



The Companies Acts

Company Limited by Guarantee and not Having a Share Capital

**Memorandum
and
Articles of Association
of
International Corporate Governance Network**

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Memorandum of Association

of

International Corporate Governance Network

1. **Name**

The name of the company is International Corporate Governance Network. In this Memorandum and the company's Articles of Association it is called "ICGN".

2. **Registered office**

The registered office of the ICGN is situated in England and Wales.

3. **Objects**

The objects of the ICGN are the advancement of education worldwide for the public benefit through the study, the development and the promotion of corporate governance standards and guidelines, the promotion of good corporate governance and the exchange of information and education in all matters regarding corporate governance.

4. **Powers**

To further its objects the ICGN may:

- 4.1 Develop and encourage adherence to corporate governance standards and guidelines;
- 4.2 organise and assist in the provision of conferences, courses of instruction, exhibitions, lectures and other educational activities;
- 4.3 publish and distribute books, pamphlets, reports, leaflets, journals, films, tapes and instructional matter on any media;
- 4.4 promote, encourage, carry out or commission research, surveys, studies or other work, making the useful results available;
- 4.5 provide and assist in the provision of money, materials or other help;

- 4.6 provide or procure the provision of advice;
- 4.7 alone or with other organisations seek to influence public opinion and make representations to and seek to influence governmental and other bodies and institutions regarding the development and implementation of appropriate policies provided that all such activities shall be conducted on the basis of well-founded, reasoned argument and shall in all other respects be confined to those which an English and Welsh company may properly undertake;
- 4.8 enter into contracts to provide services to or on behalf of other bodies;
- 4.9 acquire or rent any property of any kind and any rights or privileges in and over property and construct, maintain, alter and equip any buildings or facilities;
- 4.10 subject to any consent required by law, dispose of or deal with all or any of its property with or without payment and subject to such conditions as the Governors think fit;
- 4.11 subject to any consent required by law, borrow or raise and secure the payment of money for any purpose including for the purposes of investment or of raising funds;
- 4.12 set aside funds for special purposes or as reserves against future expenditure;
- 4.13 invest the ICGN's money not immediately required for its objects in or upon any investments, securities, or property;
- 4.14 delegate the management of investments to financial experts provided that:
 - 4.14.1 the investment policy is set down in writing for the financial experts by the Governors;
 - 4.14.2 every transaction is reported promptly to the Governors;
 - 4.14.3 the performance of the investments is reviewed regularly by the Governors;
 - 4.14.4 the Governors are entitled to cancel the delegation arrangement at any time;
 - 4.14.5 the investment policy and the delegation arrangements are reviewed at least once a year;
 - 4.14.6 all payments due to the financial experts are on a scale or at a level which is agreed in advance;
 - 4.14.7 the financial experts may not do anything outside the powers of the Governors;

- 4.15 arrange for investments or other property of the ICGN to be held in the name of a nominee (being a corporate body registered or having an established place of business in England and Wales) under the control of the Governors or of a financial expert acting under their instructions and pay any reasonable fee required;
- 4.16 lend money and give credit to, take security for such loans or credit from, and guarantee or give security for the performance of contracts by, any person or company;
- 4.17 open and operate bank accounts and other facilities for banking and draw, accept, endorse, issue or execute promissory notes, bills of exchange, cheques and other instruments;
- 4.18 subject to the restriction in clause 4.20 raise funds by way of subscription, donation or otherwise provided that such action does not result in any intellectual, political or ethical constraints on ICGN;
- 4.19 accept (or disclaim) gifts of money and any other property;
- 4.20 trade in the course of carrying out the objects of the ICGN and carry on any other trade which is not expected to give rise to taxable profits;
- 4.21 incorporate subsidiary companies to carry on any trade;
- 4.22 subject to clause 5:
 - 4.22.1 engage and pay employees, consultants and professional or other advisers; and
 - 4.22.2 make reasonable provision for the payment of pensions and other retirement benefits to or on behalf of employees and their spouses and dependants;
- 4.23 establish and support or aid in the establishment and support of any other organisations and subscribe, lend or guarantee money or property for charitable purposes;
- 4.24 become a member, associate or affiliate of or act as Governor or appoint Governors of any other organisation (including without limitation any charitable trust of permanent endowment property held for any of the charitable purposes included in the ICGN's objects);
- 4.25 undertake and execute charitable trusts;
- 4.26 amalgamate with or acquire or undertake all or any of the property, liabilities and engagements of any body having objects wholly or in part similar to those of the ICGN;
- 4.27 co-operate with charities, voluntary bodies, statutory authorities and other bodies and exchange information and advice with them;

- 4.28 pay out of the funds of the ICGN the costs of forming and registering the ICGN;
- 4.29 insure the property of the ICGN against any foreseeable risk and take out other insurance policies as are considered necessary by the Governors to protect the ICGN;
- 4.30 provide indemnity insurance to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the ICGN; Provided that any such insurance shall not extend to the provision of any indemnity for a person in respect of:
 - 4.30.1 any act or omission which he or she knew or should have known to be a breach of trust or breach of duty; or
 - 4.30.2 any liability incurred by him or her in defending any criminal proceedings in which he or she is convicted of an offence arising out of any fraud or dishonesty, or wilful or reckless misconduct by him or her; and
- 4.31 do all such other lawful things as shall further the ICGN's objects.

5. Limitation on private benefits

- 5.1 The income and property of the ICGN shall be applied solely towards the promotion of its objects.
- 5.2 Except as provided below no part of the income and property of the ICGN may be paid or transferred directly or indirectly by way of benefit to the members of the ICGN and no Governor may receive any remuneration or other benefit in money or money's worth from the ICGN. This shall not prevent any payment in good faith by the ICGN of:
 - 5.2.1 any payments made to any member, Governor or Connected Person in their capacity as a beneficiary of the ICGN;
 - 5.2.2 reasonable and proper remuneration to any person (not being a Governor) for any goods or services supplied to the ICGN (including services performed under a contract of employment with the ICGN) provided that:
 - (a) if such person is a Connected Person the procedure described in Article 6.9.5 of the Articles (Conflicts of Interest) must be followed by the relevant Governor in relation to any decisions regarding such Connected Person; and
 - (b) this provision together with clause 5.2.8 of this Memorandum may not apply to more than half of the Governors in any financial year (and for these purposes such provisions shall be

treated as applying to a Governor if they apply to a person who is a Connected Person in relation to that Governor);

- 5.2.3 interest on money lent by any member, Governor or Connected Person at a reasonable and proper rate;
- 5.2.4 any reasonable and proper rent for premises let by any member, Governor or Connected Person;
- 5.2.5 fees, remuneration or other benefits in money or money's worth to a company of which a member, Governor or Connected Person holds less than 1% of the capital;
- 5.2.6 reasonable and proper out-of-pocket expenses of Governors;
- 5.2.7 reasonable and proper premiums in respect of indemnity insurance effected in accordance with clause 4.30 of this Memorandum.

