conflicts of interest**

- (a) If a proposed decision of the Directors is concerned with an actual or proposed transaction or arrangement with ZIA 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.
- (b) But if paragraph (c) applies, a Director who is interested in an actual or proposed transaction or arrangement with ZIA is to be counted as participating in the decision-making process for quorum and voting purposes.
- (c) This paragraph applies when:
  - I. ZIA 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;
  - II. the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
  - III. the Director's conflict of interest arises from a permitted cause.
- (d) For the purposes of Clause 4.2.5 (c) III, the following are permitted causes—
  - I. a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of ZIA or any of its subsidiaries;
  - II. subscription, or an agreement to subscribe, for securities of ZIA or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and
  - III. arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of ZIA or any of its subsidiaries which do not provide special benefits for Directors or former Directors.

- (e) For the purposes of Clause 4.2.5, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting.
- (f) Subject to paragraph (g), 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.
- (g) 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.

#### **4.2.6 Removal from office**

- (a) The Board shall have the power to remove a Director from office for continued or frequent non-performance of his/her obligations hereunder and/or for any malfeasance or misfeasance in office.
- (b) A person shall cease to be a Director as soon as:
  - I. 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;
  - II. a registered medical practitioner who is treating that person gives a written opinion to ZIA stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
  - III. by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
  - IV. the effectiveness of resignation by a Director in accordance with Clause 4.2.1(g), or
  - V. a Director ceases to be an employee of his Member company.

#### **4.3 The Secretariat and Executive Director**

The Secretariat shall be responsible for the day to day management and running of ZIA, headed by the Executive Director who shall be responsible to the Board through its Chairman. The duties of the Executive Director shall be defined in a Contractor Agreement, which will be entered into by the Executive Director and ZIA.

### **ARTICLE 5: PLENARY MEETINGS**

Plenary meetings may be organised from time to time and shall be open to all Members and invited guests and shall comprise plenary sessions which may include technical and other reports, briefings, presentations by internal and external speakers, panel discussions, field trips and any other activity agreed by the Board which shall have responsibility for approval of the organisation and programmes of Plenary Meetings. The President or the Chairman or other duly authorised person shall preside at Plenary Meetings.

### **ARTICLE 6: COMMITTEES AND WORKING GROUPS**

- (a) Committees and working groups are an important mechanism for ZIA to achieve its objectives

and shall be established from the ranks of the Members as needed. External experts or consultants may be co-opted in case of need. The chairmen of committees and working groups shall be appointed by and report to the Board through the Executive Director. Co-option of external experts or consultants and associated costs shall be subject to approval by the Executive Director which shall also ensure that no Member or co-optee has a conflict of interest. No person shall normally be chairman of more than one committee or working group.

- (b) The Executive Director shall set the terms of reference and modus operandi of each committee or working group, with reference to the Board as appropriate.
- (c) Minutes of each committee or working group meeting shall be kept by a person nominated by each committee or working group and circulated through the Secretariat to the Members once approved and signed by the respective chairmen.
- (d) Once a committee or working group has completed its task it shall through the Secretariat issue a report for circulation to Members. In the case of a standing committee, it shall through the Secretariat issue regular reports of its activities to Members.

## **ARTICLE 7: INTELLECTUAL PROPERTY**

### **7.1 Licence to use**

Any intellectual property developed by ZIA shall be the property of ZIA, but may be used by Members subject to the granting of an appropriate licence. Intellectual property owned by ZIA may be used by non-members, subject to the granting of an appropriate licence and payment of appropriate consideration. All such licences shall be subject to approval of the Board.

### **7.2 Use of ZIA logo**

Full Members shall be entitled to use the ZIA logo in their company literature and on their letter head in a manner to be approved by the Secretariat in its reasonable judgment.

## **ARTICLE 8: CODE OF CONDUCT**

### **8.1 Acceptance of Gifts**

ZIA Directors, members of the Secretariat and Member personnel appointed to committees, working groups or positions where they represent ZIA, may not accept gifts from any individual, company or organisation that would result in the appearance of a conflict of interest. The Board shall determine in advance if under special circumstances and in the best interests of ZIA an exception may be granted.

### **8.2 Anti-trust Guidance**

ZIA's Code of Conduct shall provide guidance for compliance with the anti-trust and competition laws applicable in Europe, the USA and other jurisdictions. Such Code of Conduct is included as Appendix 1 to these Articles and shall be considered as an integral part hereof. In the event that revisions are made to such Code of Conduct, then the revised Code of Conduct shall be appended hereto.

In order to ensure compliance with the relevant anti-trust and competition laws, ZIA's legal counsel



shall attend all General and Plenary Meetings and, where appropriate, meetings of the Board and other committees and working groups.

#### **ARTICLE 9: LIABILITY OF DIRECTORS AND SECRETARIAT AND INDEMNITY**

No Director or the member of the Secretariat (including the Executive Director) shall have any personal liability for or on account of any liabilities or obligations of ZIA or any liability or obligation which any of them have entered into on behalf of ZIA or any of its Members, provided that in doing so they have acted honestly, in good faith and within their authority. In the event that anyone attempts to make a Director or member of the Secretariat of ZIA liable on account of his/her work on behalf of ZIA, ZIA shall hold such person or persons free of such liability and indemnify him/her or them against such liability. In the event that the financial resources of ZIA are insufficient to satisfy such indemnity, then such person or persons shall be held free and indemnified by all Members, jointly and severally, up to an amount equal to their annual membership fee. In the event that one or more Members is/are obligated to satisfy the indemnification provisions hereof, such Member(s) shall be entitled to contributions from the other Members in reimbursement of their share thereof.

