



**AIFC NON-PROFIT INCORPORATED
ORGANISATIONS RULES**

AIFC RULES NO. GR0007 OF 2017

(with amendments as of 2 December 2018,
which commence on 1 March 2019)

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PART 1: GENERAL

1.1 Name

These Rules are the *AIFC Non-profit Incorporated Organisations Rules 2017* (or NPIOR).

1.2 Commencement

These Rules commence on 1 January 2018.

1.3 Legislative authority

These Rules are adopted by the Board of Directors of the AFSA under section 181 (Power to adopt rules etc.) of the AIFC Companies Regulations.

1.4 Application of these Rules

These Rules apply within the jurisdiction of the AIFC.

1.5 Definitions etc.

Terms used in these Rules have the same meanings as they have, from time to time, in the AIFC Non-profit Incorporated Organisations Regulations, or the relevant provisions of those Regulations, unless the contrary intention appears.

Note: For definitions in the AIFC Non-profit Incorporated Organisations Regulations applying to these Rules, see Schedule 1 of those Regulations. The definitions in that Schedule relevant to these Rules include the following:

- Accounting Records
- AFSA
- AIFCA
- Auditor
- Contravene
- Document
- Founding Member
- Function
- Incorporated Organisation
- Person
- Records
- Registrar of Companies (or Registrar)
- Writing.



1.6 Administration of these Rules

These Rules are administered by the Registrar of Companies.



PART 2: INCORPORATED ORGANISATIONS

2.1 Charter of Organisation

- 2.1.1 For section 13(4) of the AIFC Non-profit Incorporated Organisations Regulations, the provisions of Schedule 1 (Standard Charter) are the model provisions to be known as the Standard Charter.
- 2.1.2 If the proposed Charter of Organisation accompanying an application for the incorporation of an Incorporated Organisation does not adopt the whole of the Standard Charter, the application must set out details of the parts of the Standard Charter that have not been adopted.
- 2.1.3 The proposed Charter of Organisation accompanying an application for the incorporation of an Incorporated Organisation must include provision for the following matters:
- (a) the Authorised Activities to be conducted by the Incorporated Organisation;
 - (b) the calling of meetings of the Founding Members by Founding Members;
 - (c) the proceedings of meetings of the Founding Members, including voting;
 - (d) information to be provided to Founding Members before a meeting of the Founding Members;
 - (e) the maximum number of Founding Members;
 - (f) the appointment and removal of Founding Members;
 - (g) the Functions of Founding Members;
 - (h) appointment of the secretary, if applicable;
 - (i) the keeping of minutes.
- 2.1.4 An application for the incorporation of an Incorporated Organisation must state that the proposed Charter of the Incorporated Organisation accompanying the application has been adopted by the applicants.

2.2 Certificates of registration of Incorporated Organisations

The certificate of registration issued by the Registrar of Companies for an Incorporated Organisation must include its identification number.

2.3 Address of registered office

- 2.3.1 This rule applies to the address of the registered office of an Incorporated Organisation, as set out in an application for incorporation or a notice of a change relating to the registered office.
- 2.3.2 The address must include the following details, so far as they are applicable:
- (a) the name (or number) of the building;
 - (b) the floor or level of that building.



2.3.3 The address must consist of a location address and, if different, a postal address.

2.4 Incorporated Organisations names

2.4.1 A Person may apply to the Registrar of Companies for the reservation of a name for an Incorporated Organisation (or proposed Incorporated Organisation).

2.4.2 If the name is acceptable to the Registrar of Companies, the Registrar must reserve the name for 30 days.

2.4.3 The following provisions apply to the name of an Incorporated Organisation or the reservation of a name for an Incorporated Organisation (or a proposed Incorporated Organisation):

- (a) the name must use letters of the English alphabet, numerals or other characters acceptable to the Registrar of Companies;
- (b) the name must not, in the opinion of the Registrar, be, or be reasonably likely to become, misleading, deceptive, conflicting with another name (including an existing name of a company or another Incorporated Organisation);
- (c) the name must not contain words that may suggest a relationship with the AIFCA, AFSA or any other governmental authority in the AIFC, Astana or the Republic of Kazakhstan, unless the relevant authority has consented in Writing to the use of the name;
- (d) the name must not contain any of the following words unless the AFSA has consented in Writing to their use:
 - (i) the word 'bank', 'insurance' or 'trust';
 - (ii) words that suggest that the incorporated organisation is a bank, insurance company or trust company;
 - (iii) words that suggest in some other way that it is authorised to conduct Financial Services in the AIFC;
- (e) the name must not contain words that may suggest a connection with, or the patronage of, any Person or organisation, unless the Person or organisation has consented in Writing;
- (f) the name must not be, in the opinion of the Registrar, otherwise undesirable.