5.3 The restrictions on benefits and remuneration conferred on members of the ICGN and on the Governors by clause 5.2 of this Memorandum and the exceptions to such restrictions in clauses 5.2.1 to 5.2.8 inclusive of this Memorandum shall apply equally to benefits and remuneration conferred on members of the ICGN and on the Governors by any Subsidiary Company, and for this purpose references to the ICGN in clauses 5.2.2 and 5.2.8 shall be treated as references to the Subsidiary Company.

6. **Limited liability**

- 6.1 The liability of the members is limited.
- 6.2 Every member of the ICGN undertakes to contribute a sum not exceeding £1 to the assets of the ICGN if it is wound up during his or her membership or within one year afterwards:
 - for payment of the debts and liabilities of the ICGN contracted before he or she ceased to be a member;
 - for the costs, charges and expenses of winding up;
 - for the adjustment of the rights of the contributories among themselves.

7. **Winding up**

If any property remains after the ICGN has been wound up or dissolved and the debts and liabilities have been satisfied it may not be paid to or distributed among the members of the ICGN, but must be given to some other charitable institution or institutions with similar objects. The institution or institutions to benefit shall be chosen by the members and subject thereto by the Governors at or before the time of winding up or dissolution.

8. **Definitions**

Words and phrases used in this Memorandum of Association have the same meanings as are ascribed to them in the Articles of Association of the ICGN unless the context otherwise requires.

We, the subscribers to this Memorandum, wish to be formed into a company in accordance with this Memorandum

Names and Addresses of Subscribers

	Guarantee
1. Name: Rients Abma	£1
Address: Paul Gabrielstraat 18, The Hague, 2596 VE, The Netherlands	
Date: 4 January 2008	
2. Name: Bruce Andrew Babcock	£1
Address: 8 Flower Walk, Guildford, Surrey GU8 4EP	
Date: 4 January 2008	
3. Name: Andrew Mark Clearfield	£1
Address: 25 Hillcrest Road, Glen Ridge, New Jersey, NJ 07028, USA	
Date: 4 January 2008	
4. Name: Kayla Jean Gillan	£1
Address: 3200 Old Dominion Boulevard, Alexandria, Virginia VA 22305	
Date: 4 January 2008	
5. Name: Jean-Pierre Gilbert Hellebuyck	£1
Address: 18 Cours Ferdinand de Lesseps, Rueil Malmaison 92500, France	
Date: 4 January 2008	

6. Name: Hasung Jang £1
Address: Asia Apt 16-1205, Songpa-gu, Jamsil-dong, Seoul 138-797, Korea
Date: 4 January 2008
7. Name: Yuki Kage £1
Address: 2-38-11 Wakamiya, Nakanoku, Tokyo, Japan
Date: 4 January 2008
8. Name: Marjorie Fine Knowles £1
Address: 145 15th Street NE, Atlanta, Georgia, GA 30309, USA
Date: 4 January 2008
9. Name: Peter James Montagnon £1
Address: Dormans Cross House, Hollow Lane, Dormansland, Lingfield, Surrey, RH7 6NU, UK
Date: 4 January 2008
10. Name: Michael John O'Sullivan £1
Address: 4/18 Maples Lane, Mentone, Victoria 3194 Australia
Date: 4 January 2008
11. Name: Mark Evan Preisinger £1
Address: 1008 Moores Club Place, Atlanta, Georgia GA30319
Date: 4 January 2008
12. Name: Anita Elizabeth Skipper £1
Address: Drayton House, The Green, Pulham Market, Norfolk IP21 4SU, UK
Date: 4 January 2008

The Companies Acts
Company Limited by Guarantee and not Having a Share Capital

Articles of Association
of
International Corporate Governance Network

1. Interpretation

In these Articles and the Memorandum the following terms shall have the following meanings:

Term	Meaning
1.1 “Act”	the Companies Act 1985 and the Companies Act 2006 including any statutory modification or re-enactment for the time being in force.
1.2 “address”	in relation to electronic communications includes any number or address used for the purpose of such communication.
1.3 “Annual Conference”	means the annual conference of the ICGN referred to in Article 7.10.
1.4 “Annual General Meeting”	means the annual general meeting of the members of the ICGN.
1.5 “Articles”	these Articles of Association of the ICGN.
1.6 “associate member”	means a person who becomes a member of any class of associate membership established by the Governors under Article 3.11.
1.7 “Chair”	means the chair of the Governors elected in accordance with Article 6.4.
1.8 “clear days”	in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.
1.9 “ICGN”	International Corporate Governance Network.
1.10 “Connected Person”	(a) any spouse, parent, child, brother, sister, grandparent or grandchild of a Governor; or (b) any other person in a relationship with a Governor which may reasonably be

- regarded as equivalent to such a relationship; or (c) any company or firm of which a Governor is a paid director, partner or employee, or shareholder holding more than 1% of the capital.
- 1.11 **“corporate member”** means any member of ICGN which is itself a body corporate .
- 1.12 **“electronic communication”** has the meaning ascribed to it in the Electronic Communications Act 2000.
- 1.13 **“financial expert”** an individual, company or firm who is authorised to give investment advice under the Financial Services and Markets Act 2000.
- 1.14 **“Governor and Governors”** the director and directors as defined in the Act.
- 1.15 **“Memorandum”** the Memorandum of Association of the ICGN.
- 1.16 **“Office”** The registered office of ICGN.
- 1.17 **“Organisational Member”** a member whose subscription is paid by the organisation of which he is an employee or member.
- 1.18 **“patron”** means any person appointed as a patron by the Governors.
- 1.19 **“Secretary”** the secretary of the ICGN (provided that there shall be no obligation on the Governors to appoint a Secretary once Section 270 Companies Act 2006 has come into force).
- 1.20 **“subscriber”** means a person who has subscribed to these Articles who became a member on incorporation of ICGN.
- 1.21 **“Subsidiary Company”** any company in which the ICGN holds more than 50% of the shares, controls more than 50% of the voting rights attached to the shares or has the right to appoint a majority of the board of the company.

2. **References to Statutes**

2.1 In these Articles and the Memorandum:

2.1.1 Unless the context otherwise requires, words or expressions contained in the Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force when the Articles become binding on the ICGN provided that where these Articles provide for a particular percentage of members to consent to short notice or to vote

on any resolution and that percentage is reduced by the Companies Act 2006 the relevant provision of the Companies Act 2006 shall prevail.

2.1.2 Subject to Article 2.1.1 any reference in these Articles or the Memorandum to an enactment includes a reference to that enactment as re-enacted or amended from time to time and to any subordinate legislation made under it.

3. **Members**

3.1 The subscribers to the Memorandum and such other persons who are committed to the development of good corporate governance as are admitted to membership by the Governors in accordance with the Articles shall be members of the ICGN.

3.2 Every person who wishes to become a member shall apply to the ICGN in such form as the Governors require accompanied by payment of the relevant subscription. The Governors shall have power to admit persons to membership and may in their absolute discretion decline to accept any person as a member subject to providing the applicant with their reasons for so doing. A decision to refuse membership will require a 75% majority decision of the board. An applicant may appeal against the refusal within 14 days to the board.

3.3 Every member shall pay the membership subscription for twelve months in advance on such date as the Governors may determine from time to time.

