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THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION OF THE PIPELINE INDUSTRIES GUILD LIMITED

1. In these Articles unless the context otherwise requires:

“Act” means the Companies Act 1985 or any later amending legislation “Guild” means the Pipeline Industries Guild Limited

“Seal” means the Common Seal of the Guild

“Board” means the governing body of the Guild as hereinafter provided for “Directors” means the members of the Board

“Officers” means the Officers (ref 10b) of the Guild as hereinafter provided for “AGM” means the Annual General Meeting of the Guild

“Board year” means that period between each AGM

“Executive” means the Executive committee as hereinafter provided for

“Past Chair’s forum” means the Past Chair’s forum as hereinafter provided for

“UK/Irish Branch” means any regional branch of the Guild in the United Kingdom or the Republic of Ireland

“Overseas Branch” means any branch of the Guild outside the United Kingdom and the Republic of Ireland

Standard Operating Procedures (SOPs)” means relevant procedures approved by the Board; such procedures shall be included in the Standard Operating Procedures attached hereto, or in the Guild’s Operations Manual which shall be available for inspection

“Person” relates to both male and female persons and includes a body of persons or body corporate” “Board year” shall be that period between each AGM

Words importing the plural number shall include the singular and vice-versa

Expressions referring to writing shall unless the contrary intention appears, be construed as including references to other means of reproducing words in a visible form.



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MEMBERSHIP

2. The number of members of the Guild is unlimited.
3. Membership shall be limited to those who are directly associated with pipeline design, construction or operation, and with allied industries, processes and techniques.
4. Each member shall be bound by the Articles and shall give the Board such information as it may reasonably require to fulfil the objectives of the Guild, and each member shall promote the interests and welfare of the Guild.
5. There shall be three classes of members, namely:
 - a) Individual Members, being persons having qualifications which the Board regards as justifying their election. Individual Members are divided into three categories:
 - i) Members who are not eligible for Retired or Student and Junior Membership or who do not choose to pay a reduced subscription
 - ii) Retired members being persons who have been Individual Members or employees of Corporate Members who have attained a specified age and have retired from full time employment. The specified age shall be determined by the Board and contained in the Standard Operating Procedures.
 - iii) Student and Junior Members who, at the time subscriptions are due, are eligible as determined by the Board and prescribed in the Standard Operating Procedures.
 - b) Corporate Members, being companies, firms or other bodies who satisfy the Board that they are engaged in one or more of the functions set out in clause 3 above.

There may be different categories of Corporate Members. The criteria determining the categories shall be for decision by the Board and shall be contained in the Standard Operating Procedures.

Each Corporate Member shall propose one person from its own organisation to act as its nominated representative subject to the approval of the Executive. Acceptance by the Executive allows the nominated representative to exercise all rights of membership on behalf of the Corporate Member, having for such purpose the rights of an Individual Member. A Corporate Member may from time to time revoke the nomination of such representative and propose another representative in their place, whose nomination shall be subject to the approval of the Executive.

c) Honorary Life Members shall be those who have been elected as President, or others who on the have given special services to the Guild; recommendations for such membership shall be through the Board and shall then be scrutinised by the Past Chair's Forum. The Board shall finally approve all such memberships which shall then be advised at the AGM.



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6.

a) Applications for membership shall be made in such form as may from time to time be drawn up for that purpose by the Board:

- The form in the case of Individual Members must be sponsored by two members as proposer and seconder
- The form in the case of Corporate Members must be sponsored by two members as proposer and seconder and must state the name of the person proposed to be nominated as a representative of the company, firm or organisation if accepted for membership.

The Board shall delegate to the Executive the absolute discretion in deciding whether to accept or reject an application for membership. The Executive's decision shall be final, and it shall not be bound to give any reason for its decision. The Executive shall report to every Board meeting those applications which have been made, and whether each application has been accepted or rejected

b) Any Individual Member or Corporate Member wishing to resign must give notice in writing to the Company Secretary to this effect. The member, or former member, will be liable for the payment of the annual subscription for the whole of the calendar year in which such notice is given.