2.4.4 In this rule:

Financial Services has the meaning given under the AIFC Financial Services Framework Regulations.

2.5 Accounting principles or standards

2.5.1 For section 22(2)(a) (Accounts) of the AIFC Non-profit Incorporated Organisations Regulations, the International Financial Reporting Standards are prescribed as accounting principles or standards for the preparation of the accounts of an Incorporated Organisation.



2.5.2 Without limiting the power of the Registrar of Companies under section 22(2)(a) of the AIFC Non-profit Incorporated Organisations Regulations to approve accounting standards or principles, the Registrar may, on the application of an Incorporated Organisation, approve accounting standards or principles for the preparation of accounts of the Incorporated Organisation. An approval may be given subject to any conditions or restrictions.

2.6 **Notice of appointment of Auditor**

2.6.1 If an Incorporated Organisation appoints an Auditor, the Incorporated Organisation must immediately file notice of the appointment with the Registrar of Companies.

2.6.2 If an Auditor of an Incorporated Organisation ceases to be the Auditor for any reason, the Incorporated Organisation must immediately file notice of the cessation with the Registrar of Companies.

2.7 **Accounting Records of Non-profit Incorporated Organisations**

2.7.1 Despite section 21(2)(a) of the AIFC Non-profit Incorporated Organisations Regulations, the Accounting Records of an Incorporated Organisation must be kept at the registered office of the Incorporated Organisation or at another place decided by the Founding Members in accordance with subrule 2.7.2.

2.7.2 A decision of the Founding Members to keep the Accounting Records at a place other than the registered office of the Incorporated Organisation may only be made by the Founding Members at a meeting of the Founding Members and a minute of the decision must be signed by all the Founding members present at the meeting and kept as part of the Accounting Records.

2.8 **Register of Founding Members and Ordinary Members**

The register of Founding Members and Ordinary Members of an Incorporated Organisation maintained under section 25 (Register of members) of the AIFC Non-profit Incorporated Organisations Regulations must include the following particulars for each person who is or has been Founding Member or Ordinary Member, and be kept in alphabetical order of their names:

- (a) the member's full name;
- (b) whether the member is a Founding Member or Ordinary Member;
- (c) if the member has a former given or family name—the former name or, if the member has 2 or more former names, each former name;
- (d) the member's date and place of birth;
- (e) the member's address;
- (f) if the member has had a former address within the last 5 years—the address;
- (g) the date the member become a Founding Member or Ordinary Member;
- (h) if relevant, the date the member ceased to be a Founding or Ordinary Member.



PART 3: MISCELLANEOUS

3.1 Public registers of organisations

The Registrar of Companies must, in the relevant register kept by the Registrar under section 38 (Public registers) of the AIFC Non-profit Incorporated Organisations Regulations, record the following details, so far as relevant, in relation to each Incorporated Organisation (the **organisation**) that is, or has been, registered in the AIFC:

- (a) the organisation's current registered name or, if the organisation is no longer registered, its last registered name;
- (b) the organisation's identification number;
- (c) the organisation's date of incorporation and, if the organisation is no longer registered, the date it ceased to be registered;
- (d) the organisation's former registered names;
- (e) the date of registration of every change of name;
- (f) the organisation's current registered office or, if the organisation is no longer registered, its last registered office;
- (g) the organisation's former registered offices;
- (h) the date of registration of former registered offices;
- (i) current Founding Members and Ordinary Members or, if the organisation is no longer registered, the last Founding Members and Ordinary Members;
- (j) the dates of registration of the current or last Founding Members and Ordinary Members
- (k) the former Founding Members and Ordinary Members;
- (l) the dates of registration and cessation of former Founding Members and Ordinary Members;
- (m) the current secretary, if applicable;
- (n) the date of registration of the current secretary, if applicable;
- (o) the former secretaries, if applicable;
- (p) the dates of registration and cessation of former secretaries, if applicable;
- (q) the organisation's financial year end;
- (r) the dates of commencement and cessation of each scheme of arrangement, receivership or liquidation under the AIFC Insolvency Regulations in relation to the organisation;
- (s) the name and address, and dates of appointment and cessation (however described), of:
 - (i) each Nominee or Supervisor of a Voluntary Arrangement under the AIFC Insolvency Regulations in relation to the organisation; and



- (ii) each Administrator of the organisation under the AIFC Insolvency Regulations;
- (t) the date of dissolution of the Incorporated Organisation, if applicable.