3.4 The Governors may from time to time prescribe criteria for membership but shall not by so doing become obliged to accept persons fulfilling those criteria as members.

3.5 Subject to the Board's discretion as set out above, there is no limit on the number of Organisational Members for whom an organisation may pay subscriptions and the membership of an Organisational Member is freely transferable within the subscription year to another person nominated by the paying organisation without further payment.

3.6 A person nominated as a member in the place of an outgoing Organisational Member under Article 3.5 shall become a member automatically in the place of the outgoing member on receipt by the ICGN of written notice from the organisation.

3.7 Every corporate member shall appoint an individual to represent it at meetings of ICGN and the name of such representative and the fact that he or she is the representative of such member shall be noted in the register of members. A corporate member shall be able to replace its representative with another individual by giving notice to ICGN.

3.8 If a person becomes a member as a representative of an unincorporated association or body, the name of the member, the name of the

unincorporated association or body and the fact that the member is its representative shall be entered in the register of members. Subject to the Governors' right to decline to accept any person as a member, the unincorporated association or body shall be entitled to replace the member who is its representative with another person by giving notice to the Governors and without it being necessary for the outgoing member to give notice or the incoming member to complete an application form.

3.9 Subject to Articles 3.5 and 3.7, membership shall not be transferable and shall cease on death or, in the case of an Organisational Member, if and when the paying organisation ceases to exist. A member shall also cease to be a member:

3.9.1 on the expiry of at least seven clear days' notice given by him or her to the ICGN of his or her intention to withdraw;

3.9.2 if any subscription or other sum payable by the member to the ICGN is not paid on the due date and remains unpaid two calendar months after notice served on the member by the ICGN informing him or her that he or she will be removed from membership if it is not paid. The Governors may re-admit to membership any person removed from membership on this ground on his or her paying the full sum outstanding;

3.9.3 if he or she becomes bankrupt or makes any arrangement or composition with his or her creditors generally or he or she goes into liquidation otherwise than for the purpose of a solvent reconstruction or amalgamation or has an administrator or a receiver or an administrative receiver (but not a receiver and manager appointed under Section 18 of the Charities Act 1993) appointed over all or any part of its assets or an order is made or a resolution passed for its winding up; or

3.9.4 if, at a meeting of the Governors at which at least 75% of the Governors vote in favour of the resolution, a resolution is passed resolving that the member be expelled on the ground that his or her continued membership is incompatible with membership in the ICGN or is harmful to or is likely to become harmful to the interests of the ICGN. Such a resolution shall not be passed unless the member has been given not less than 14 clear days' and not more than two calendar months' notice that the resolution is to be proposed, specifying the circumstances alleged to justify expulsion, and has been afforded a reasonable opportunity before the meeting of being heard by or of making written representations to the Governors. Any such expulsion shall be notified to the member electronically or by registered post. An appeal documented in not more than 2,000 words against the decision may be lodged with the Secretary (if any) or the Chair within 2 months of the date of the ICGN's notice of expulsion. The Governors shall

then place the appeal supported by the document from the member and its own position documented by no more than 2,000 words as an item of special business on the agenda of the next Annual General Meeting or call an Extraordinary General Meeting as the Governors think fit. A member expelled by such a resolution shall nevertheless remain liable to pay to the ICGN any subscription or other sum owed by him or her;

3.9.5 in the case of an Organisational Member on receipt of the notice from the paying organisation of transfer of the membership to another Organisational Member.

3.10 Subject to the Act, the Governors may submit to the members for approval the establishment of such categories of membership as they think fit. Members shall pay an annual subscription according to a scale that is determined annually for each category of members. The initial level of subscription for each category shall be determined by a resolution of the members in general meeting. Thereafter the level of subscriptions shall be determined by the Board, provided that any annual increase in the level of subscriptions payable by any category of members of the ICGN exceeding 10% over the preceding year shall require the consent of a resolution of the members.

3.11 The Governors may propose to the members for their approval either at the annual general or an extraordinary general meeting the establishment of such classes of associate membership with such description and with such rights and obligations (including without limitation the obligation to pay a subscription) as they think fit and may admit and remove such associate members in accordance with the ICGN bylaws as the Governors shall make in line with the Article 7.9 provided that no such associate members shall be members of the ICGN for the purposes of the Articles or the Act.

4. Members' Meetings

Articles 4.1 to 4.13 shall apply to members' meetings.

4.1 Annual general meetings

4.1.1 Subject to the Act, the ICGN shall hold an annual general meeting within 18 months of incorporation and afterwards once in every calendar year and not more than 15 months shall pass between one annual general meeting and the next. It shall be held at such time and place as the Governors think fit although it will normally (but need not) coincide with the ICGN's Annual Conference.

4.1.2 The business to be transacted at the Annual General Meeting shall be:-

- (a) the consideration and approval of the annual report and accounts of the ICGN;
- (b) the consideration and approval of a report of the work of each committee;
- (c) the election of Governors;
- (d) the appointment of the auditors;
- (e) any other ordinary or special business set out in the notice calling the meeting as the Governors determine or as petitioned by the members in accordance with the Act or these Articles.

4.1.3 The notice of an Annual General Meeting shall include business requested by a member if the Governors shall so determine or required by notice of 25 or more members provided such notice shall have been received at least 45 clear days before the date of the Annual General Meeting.

4.1.4 The ICGN shall notify members of the proposed date of the Annual General Meeting by posting the date on its website at least 90 clear days before the date of the Annual General Meeting.

4.1.5 If a member wishes to raise from the floor an item of ordinary business under the heading “Any other business” on the Notice calling the meeting and that business does not constitute a matter in respect of which the Act requires approval by the members by ordinary or special resolution, the chair of the meeting shall follow the consensus of the meeting as to whether such item should be discussed and voted upon. Resolutions adopted hereunder pertaining to ICGN policy matters shall thereafter be submitted electronically to the membership as a whole for ratification. No special resolution may be passed unless it has been included on the Notice of the meeting.

4.1.6 In exceptional circumstances additional nominations for candidates to serve as Governors may be added at the Annual General Meeting provided any such candidate(s) has the support of twenty five members present at the meeting and provides a statement containing the reasons why the nomination(s) could not have been put forward through the procedure set out in Article 6.6.

4.2 **Other general meetings**

4.2.1 The Governors may call a general meeting at any time. All general meetings other than annual general meetings shall be called extraordinary general meetings. The Governors shall call a general meeting on receiving a requisition to that effect,

signed by the greater of 25 members having the right to attend and vote at general meetings and 10% of the members having the right to attend and vote at general meetings. In default, the requisitionists may call a general meeting in accordance with the Act.

4.2.2 If a member wishes to raise from the floor an item of ordinary business under the heading “Any other business” on the Notice calling the meeting and that business does not constitute a matter in respect of which the Act requires approval by the members by ordinary or special resolution, the chair of the meeting shall follow the consensus of the meeting as to whether such items should be discussed and voted upon. Resolutions adopted hereunder pertaining to ICGN policy matters shall thereafter be submitted electronically to the membership as a whole for ratification. No special resolution may be passed unless it has been included on the Notice of the meeting.