7.

a) The Board shall determine the rates of members' annual subscriptions and the amount of any entrance fee, and the procedures for collection, and shall give members not less than two months' notice of any changes it intends to make in such rates prior to the date the changes are to become effective.

b) Any member whose current subscription, either wholly or in part, is in arrears shall receive further applications for such subscription from the Company Secretary (as specified by the Board in the Regulations), together with information of the effect of this sub-clause. In the event of such subscription, either wholly or in part, continuing in arrears or where a member shall be guilty of any breach of these Articles or of any Regulation made under these Articles, the Board shall have the power to remove the name of such member from the Register of the Guild and any payment in whole or in part for the current year shall be forfeited.

MEMBERS' DISCIPLINE

8. In addition to the foregoing:

If the Board is of the opinion that it has cause to complain that a member may have conducted them self in a manner prejudicial to the best interests of the Guild, or if the Board receives a written complaint from a member that a member may have so conducted them self, the Board shall refer the matter to a Disciplinary Committee.

The constitution and operation of the Disciplinary Committee shall be for decision by the Board and the current rules shall be contained in the Regulations.



MANAGEMENT

9.

a) The Management of the Guild shall be vested in a Board and an Executive Committee.

The Board shall comprise the National Chair (Chair), the Immediate Past Chair, the First and Second National Deputy Chair, the Executive Director, the Finance Director, the Independent Director with Governance Oversight, the Chair of each UK/Irish Branch, the Chair of each Panel, all as hereinafter defined, up to three 'independent skilled' members as elected at the AGM, and up to three co-opted 'independent' members as may be determined by the Board. The Chair of each Overseas Branch shall have the right to attend.

b) The Executive Committee shall comprise the Executive Director (chair), the First National Deputy Chair, the Second National Deputy Chair, the Finance Director and the Immediate Past Chair. The National Chair and the Independent Director with Governance Oversight shall have the right to attend.

c) There shall be a Past Chair's forum comprising the Immediate Past Chair, the Guild Officers and any Past Chairs of the Guild.

d) There shall be a Finance Committee comprising the Finance Director and shall have up to four members who shall be nominated by the Executive and approved by the Board. Such members may serve indefinitely but their continued membership shall be reaffirmed each year by the Board. The Executive Director, Independent Director with Governance Oversight and the Finance Manager shall attend all Finance Committee meetings.

e) There shall be Panels, the number and roles of which shall be determined by the Board from time to time.

f) The Board may co-opt up to three additional individual members for issue specific skills, voted for by the Board for a period of no longer than one year.

g) The Board may establish and disband other Ad Hoc Committees as may be required.

h) The rules for the operation of the Board and any Standing and Ad Hoc Committees shall be for decision by the Board.

i) Any documents other than cheques requiring execution, on the authorisation of the Board, shall be so executed on behalf of the Guild by the National Chair, Executive Director, or another Officer of the Guild. Where more than one signature is required the Board shall authorise two of the foregoing to execute the document.



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PRESIDENT AND THE BOARD

10.

a) President: Eligibility for election to the Presidency shall be confined to persons of eminence who have interest in, or knowledge of, the science and practice of pipeline and utility design, construction or operation.

When there is an impending vacancy the Board shall select a candidate for President, and the candidate will be recommended for election at the next AGM. On election by the AGM the President shall become an Honorary Life Member of the Guild.

The process of selection of a recommended candidate for President, and the period for which a President shall hold office, shall be for decision by the Board and the current rules shall be contained in the Standard Operating Procedures.

b) Officers of the Board

i) National Chair: Any individual member who has held previous office within the Guild shall be eligible for election as National Chair. The National Chair shall normally retire at the end of one year's service but may be nominated for re-election for a second year. The process for election of National Chair shall be in accordance with procedures determined by the Board and contained in the Standard Operating Procedures. The election outcome shall be announced at the AGM.

ii) Immediate Past Chair: The Immediate Past Chair shall normally retire from the Board at the end of one year's service but shall continue to serve for a second year when a National Chair is re-elected to serve for a second year or is unable to serve as the Immediate Past Chair for any reason. On retirement an Immediate Past Chair shall not be eligible for one year for election as National Deputy Chair.

iii) National Deputy Chairs: There shall be two National Deputy Chair. Any individual member who has held office within the Guild or served as a member of the Board shall be eligible for election as a National Deputy Chair. A National Deputy Chair shall normally retire at the end of two years' service but may be nominated for re-election for a third year under special circumstances as agreed by the Board. A member shall normally be elected as a Second National Deputy Chair and become the First National Deputy Chair after one year's service. If there are two vacancies one shall be designated as the First National Deputy Chair and both shall become members of the Board on election.