#### **ARTICLE 10: DISSOLUTION OF ZIA**

In the event of dissolution, all outstanding liabilities of ZIA shall first be discharged. Assets remaining after discharge of all liabilities shall not be distributed to Members, but shall be donated to a charitable institution or institutions having similar purposes to ZIA and which shall prohibit the distribution of its or their income among its or their members to an extent at least as great as is imposed on ZIA by virtue of Article 2 hereof, such institution or institutions to be selected by the Board at the time of dissolution after due consultation with Members, and if and so far as effect cannot be given to such provisions, then to some charitable object. Members shall be promptly notified of the final disbursement of funds and shall be provided with a copy of the closing accounts of ZIA.

#### **ARTICLE 11: OTHER TERMS AND CONDITIONS**

##### **11.1 Governing Law and Settlement of Disputes**

These Articles shall be construed in accordance with and governed by English law. Any question, issue or dispute with respect to them which cannot be settled by the parties concerned shall be referred to exclusive jurisdiction of the English courts whose decision shall be final and binding on the parties and may be enforced in any competent court.

##### **11.2 Conduct of Meetings**

With respect to the conduct of meetings hereunder, in the event that an issue arises which is not covered by the provisions hereof, the rules contained in the current edition of "Roberts Rules of Order, Newly Revised" shall if applicable decide such issue, as long as such rules are not inconsistent with these Articles.

##### **11.3 Notices**

Unless otherwise specified herein, any formal notice which may or must be given in connection with these Articles shall be sent by fax, courier or registered mail, A notice sent by fax shall be deemed to have been received on the date on which sent or on the next working day if the fax was not sent on a working day, provided that the sender's fax machine issues a successful transmission report.

Any notice sent by courier or registered mail shall be deemed to have been received five working days after the date on which it was sent.

Notices sent to ZIA shall be addressed to the Executive Director and sent to the ZIA's business address. Notices sent to Members shall be sent to the Primary Delegate at the last address notified to the Secretariat. Changes in addresses shall be promptly notified.

#### **11.4 Right to Inspect Records**

Except as provided by law or authorised by the Board or an ordinary resolution of ZIA, no person shall be entitled to inspect any of ZIA's accounting or other records or documents by virtue of being a Member.

## APPENDIX I: CODE OF CONDUCT - GUIDELINES FOR COMPLIANCE WITH ANTITRUST LAWS

### INTRODUCTION

Antitrust and competition laws in the European Union, United States of America and in other jurisdictions are intended to ensure that there is free and open competition in business and expressly prohibit any business behaviour, practice, activity or agreement that restrains or limits competition. With their meetings of Members who are often competitors, trade and industry associations must be particularly careful to ensure compliance with these laws. Failure to comply can result in serious consequences, both financial and legal/criminal, for the association, Member companies and their employees.

The following guidelines apply to all ZIA meetings, communications and other activities and should be observed and followed at all times. Any Member who has any questions with respect to these guidelines or compliance with antitrust laws should in the first instance contact the Executive Director who will obtain appropriate legal advice.

### CODE OF CONDUCT

ZIA Members shall not use ZIA meetings, communications or activities to make or attempt to make any agreement with competitors in respect to competitively sensitive matters, such as prices, terms and conditions of trade, discounts, margins, strategic plans, production volumes, investments, costs, capacity utilization, market shares, territories or customers.

In addition to the restriction identified above. ZIA Members shall not discuss with competitors, at any ZIA Meeting or activity, prices for their products, future production plans or volumes, territorial or customer allocation or sharing, terms of business with specific customers or individual business strategies.

The above restrictions are not intended to prohibit (a) normal commercial discussions among companies at different levels of the market (i.e. supplier/customer), (b) market presentations by third parties involving historical market statistics relating to Members' products, or (c) discussions regarding market trends or information in upstream or downstream markets where ZIA Members are not competitors, such as freight, raw materials, energy, or where appropriate consuming industries.

Members shall also observe and comply with these guidelines during informal discussions that may take place during the course of or in connection with a ZIA meeting or event. For the sake of clarity, informal discussions shall be understood to be any discussion other than those covered by official agenda items. It should be understood that even harmless joking about prices and other sensitive topics could be misconstrued as evidence of anti-competitive activity.

Should any ZIA Member suspect that any discussion or activity violates antitrust laws or any of these guidelines, the Member concerned should insist that the discussion be halted forthwith and be referred to the Executive Director and/or to legal counsel for advice.

All ZIA meetings, be they plenary sessions, committee meetings, etc., shall have a formal written agenda which shall be circulated to participants in advance. All agendas for meetings which are not related specifically to technical issues shall be reviewed in advance by the Executive Director who shall in case of need consult with ZIA's legal counsel.

The chairman of each ZIA meeting shall have available a copy of these guidelines and shall remind all participants of their provisions in his/her introductory remarks.

All ZIA meetings, communications and activities that involve collection, dissemination or discussion of statistical data relating to prices, costs or individual company statistics of any kind shall be reviewed by ZIA's legal counsel in advance.

External presenters and other non-member participants at ZIA meetings shall be advised in advance of ZIA's Guidelines for Compliance with Antitrust Laws and the need to comply therewith in the preparation and presentation of their papers and in their conduct at the meetings.

Minutes shall be taken at all meetings, such minutes to reflect accurately the matters discussed and actions taken. Minutes of any meeting which is not related specifically to technical issues shall be reviewed by ZIA's legal counsel prior to circulation.

Neither ZIA nor any of its committees shall make any effort to establish product standards or certification requirements for any product without first consulting ZIA's legal counsel.

ZIA shall not deny membership to any entity or person who qualifies for membership or participation in any ZIA activity in accordance with ZIA's Articles of Association.

A copy of these guidelines shall be provided to all Members of ZIA and posted on the ZIA website.