4.3 **Length of notice**

4.3.1 Unless Article 4.3.2 applies, an annual general meeting and any other general meeting shall be called by notice despatched at least one month in advance of the meeting. This Article shall not be affected by any provision of the Act allowing for a shorter period.

4.3.2 A general meeting may be called by shorter notice if it is so agreed:

- (a) in the case of an annual general meeting, by all the members entitled to attend and vote at that meeting; and
- (b) in the case of any other general meeting, by a majority of the members having a right to attend and vote at that meeting. Any such majority shall together represent at least 95% of the total voting rights at that meeting of all the members or such lesser percentage as may be provided for by the Act.

4.4 **Contents of notice**

Every notice calling a general meeting shall specify the place, day and time of the meeting, whether it is an extraordinary general or annual general meeting, and the general nature of the business to be transacted. If a special, extraordinary or elective resolution is to be proposed, the notice shall include the proposed resolution and specify that it is proposed as a special, extraordinary or elective resolution.

4.5 **Service of notice**

Notice of general meetings shall be given to every member, to the Governors, to any patron(s) and to the auditors of the ICGN.

4.6 **Quorum**

No business shall be transacted at any general meeting unless a quorum is present. Twenty persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member shall be a quorum. If a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Governors may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum.

4.7 **Attendance**

4.7.1 A member may attend a general meeting in person or by proxy appointed in accordance with the Bylaws.

4.7.2 A Governor may attend and speak at any general meeting.

4.8 **Chair**

The chair, if any, of the Governors or in his or her absence some other Governor nominated by the Governors shall preside as chair of the meeting, but if neither the chair nor such other Governor (if any) is present within ten minutes after the time appointed for holding the meeting and willing to act, the Governors present shall elect one of their number to be chair and, if there is only one Governor present and willing to act, he or she shall be chair. If no Governor is willing to act as chair, or if no Governor is present within ten minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chair.

4.9 **Adjournment**

The chair may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

4.10 **Poll**

A resolution put to the vote of a meeting shall be decided by a poll in all cases. Bylaws adopted in accordance with Article 7.9 shall regulate the manner in which a poll is to be taken.

4.11 **Votes**

On a show of hands or on a poll every member present in person or by proxy shall have one vote provided that he or she has been entered in the register as a member at least 10 days before the date of the meeting.

- 4.11.1 In the case of an equality of votes, whether on a show of hands or on a poll, the chair shall not be entitled to a casting vote in addition to any other vote he or she may have.
- 4.11.2 Every member shall declare any matter in which he or she is personally interested, pecuniarily or otherwise, which is subject to discussion at any meeting at which he or she is present but, having made such declaration, shall be eligible to participate in the meeting.
- 4.11.3 No member shall be entitled to be present at any general meeting unless all monies presently payable by him or her to the ICGN have been paid.
- 4.11.4 A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may be represented at a vote or on a poll, by his or her receiver, curator bonis or other person authorised in that behalf appointed by that court and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the Governors of the authority of the person claiming to exercise the right to vote shall be deposited at the registered office of the ICGN, or at such other place as is specified in accordance with the Articles for the deposit of instruments of proxy, at least 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
- 4.11.5 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chair whose decision shall be final and binding.
- 4.11.6 A vote given or poll demanded by proxy shall be valid notwithstanding the previous termination of the authority of the person voting or demanding a poll unless notice of the termination was received by the ICGN at the registered

office of the ICGN or at such other place at which the instrument of proxy was duly deposited or, where the appointment of the proxy was contained in an electronic communication, at the address at which such appointment was duly received before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

4.12 **Written resolutions**

A resolution in writing including by fax or email 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 or she was present (or by or on behalf of such lesser percentage as may be provided for by the Act) shall be as valid and 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. The date of a written resolution shall be the date on which the last person to make the resolution valid signs it by hard copy, facsimile or electronically.

4.13 **Remote attendance at general meetings**

ICGN may make arrangements for members to attend a general meeting by telephone or by televisual or other electronic or virtual means provided that all remote attendants may securely identify themselves, hear the proceedings and cast their votes on line.

5. **Patrons**

The Governors may appoint and remove any individual(s) as patron(s) of the ICGN and on such terms as they shall think fit. A patron shall have the right to be given notice of, to attend and speak (but not vote) at any general meeting of the ICGN as if a member and shall also have the right to receive accounts of the ICGN when available to members.

6. **Governors**

6.1 **Number of Governors**

There shall be a minimum of 7 and a maximum of 12 Governors.

6.2 **Appointment, retirement, removal and disqualification of Governors**

6.2.1 Those persons notified to the Registrar of Companies as the first directors of the ICGN shall be the first Governors.

- 6.2.2 Subsequent Governors shall be members of ICGN elected by the members of ICGN at the Annual General Meeting or co-opted by the Board under Article 6.2.4.
- 6.2.3 Members of the Board shall hold office for a term commencing at the end of the Annual General Meeting at which they are elected and terminating at the end of the following Annual General Meeting. Members may be elected for a maximum of four consecutive terms. A member of the Board is ineligible for nomination and election to the Board upon service of four consecutive terms, until a further four year period has passed in which the member has remained in good standing.
- 6.2.4 If a member of the Board resigns or ceases to be a member of ICGN during the term of office and this causes the number of Board members to fall below the minimum specified in Article 6.2.1, the Board may co-opt a replacement member to the Board to serve for the remainder of the term. If such remainder of the term is more than six months it shall count as a full term towards the maximum of four consecutive terms (see Article 6.2.3).
- 6.2.5 No person may be appointed as a Governor:
- (a) unless he or she is a member of the ICGN and is in good standing;
 - (b) unless he or she has attained the age of 18 years; or
 - (c) in circumstances such that, had he or she already been a Governor, he or she would have been disqualified from acting under the provisions of the Articles.
- 6.2.6 The office of a Governor shall be vacated if:
- (a) he or she ceases to be a member of the ICGN;
 - (b) he or she ceases to be a Governor by virtue of any provision of the Act or he or she becomes prohibited by law from being a Governor;
 - (c) he or she is disqualified under the Charities Acts 1993 or 2006 from acting as a Governor;
 - (d) he or she becomes bankrupt or makes any arrangement or composition with his or her creditors generally;
 - (e) the Governors reasonably believe he or she is suffering from mental disorder and incapable of acting and they resolve that he or she be removed from office;

- (f) he or she resigns by notice to the ICGN (but only if at least seven Governors will remain in office when the notice of resignation is to take effect);
- (g) he or she fails to attend three consecutive meetings of the Governors and the Governors resolve that he or she be removed for this reason;
- (h) at a meeting of the Governors at which at least three quarters of the Governors are present, a resolution is passed with a majority of two thirds of those present that he or she should be removed from office and is therefore suspended. Such a resolution shall not be passed unless the Governor has been given at least 14 clear days' notice that the resolution is to be proposed, specifying the circumstances alleged to justify removal from office, and has been afforded a reasonable opportunity of being heard by or of making written representations to the Governors. An appeal documented in not more than 2,000 words against the decision may be lodged with the Secretary (if any) or the Chair within 1 month of the date of the ICGN's notice of suspension. The Governors shall then place the appeal supported by the document from the Governor concerned and its own position documented by no more than 2,000 words as an item of special business on the agenda of the next Annual General Meeting or call an extraordinary general meeting as the Governors think fit. The decision of members shall be final. If no appeal is lodged by the said date, the Governor concerned will be deemed to have been dismissed.