Election of the National Deputy Chair shall be in accordance with procedures determined by the Board and contained in the Standard Operating Procedures. The outcome of the elections shall be announced at the AGM.

The First National Deputy Chair shall have special responsibility for liaison with the UK/Irish branches and shall represent their interests on the Executive.

The Second National Deputy Chair shall have special responsibility for the Technical Panels and shall represent their interests on the Executive.



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iv) Executive Director: The Executive Director shall be appointed by the Board for such time and upon such conditions as the Board may think fit and any Executive Director so appointed may be removed by the Board.

The appointment of a new Executive Director shall be announced at the next AGM. The Executive Director shall be responsible to and report to the National Chair.

v) Finance Director: Any individual member of the Guild may be appointed by the Board as Finance Director at the AGM, with a normal term of up to three years and a maximum of five years. Such election is valid for one year and the existing incumbent is eligible for re-election.

vi) Independent Director (with Governance Oversight Responsibilities): Any individual member of the Guild may be recommended by the Board for election as Independent Director with Governance Oversight at the AGM, with a normal term of up to three years and a maximum of five years. Such election is valid for one year and the existing incumbent is eligible for re-election.

vii) No Offices of the Board may be combined under one member.

c) Ordinary Members of the Board

i) Branch Representatives: Each UK/Irish Branch Chair shall be a member of the Board with power to delegate if necessary to a deputy, who will normally be the Branch Deputy Chair, to attend Board meetings. A Branch Chair shall be elected by Branch Members at a Branch AGM.

ii) International Panel Chair: The International Panel Chair shall have responsibility for existing and potential Overseas Branches, including reporting to the Board on their behalf, and for those international members who are not affiliated to an Overseas Branch.

Any individual member of the Guild may be recommended by the Board for election as International Panel Chair at the AGM. Such election is valid for one year and the existing incumbent is eligible for re-election.

iii) Panel Chairs: Any individual member of the Guild shall be eligible for election as a Chair of one of the Panels. The process for election of Panel Chair shall be in accordance with procedures determined by the Board and contained in the Standard Operating Procedures. The outcome of the elections shall be announced at the AGM.

iv) Professional Development Network Chair: Professional Development Network (PDN) Panel Chair shall be responsible for coordinating the PDN's activities.

Any individual member of the Guild may be recommended by the Board for election as Professional Development Network Panel Chair at the AGM. Such election is valid for one year and the existing incumbent is eligible for re-election.

v) Additionally, the Board may propose up to three Individual Members of the Guild to serve as voting members of the Board. Nominations shall be made at the Board's discretion to ensure that the Board shall have special expertise or representation and shall be subject to election at the AGM. Such elections are valid for one year and the existing incumbents are eligible for re-election.



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d) Co-option: Should the position of any member of the Board become vacant, the Board may co-opt a person eligible under the appropriate sub-clause above to fill the vacancy, in accordance with the rules appropriate to the position, until the next AGM

PROCEDURE AT MEETINGS

11.

- a) The Board may, subject to these Articles, meet, adjourn, and otherwise regulate its proceedings and meetings as it thinks fit.
- b) The Board shall cause minutes to be kept of its' proceedings. Minutes of Meetings signed by the National Chair of such meeting or of the next meeting shall be *prima facie* evidence of the facts recorded in such minutes.
- c) All acts bona fide done at any meeting of the Board or by any person acting as a member thereof shall be valid and effectual notwithstanding any defect in the appointment of any person present at such meeting or that it shall be subsequently discovered that any person present had been disqualified from membership of the Board.
- d) If any members of the Board are directly involved in any contract with the Guild they must declare an interest and should absent themselves from that part of a meeting in which such a contract is discussed or voted upon.

POWERS OF THE BOARD

12.