6.3 Powers of Governors

- 6.3.1 Subject to the Act, the Memorandum and the Articles, the business of the ICGN shall be managed by the Governors who may exercise all the powers of the ICGN. No alteration of the Memorandum or Articles shall invalidate any prior act of the Governors which would have been valid if that alteration had not been made. The powers given by this Article shall not be limited by any special power given to the Governors by the Articles and a meeting of Governors at which a quorum is present may exercise all powers exercisable by the Governors.
- 6.3.2 The continuing Governors or a sole continuing Governor may act despite any vacancies in their number but while there are fewer Governors than required for a quorum the Governors may only act for the purpose of increasing the number of Governors or of summoning a general meeting of the ICGN.
- 6.3.3 All acts done by a person acting as a Governor shall, even if afterwards discovered that there was a defect in his or her appointment or that he or she was disqualified from holding office or had vacated office be as valid as if such person had

been duly appointed and was qualified and had continued to be a Governor.

6.3.4 Subject to the Articles the Governors may regulate their proceedings as they think fit.

6.4 Chair

At the first meeting of Governors after each Annual General Meeting the Governors may appoint one of their number to be the chair of the Governors until the first meeting of Governors after the next following Annual General Meeting.

6.5 Delegation of Governors' powers

6.5.1 The Governors may by power of attorney or otherwise appoint any person to be the agent of the ICGN for such purposes and on such conditions as they determine.

6.5.2 With the exception of dismissals, refusals or suspension of members, appointments to or dismissals from senior most positions, designation of committee members, approval of the accounts and budgets, and major capital expenditure the Governors may delegate any of their powers or functions to any committee or the implementation of any of their resolutions and day to day management of the affairs of the ICGN to any person or committee in accordance with the conditions set out in these Articles.

6.6 Nominating Committee

6.6.1 The Governors shall propose a Nominating Committee for approval by members each year for the purpose of identifying candidates who are willing and able to contribute to the governance of the ICGN as Governors.

6.6.2 The Nominating Committee shall consist of not less than three members in good standing, a majority of whom are not already Governors and none of whom are standing for election or re-election as Governors.

6.6.3 The Nominating Committee shall each year, allowing sufficient time for consideration and response notify each member of a call for nominations to the Governors for decision at the Annual General Meeting, and in any event no later than four months before the date of the Annual General Meeting.

6.6.4 The call for nominations shall include the form in which nominations should be made and require the disclosure by the candidate of any actual or potential conflicts of interest that could arise from his/her appointment as a Governor.

- 6.6.5 A nomination to be valid must be delivered, including electronic delivery, in writing authenticated by the member, and include support of three members in good standing who are not members of the Nominating Committee. The Nominating Committee may seek further information from candidates at their discretion.
- 6.6.6 The Nominating Committee shall make recommendations which recognise the following as far as possible:
- (a) That ICGN's mission is to raise standards of corporate governance worldwide;
 - (b) that the historic strength of the ICGN comes from the investing community;
 - (c) the different types of organisations, backgrounds and experience represented amongst the membership;
 - (d) the geographic and gender representation amongst the membership.
- 6.6.7 The item on the agenda of the Annual General Meeting for the election of Governors shall include the name, and a statement from new candidates and a statement from candidates seeking re-election of what they have contributed during the year. Board attendance will also be reported. Each candidate shall be the subject to a separate vote.

6.7 Delegation to committees

- 6.7.1 In the case of delegation to committees:
- (a) the Governors shall make such regulations and impose such terms and conditions and give such mandates to any such committee as they may from time to time think fit;
 - (b) The Governors' resolution making that delegation shall specify those who shall serve or be asked to serve on such committee (although the resolution may allow the committee to make co-options up to a specified number);
 - (c) In exceptional circumstances, and where the Governors consider it is to ICGN's benefit, committees other than the Nominating Committee can invite, and the Governors can appoint, non-members of the ICGN to participate as non-voting members of the Committee, provided that their number does not exceed one-third of the membership of the committee.
 - (d) the composition of any such committee shall be entirely in the discretion of the Governors and may comprise such of their number (if any) as the resolution may specify;

- (e) the deliberations of any such committee shall be reported regularly to the Governors and to the members at the Annual General Meeting and any resolution passed or decision taken by any such committee if so authorised by its terms of reference shall be reported promptly to the Governors and for that purpose every committee shall appoint a secretary; and
- (f) all delegations under this Article shall be variable or revocable at any time;
- (g) no committee shall knowingly incur expenditure or liability on behalf of the ICGN except where authorised by the Governors or in accordance with a budget which has been approved by the Governors.
- (h) For the avoidance of doubt, the Governors may, with the exception of the approval of ICGN's accounts and budgets and major capital expenditures, delegate all financial matters to any committee and may empower such committee to resolve upon the operation of any bank account according to such mandate as it shall think fit whether or not requiring a signature of any Governor.

6.7.2 The meetings and proceedings of any committee shall be governed by the Articles regulating the meetings and proceedings of the Governors so far as applicable and not superseded by any regulations made by the Governors.

6.8 Delegation of day to day management powers

In the case of delegation of the day to day management of the ICGN to a chief executive or other manager the delegated power shall be to manage the ICGN by implementing the policy and strategy adopted by and within a budget approved by the Governors and if applicable to advise the Governors in relation to such policy, strategy and budget;

- 6.8.1 the Governors shall provide the manager with a description of his or her role and the extent of his or her authority; and
- 6.8.2 the manager shall report regularly to the Governors on the activities undertaken in managing the ICGN and provide them regularly with management accounts sufficient to explain the financial position of the ICGN.

6.9 Governors' meetings

Articles 6.9.1 to 6.9.8 shall apply to Governors' meetings.

6.9.1 **Notice**

- (a) The chair or any three Governors may (and the Secretary (if any) shall at the request of the chair or any three Governors) call a Governors' meeting;
- (b) A Governors' meeting shall be called by at least seven days' notice unless at least two thirds of the Governors entitled to attend and vote at that meeting agree to shorter notice (which agreement shall be minuted);
- (c) Notice of meetings shall be given to each Governor in writing or electronically;
- (d) Every notice calling a meeting shall specify the place, day and time of the meeting and the general particulars of all business to be considered at such meeting.

6.9.2 **Quorum**

The quorum for Governors' meetings shall be 5 Governors attending in person.

6.9.3 **Chair**

The Chair, if any, of the Governors or in his or her absence another Governor nominated by the Governors present shall preside as chair of each meeting.

6.9.4 **Votes**

Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chair shall be entitled to a casting vote in addition to any other vote he or she may have.