- a) The affairs and funds of the Guild shall be conducted by the Board, who shall determine the measures to be adopted for the attainment of the objects of the Guild and shall have power to do any act or thing within the objects of the Guild and not expressly, by these Articles or by the Act, required to be effected or approved by an AGM.
- b) Without prejudice to the generality of the foregoing sub-clause, the powers of the Board shall include power subject to these Articles:
 - i) to make, vary and revoke Standard Operating Procedures binding on the members as to any matter or thing falling within the scope of these Articles.
 - ii) to determine any dispute or difference as to the validity of any appointment or election or as to the interpretation or meaning of any Regulation made under these Articles;
 - iii) to summon meetings of members;
 - iv) to appoint persons to act as representatives or delegates of the Board on or at joint committees and conferences and official and semi-official bodies;
 - v) to affiliate the Guild with other bodies and to collaborate and consult and enter into arrangements with other bodies;
 - vi) to invite persons not being members of the Board to attend meetings of the Board, but no such person shall be allowed to vote thereat;



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- vii) to appoint such officers and staff and bankers, solicitors and other agents as the Board may deem requisite whether paid or honorary and in the case of paid officers, agents and staff, upon such conditions as to remuneration and otherwise as the Board may determine and to remove any officer, agent or staff so appointed and to delegate such of its administrative powers (subject to the Board's direction and control) as the Board may deem desirable;
- viii) to make contributions to the funds of other associations or organisations, the assistance of which is deemed appropriate in the interests of the Guild and/or with a view to the promotion of the objects of the Guild;
- ix) to appoint trustees to hold any property on behalf of the Guild;
- x) to take a lease or tenancy of and to furnish and equip offices or to make any other arrangements for the provision of office accommodation and clerical assistance for the Guild and otherwise to expend the assets of the Guild in such a manner as it may think desirable for the attainment of the objects of the Guild;
- xi) to invest any surplus funds of the Guild;

c) The Board may, at its discretion, upon receipt of a request from a sufficient number of interested persons resident in any region in the UK or overseas, set up a UK/Irish or Overseas Branch of the Guild, as may be appropriate, in such region and it shall also have the power to dissolve such branch at any time after it has been formed. In this context, "sufficient number" shall be defined as that number which is able to support all such set up and running costs as to be cost neutral to the Guild.

Each branch shall be constituted, and its affairs shall be executed in accordance with the Articles. The regulation of the affairs of the branches shall, in all matters not covered by the Articles, be subject to the direction and decision of the Board.

DISQUALIFICATION OF MEMBERS OF THE BOARD

13. The office of a member of the Board shall be vacated if such member:
 - a) becomes bankrupt or make any arrangement or composition with their creditors generally; or
 - b) becomes prohibited from holding office by reason of any court order made under the Act; or
 - c) becomes of unsound mind; or
 - d) resigns their office by notice in writing to the Guild; or
 - e) ceases to be a member of the Board by virtue of Section 303 of the Act.



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GENERAL MEETINGS

14.

- a) The Guild shall hold a General Meeting in every calendar year as its "AGM" at such time and place as may be determined by the Board and shall specify the meeting as such in the notice calling it, provided that every AGM shall be held not more than fifteen months after the holding of the last preceding meeting.
- b) All other General Meetings, save those devoted to professional or technical matters, shall be called Extraordinary General Meetings.
- c) The Executive Director shall give twenty one days' notice at least of every AGM and of every meeting convened to pass a Special Resolution, and fourteen days' notice at least of every other General Meeting (exclusive in every case both of the day on which it is served or deemed to be served and of the day it is given). Other arrangements for calling and conducting Annual and Extraordinary General Meetings shall be for decision by the Board and the current decisions shall be contained in the Standard Operating Procedures.

COMPANY SECRETARY

15. The Company Secretary shall be appointed by the Board for such time and at such remuneration and upon such conditions as the Board may think fit, and any Secretary so appointed may be removed by the Board. The provisions of Section 282 of the Act or its successor shall apply. The Board may from time to time by resolution appoint a Deputy Secretary, and any person so appointed may act in the place of the Secretary if there be no Secretary or no Secretary capable of acting.

THE SEAL

16. The Board shall provide for the safe custody of the seal which shall only be used by the Board in that behalf, and every instrument to which the seal shall be affixed shall be signed by a member of the Board and shall be countersigned by the Company Secretary or by a second member of the Board or by some other person appointed by the Board for the purpose.

FUNDS

17.

- a) All monies received by the Guild shall be deposited in any bank or banks or invested in accordance with clause 3(k) of the Memorandum of Association as the Board may from time to time determine. Payments from bank accounts or realisation of investments may not be made except by a cheque or other documentary authorisation, which shall be for decision by the Board and the current decisions shall be contained in the Standard Operating Procedures
- b) All funds in any UK/Irish accounts remain the funds of the Guild



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ACCOUNTS

18. The Guild shall cause accounting records to be kept in accordance with Section 221 of the Act.
19. Accounting records shall be kept at the registered office of the Guild in line with legal compliance needs in the UK, or at such other place or places as the Board think fit.
20. The Guild's financial year shall begin on 1st January and shall end on 31st December.
21. Subject to any reasonable conditions or regulations as to the time or manner of inspecting the same that may from time to time be prescribed by the Guild in General Meeting, the accounts and books of the Guild shall be open to the inspection of members not being members of the Board at all reasonable times during business hours.
22. The Board shall in accordance with the Act cause to be prepared and presented to the Guild at each AGM the audited annual accounts. The Auditors' report shall also be available and presented to the AGM.
23. The Executive Director will ensure all accounting reports for lenders and debenture holders will be sent as required for each individual holder..
24. Short particulars of any expenses paid to members of the Board as reimbursement of reasonable out-of-pocket expenses in addition to the total of any salaries and fees shall be shown on the annual accounts of the Guild.

AUDITORS

25. Auditors shall be proposed and appointed by the AGM including the audit fees.

NOTICES

26. A notice may be given by the Board to any members either personally or by sending it by post or electronically to them at their last recorded address. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and to have been effected in the case of a notice of a meeting at the expiration of 24 hours after the letter containing the notice is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post.

When a notice is sent electronically, it shall be deemed to have been received instantaneously unless the electronic means of communication indicates to the sender a failure of communication.

UK/IRISH BRANCHES

27.
 - a) The objectives of a UK/Irish Branch shall be those of the Guild
 - b) Membership shall be confined to members of the Guild
 - c) An individual member may elect to be registered with not more than one UK/Irish Branch at any one time.



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- d) A corporate member may propose for registration one person from its own organisation to act as its branch representative. On acceptance that person shall, only in that capacity, have voting powers within that particular branch. Corporate members may be registered with more than one UK/Irish Branch.
- e) The rules for the Management of each UK/Irish Branch shall be for decision by the Board and the current decisions shall be contained in the Standard Operating Procedures.

OVERSEAS BRANCHES

28.

- a) The objectives of an Overseas Branch shall be those of the Guild
- b) The Articles of an Overseas Branch shall recognise the primary powers of the Guild Board
- c) The Terms of Reference and Rules for the Management of each Overseas Branch shall be for decision by the Board and the current decisions shall be contained in the Standard Operating Procedures. Such rules shall include quantified limits on the financial authorities of the branch and its officers.
- d) The appointment of Branch Chairs of Overseas Branches is subject to ratification by the Board
- e) Unless otherwise prescribed by the Board, members of Overseas Branches shall not be members of the Guild, unless they separately apply to be, and are accepted as, Guild members.
- f) Membership of an Overseas Branch shall be limited to those who are directly associated with pipeline design, construction or operation, and with allied industries, processes and techniques.
- g) Each Overseas Branch shall have delegated powers to determine its own categories of membership, processes for application and election of members, subscription rates, and collection processes. Each overseas Branch shall advise the International Chair of its arrangements in these respects and in any case not later than 4 weeks prior to the September Board meeting at which all subscriptions are approved.
- h) Subscription income of Overseas Branches may be retained in the branch's bank account or other deposit, but all funds shall remain the property of the Guild.
- i) Each Overseas Branch shall pay an annual fee to the Guild, being an agreed portion of its membership income. The level of the fee shall be negotiated between the Executive, International Chair and the individual Overseas Branch Chair. The level of each Overseas Branch's fee shall be approved by the Board annually.