6.9.5 **Conflicts of interest**

Governors must provide a declaration of their interests when they join the board and report any changes on a timely basis either to the chairman or the chief executive. The Secretary will maintain a register of interests. Whenever a Governor has a personal interest in a matter to be discussed at a meeting, and whenever a Governor has an interest in another organisation whose interests are reasonably likely to conflict with those of the ICGN in relation to a matter to be discussed at a meeting, he or she must:

- (a) declare an interest before discussion begins on the matter;
- (b) withdraw from that part of the meeting unless expressly invited to remain;
- (c) in the case of personal interests not be counted in the quorum for that part of the meeting; and
- (d) in the case of personal interests withdraw during the vote and have no vote on the matter.

6.9.6 **Written resolutions**

A resolution in writing or by email shall be as valid and effectual as if it had been passed at a meeting duly convened and held, provided the following conditions are complied with:

- (a) the relevant resolution has been served on all of the Governors;
- (b) a written resolution must be signed by a majority of the Governors;
- (c) a written resolution may consist of several instruments in like form each signed by one or more Governors;
- (d) the date of a written resolution shall be the date on which the last Governor necessary to make the resolution valid signs it.

6.9.7 **Email approval of resolutions**

A resolution which is approved by email in accordance with this Article 6.9.7 shall be as valid and effectual as if it had been passed at a meeting duly convened and held, provided the following conditions are complied with:

- (a) the relevant resolution has been served on all of the Governors;
- (b) such a resolution must be approved by email by a majority of the Governors;
- (c) approval from a majority of the Governors must be received by such person as the Governors shall have nominated in advance for that purpose (“**the Recipient**”), which person may, for the avoidance of doubt, be one of the Governors;
- (d) following receipt of a response on any resolution from a majority of the Governors, the Recipient shall circulate a further email to all of the Governors confirming whether the resolution has been formally approved by the Governors in accordance with this Article 6.9.7

- (e) the date of a resolution shall be the date of the email from the Recipient confirming formal approval.

6.9.8 **Virtual meetings**

A meeting may be held by telephone or by televisual or other electronic or virtual means in which all participants may communicate simultaneously with all other participants.

7. **General**

7.1 **Irregularities**

The proceedings at any meeting or on the taking of any poll shall not be invalidated by reason of any accidental informality or irregularity (including any accidental omission to give or any non-receipt of notice) or any want of qualification in any of the persons present or voting or by reason of any business being considered which is not specified in the notice unless such specification is a requirement of the Act.

7.2 **Secretary**

7.2.1 The Secretary shall be appointed by the Governors for such term at such remuneration and upon such conditions as they may think fit, and may be removed by them.

7.2.2 The Secretary may not be a Governor nor be any person involved in or responsible for the operation of the secretariat function.

7.2.3 Any Secretary shall at the earliest opportunity declare any conflict of interest (actual or expected) to the Governors.

7.2.4 Should the Governors resolve, after Section 270 Companies Act 2006 comes into force, to dispense with the appointment of a Secretary of the ICGN this Article shall cease to be of effect.

7.3 **Minutes**

The Governors shall cause minutes to be made in books kept for the purpose:

- (a) of all appointments of officers made by the Governors;
- (b) of all resolutions of the ICGN and of the Governors; and
- (c) of all proceedings at meetings of the ICGN and of the Governors, including the names of the Governors and committee members respectively present at each such meeting;

and any such minute (provided that it has been circulated to those present at the relevant meeting and approved by a majority of those voting on the relevant resolution to approve the minutes), if purported to be signed by the chair of the meeting at which the proceedings were

held, or by the chair of the next succeeding meeting, shall, as against any member or Governor of the ICGN, be sufficient evidence of the proceedings.

7.4 Records and accounts

The Governors shall as a minimum comply with the requirements of the Act and of the Charities Act 1993 as to maintaining a members' register, keeping financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies and the ICGN Commissioners of:

- (a) annual reports;
- (b) annual returns;
- (c) annual statements of account.

but notwithstanding any less stringent requirement of the Act and the Charities Act shall ensure that full accounts are prepared each year and verified by an auditor appointed by the members at the Annual General Meeting and that a copy of the accounts is sent to each member with the notice of the Annual General Meeting or not less than one month prior to the Annual General Meeting.

7.5 Notices

- 7.5.1 Any notice to be given to or by any person pursuant to the Articles shall be in writing or shall be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice.
- 7.5.2 The ICGN may give any notice to a member either 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 or by electronic communication to an address provided for that purpose or posted on a website where the recipient has been notified of such posting in a manner agreed by him or her or has not dissented to posting of notices on a website within 28 days of ICGN asking for such agreement.
- 7.5.3 A member present in person or by proxy at any meeting of the ICGN shall be deemed to have received notice of the meeting and of the purpose for which it was called.
- 7.5.4 Proof that an electronic communication has been transmitted to the proper address or proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall, unless the contrary is proved, be deemed to be given in the case of a notice contained in an electronic communication at the expiration of 48 hours after the time it was transmitted or at the expiration of 72 hours after the envelope containing it was posted.

7.6 Indemnity

Subject to the Act but without prejudice to any indemnity to which a Governor may otherwise be entitled, every Governor or other officer of the ICGN:

7.6.1 Shall be indemnified out of the assets of ICGN against all costs charges expenses or liabilities incurred by him or her:

- (a) in defending any civil or criminal proceedings in which judgment is given in his or her favour or in which he or she is acquitted; and
- (b) in connection with any application in which relief from liability is granted to him or her by the court;

where such proceedings or application arise as a result of any actual or alleged negligence, default, breach of duty or breach of trust in relation to the ICGN; and

7.6.2 may be indemnified out of the assets of ICGN against all costs, charges, losses, expenses or liabilities incurred by him or her in or in relation to the proper execution and discharge of his or her duties.

7.7 Governors' indemnity insurance

The Governors shall have power to resolve pursuant to clause 4.30 of the Memorandum to effect Governors' indemnity insurance, despite their interest in such policy.

7.8 Winding-up

The provisions of clause 7 of the Memorandum relating to the winding-up or dissolution of the ICGN shall have effect and be observed as if the same were repeated in the Articles.

7.9 Bylaws and regulations

The Governors shall have power from time to time to make, repeal or alter bylaws and regulations as to the management of the ICGN and its affairs, as to the duties of any officers or employees of the ICGN, as to the conduct of business of the Governors or any committee, as to the level of subscriptions payable by members and as to any of the matters or things within the powers or under the control of the Governors provided that such bylaws and regulations shall not be inconsistent with the Act, the Memorandum, the Articles or any rule of law.

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Appendix 1

ICGN Bylaws

International Corporate Governance Network

Bylaws

The following Bylaws have been made by the Governors in accordance with their powers under the Articles of Association of International Corporate Governance Network (“ICGN”). Words and expressions used in these Bylaws have the same meanings as are set out in the Articles:-

1. Poll

- 1.1 Unless a poll is duly demanded a declaration by the chair 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.
- 1.2 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chair 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.
- 1.3 A poll shall be taken as the chair directs and he or she may appoint scrutineers (who need not be members) 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.
- 1.4 A poll demanded on the election of the chair 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 chair 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.
- 1.5 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 clear days’ notice shall be given specifying the time and place at which the poll is to be taken.

2. Proxies

2.1 The appointment of a proxy shall be executed by the appointing member and shall be in the following form (or in form as near thereto as circumstances allow or in any other form which is usual or which the Governors may approve):

“International Corporate Governance Network,

I/We, _____ ,

of _____ ,

being a member/members of the above named ICGN, hereby appoint
of _____ , **or failing him/her,** _____ **of**
, as my/our proxy to vote in my/our name(s) and on
my/our behalf at the annual/extraordinary general meeting of the ICGN
to be held on [date], and at any adjournment thereof.

Signed:

Dated:”

2.2 Where it is desired to afford members an opportunity of instructing the proxy how he or she shall act the appointment of a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Governors may approve):

“International Corporate Governance Network

I/We, _____ , **of** _____ ,

being a member/members of the above named ICGN, hereby appoint
of _____ , **or failing him/her,**
_____ **of** _____ , **as my/our proxy**
to vote in my/our name(s) and on my/our behalf at the
annual/extraordinary general meeting of the ICGN to be held on [date],
and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No 1 *for *against

Resolution No 2 *for *against

***Strike out whichever is not desired.**

Unless otherwise instructed, the proxy may vote as he or she thinks fit or abstain from voting.

Signed:

Dated:”

For information purposes

2.3 The appointment of a proxy and any authority under which it is executed or a copy of such authority in some way approved by the Governors may:

2.3.1 in the case of an instrument in writing be deposited at the registered office of the ICGN or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the ICGN in relation to the meeting at least 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

2.3.2 in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications:

(a) in the notice convening the meeting, or

(b) in any instrument of proxy sent out by the ICGN in relation to the meeting, or

(c) in any invitation contained in an electronic communication to appoint a proxy issued by the ICGN in relation to the meeting,

be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;

2.3.3 in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and at least 24 hours before the time appointed for the taking of the poll; or

2.3.4 where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chair or to the Secretary or to any Trustee;

and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid.

3. Expenses

Details of each item of any expenses to be reimbursed or advanced to a Governor under the Memorandum or the Articles of ICGN shall be available for scrutiny at the Annual General Meeting.

4. Member Subscriptions

These shall run for 12 months from the date a member submits their application and thereafter on each anniversary of that date for the following 12 months.

Appendix 2

ICGN Committee Procedures

Preamble

The ICGN Board of Governors has updated the following regulation for committees in order to set out the role and responsibilities of their chairmen and members, expectations regarding the work programme, and arrangements for reporting and approval of recommendations.

The purpose of the ICGN committees is to assist the Board in the administration of the ICGN (Organisation Committees) and more particularly to draw upon the organisation's unique membership, which includes leaders in corporate governance worldwide, in order to exchange information internationally and raise standards (Policy-related Committees); such committees serve to develop work on topical issues which are relevant to ICGN's mission, through consultation, debate, research, and development of policy positions and best practice guidelines.

Those invited to chair ICGN committees will have acknowledged expertise in their subject matter, with an ability to convene, consult and build consensus. The Chairman is expected to invite a broad discussion of all relevant issues.

The Chairman is responsible for proposing members to serve on the committee with due regard to relevant expertise, regional balance and broad experience from different sides of the corporate governance community. It is expected that those invited to join the committee be drawn from among the ICGN membership. In exceptional circumstances, where the work of the committee will benefit, non-members may be invited to join.

The Chairman will be supported by the ICGN Secretariat in the administration of meetings and by the Executive Director in development of the work programme and drafting of reports for approval by the Board and ICGN membership.

1. Constitution

1.1 ICGN Committees are constituted by the Board of Governors (Board). Using the relevant procedures laid down in the Bylaws, the ICGN members in general meeting may also resolve that the Board of Governors creates or terminates a committee.

1.2 The Board designates the committee's chairman and approves its composition and terms of reference. For that purpose, the Board identifies a person who would serve as chairman in conjunction with whom the terms of reference and a list of potential committee members are drawn up.

1.3 Every committee should include a member of the ICGN Board to be responsible for liaison between the Board and the committee. Alternatively, if there is no member of the Board serving on a committee, a member of the Board must be given the specific task of speaking on behalf of that committee at Board meetings.

1.4 The Executive Director shall be invited to all meetings of ICGN Organisation Committees (currently the Nominations, Bylaws and Procedures, Finance and General Purposes, and Awards Committees) and be an ex-officio member of all other committees.

1.5 The Board in its conference call in September reviews and decides on which committees should be invited to continue in operation. Each committee is therefore formally constituted either until it has completed its tasks or until the Board conference call in the next following September, whichever is the earlier, unless a different term has been specified by a vote of the membership.

1.6 In exceptional circumstances, the Board may at its discretion remove a chairman or member of a committee before the expiration of its normal term.

1.7 The committee's terms of reference identify the specific tasks of each committee as follows:

- The required outcomes
- When the outcomes are expected to be complete
- The level of authority of the committee chairman to act on behalf of ICGN in representations to the outside world, either in written form to such as regulators, or in communicating with the press.

2. Working of the committee

In addressing its tasks, the committee will need to:

2.1 Be aware of the need to maintain ICGN's high international reputation in all its dealings.

2.2 Determine how it will operate (usually by conference call/e-mail because of logistics and budgetary issues).

2.3 Ensure that the committee members and the Executive Director and any other staff that attend meetings are fully aware of their responsibilities to:

- hold information learned in committee meetings confidential as appropriate.
- disclose to the committee any circumstance that could be considered as presenting a conflicting interest, so that the committee can made an informed decision about whether to ask that person to recuse him or herself from the discussion of the issue.

2.4 Follow the financial requirements of:

- Preparing a budget for approval by the Board, initially for all the tasks, or all those that can be foreseen, showing the amount likely to be spent in the current financial year (ending on December 31st). Thereafter, if the committee's activities are to continue after the end of the first financial year, a budget for the next financial year, to be prepared by the end of September for approval by the Board
- Only committing ICGN to any item of expenditure which is within the approved budget and under £5,000, otherwise seeking Board approval to such expenditure
- Forwarding invoices for payment to the ICGN Secretariat

2.5 Request Board approval to the membership and terms of reference of any sub-committee, unless the sub-committee is wholly drawn from the committee members.

2.6 Report its findings back to the Board for notification and, if necessary, approval.

2.7 Provide a report of the committee's activities by mid May, for approval by the Board, for inclusion in the documents sent in June for presentation to the Annual General Meeting in July. In the event that the Board does not approve the committee report, the report may be put to the Annual General Meeting if a) a two-thirds vote of the committee requests that the report be brought to the floor; such vote to be taken after each committee member has been informed of the Board's non-approval and the reasons therefor; and b) that the Board's non-approval and the subsequent two-thirds vote be noted on the report submitted to the Annual General Meeting.

2.8 Ensure that all committee output includes a list of the current members of the committee.

3. The committee chairman

The committee chairman has overall responsibility for the operation of the committee including:

3.1 Selecting potential committee members for approval by the Board, and their subsequent appointment, taking account of:

For information purposes

- The range of knowledge, experience and skills required to carry out the committee's remit
- The desirability of ensuring representation from a reasonable spread of geographic areas.

3.2. Ensuring that ICGN members have a way of expressing an interest in serving on the committee e.g. by the secretariat emailing, or using any other means to communicate with all, or selected groups of, ICGN members.

3.3 Ensuring the Committee understands and acts to achieve the tasks set by the Board and in accordance with the ICGN committee procedures.

3.4 Identifying and managing any contractors or volunteers.

3.5 Ensuring that the committee operates within its agreed budget.

3.6 Ensuring the Board is kept informed of the Committee's activities and securing Board approval as necessary.

3.7 Ensuring the committee holds a portion of a meeting in executive session on a regular basis and as they deem necessary, at which the Executive Director and other ICGN staff or contractors shall be excluded, to allow for discussion of issues they may find appropriate.

3.8 Designating a secretary to assist in satisfying the administrative and reporting duties of the committee.

Appendix 3

ICGN Board Designation Process

Objectives :

- to obtain a board fit for the purposes of steering and administering ICGN
- to obtain a board representative of ICGN's constituents
- to avoid entrenchment and give a variety of members the opportunity of serving
- to ensure efficiency and continuity of purpose and action
- to avoid conflicts of interest
- to follow transparent procedures
- to involve membership fully in the process

1. Nomination Committee

1. Purpose
Each year to identify willing and able candidates for the Board of Governors
To recommend to the membership up to 12 members for election to the Board after discussing with the incumbent Board
To respect geographical, skills and gender balance, taking account of ICGN's historical strength coming from the investing community.
2. Requirements
The Nomination Committee must meet intensively & flexibly from February to June each year
It must be well aware of ICGN needs, constraints, sensitivities, bylaws & procedures
3. Formation/Composition
The Nomination Committee is designated by the Board and approved by the membership, to which it reports on its choice and rationale for it. The Nomination Committee may not have currently serving Governors, except those not seeking (re)election (to avoid conflicts of interest) and the latter may not constitute a majority of the Committee

Members of the Committee should (as the Board itself) be diversified
Members of the Committee should have a good knowledge of the Board, of its current agenda and workings, therefore should be predominantly composed of old or "outgoing" Governors (of which at least one outgoing or recently serving)

Tenure of Nomination Committee members

There should be a balance between continuity (of knowledge & experience) and renewal.

2. Board Nomination Procedures

1 The Board's proposed Nominating Committee will be put to the annual general meeting for approval by the Membership. The Committee will then *no later than four months before the AGM* issue a call to membership for nominations of candidates to the Board shall be made to the membership by the Nominating Committee.

2 The Nominating Committee is constituted as laid down in the Bylaws and, to avoid the use of a chairman's casting vote in what is usually a small committee, shall have an odd number of, but not less than three, members.

3 The call by the Nominating Committee shall attach a list of current Board members, showing the date at which they are no longer eligible to stand for office (highlighting those whose eligibility expires at the end of the current year) as well as their record of participation in the Board's sessions. The call shall also contain a nomination form, and a reminder of the essential rules and practices regarding nominations, including the required three sponsors, the nominee's CV and motivation statement and the fact that both the nominee and sponsors all have to be members in good standing (with current subscription paid up).

For information purposes

4 The nomination form shall include a statement that nominees who would not be retained in the Nominating Committee's final recommendation to the AGM may decide that in such case, their nomination should be considered as withdrawn. A box in the nomination form should be clearly marked to that effect.

5 Nominations should be received by a date to be set by the Nominating Committee to provide sufficient time for consideration, and reviewed by the Nominating Committee. Further information is gathered as necessary, with a view to submitting to the Board by the *end of April* the full list of properly proposed candidates and a first opinion on which candidates the Nominating Committee intends to recommend.

6 The Board is invited to make its comments on that opinion known to the Nominating Committee in time for final recommendations in advance of distribution of papers for the AGM. .

7 The Nominating Committee reviews the Board's comments and decides on its final recommendation.

3. Election Procedures

1 At the latest *one month before the July AGM (i.e. around 8 June)*, usually within the papers for the AGM, a complete list of candidates is made known to the membership. The list is presented in alphabetical order, together with the Nominating Committee's recommendations; annexes contain the relevant underlying documentation: CV, motivation statement, names of sponsors.

2 The elections for membership of the Board of Governors shall be conducted at the ICGN Annual General Meeting by the Chairman of the meeting. S/he shall be assisted by a panel of not less than three scrutineers to count the votes and supervise the process. The scrutineers shall be ICGN members appointed by the Chairman of the meeting and shall not be candidates for office. The scrutineers shall choose one of their number to act as their chairman.

3 When at the Annual General Meeting the item Elections comes up, there shall be an opportunity for discussion on the nominations made by the Nominations Committee.

4 If during the course of the discussion further nominations come from the floor, the Chairman shall accept such additional nominations, providing the conditions specified in the bylaws therefor are met.

5 The Chairman, or any member, may request that a vote by a show of hands takes place to identify or confirm that a nomination has the backing of the twenty-five number of members present that is required for a nomination from the floor to be valid.

6 Candidates shall be voted on individually.

7 Election of the Board of Governors shall be by a poll, which may be electronic or with the use of voting forms.

8 Each Member will be issued with a voting device/form showing the number of votes to which s/he is entitled by virtue of the proxies s/he holds.

9 All candidates shall be listed in alphabetical order, indicating the Nominating Committee's positive recommendation opposite each relevant name. Space shall be allowed for the possible addition of candidates nominated from the floor.

10 Provision shall be made to record the type of vote cast in respect of each candidate, namely "for" or "against", with also possibility of recording abstentions. The scrutineers shall report the votes for and against each candidate together with abstentions and any void votes.

11. All the votes where a member has voted "for", i.e. in favour of, more than 12 members shall be invalid. Members are allowed to vote for fewer than 12 nominees.

For information purposes

12 For a candidate to be elected s/he must receive votes from at least 50% of the valid votes, not counting abstentions. If as a result of this rule, less than 7 members are elected to the Board, the rule shall be waived until 7 members have been elected.

13. If, after the above procedures there are more than 12 candidates remaining, all candidates will be ranked in order of number of votes received and those with the lowest numbers are eliminated until the number is reduced to 12.

14. If for the last of the 12 board positions, two or more candidates have the same number of votes, the newly elected board (minus the tied candidates) will, as one of the first items at its initial meeting immediately following the AGM, decide on which of the tied candidates will be retained. In doing so, the board will take into account the requirements in terms of geography, background, gender etc. as specified in article 10.10 of the Bylaws (art 6.6.6 of the new Mem & Arts) . The finally decided board member will then be invited to join the meeting.

4. Summary of Membership Involvement in the Board Designation Process

- Members approve the composition of the Nominating Committee
- Only members may propose or sponsor candidates for board seats
- Candidates, proposers and sponsors may only be members in good standing
- Members are specifically invited each year to propose candidates, at least four months ahead of the AGM
- Valid candidacies not withdrawn must be notified to members at least one month ahead of the AGM
- Simultaneously full documentation (CV, sponsors and motivation statement) must be provided
- Members unable to attend the AGM may give another member a proxy
- In exceptional circumstances, members may propose candidates from the floor at the AGM
- Members discuss the candidacies at the AGM before voting by poll
- Members vote on candidates individually, not as a slate
- Scrutineers are designated exclusively among members who are not candidates