3.2 Evidence of matters

- 3.2.1 A certificate that appears to be signed by or on behalf of the Registrar of Companies, and states any matter that appears in a register kept by the Registrar under section 38 (Public registers) of the AIFC Non-profit Incorporated Organisations Regulations, is evidence of the matter.
- 3.2.2 The Court must accept a certificate under subrule 3.2.1 as proof of the matters stated in it if there is no evidence to the contrary.
- 3.2.3 A Document that appears to be a copy of the certificate of registration of an Incorporated Organisation, and to be certified by the Registrar of Companies, is evidence of the matters stated in it.
- 3.2.4 The Court must accept a Document mentioned in subrule 3.2.3 as evidence of the matters stated in it unless the contrary is established.

3.2(A) Retention

All Documents filed with the Registrar must be retained by the Registrar for a minimum of six years from the date of filing, irrespective of the status of the Non-Profit Incorporated Organisation to which such Documents relate.

3.3 Fine limits

The maximum fine that may be imposed on a Person by the Registrar of Companies for a Contravention of a provision of the AIFC Non-profit Incorporated Organisations Regulations mentioned in column 2 of an item of the table in Schedule 2 (Fine limits) is the amount specified in column 4 of the item.



SCHEDULE 1: STANDARD CHARTER

Note: See rule 2.1.1.

[insert name] Incorporated Organisation

1. INTERPRETATION

In this Charter:

- a) unless the contrary intention appears:

Founding Member, of the Incorporated Organisation, means an individual:

- (a) who was:
- (i) an applicant for the Incorporated Organisation's incorporation; or
 - (ii) appointed after its incorporation as a Founding Member by Special Resolution of the Founding Members; and
- (b) has not ceased to be a Founding Member under this Charter.

General Meeting means a meeting of the Founding Members.

Members Register means the register of Founding Members and Ordinary Members maintained by the Incorporated Organisation under section 25 of the Regulations.

Office, of the Incorporated Organisation, means the registered office of the Incorporated Organisation.

Ordinary Resolution, of the Board of the Incorporated Organisation, means a resolution passed by a simple majority of the votes of the members of the Board at a meeting of the Board for which notice specifying the intention to propose the resolution was duly given, and includes any resolution in Writing under clause 17.8 that is expressed to be an ordinary resolution.

Secretary means the Person who is the Secretary of the Incorporated Organisation, and includes any other Person who is appointed to Exercise the Functions of the Secretary of the Incorporated Organisation, including a joint, assistant or deputy Secretary.

Special Resolution, of the Founding Members, means a resolution passed at a meeting of the Founding Members by the votes of at least 75% of the Founding Members present at the meeting in person or, if proxies are allowed, by proxy, provided that notice specifying the intention to propose the resolution as Special Resolution was duly given.

the Regulations means the AIFC Non-profit Incorporated Organisations Regulations, as amended from time to time.

this Charter means this Charter of Organisation.

- b) terms used in this Charter have the same meanings as they have, from time to time, in the Regulations, or the relevant provisions of the Regulations, unless the contrary intention appears; and



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- c) words in the singular include the plural and words in the plural include the singular, unless the contrary intention appears; and
- d) words indicating gender include every other gender, unless the contrary intention appears; and
- e) the word **may**, or a similar term, used in relation to a Function indicates that the Function may be Exercised or not Exercised, at discretion; and
- f) the word **must**, or a similar term, used in relation to a Function indicates that the Function is required to be Exercised; and
- g) a reference to Regulations or Rules is a reference to Regulations or Rules of the Astana International Financial Centre and, unless the contrary intention appears, a reference to particular Regulations or Rules includes a reference to those Regulations or Rules as amended from time to time.

2. INCORPORATED ORGANISATION NAME

The Incorporated Organisation's name is *[insert name and, unless the words 'Non-profit Organisation' are part of the name, insert those words immediately after the name]*.

3. INCORPORATED ORGANISATION REGISTERED OFFICE

The Office of the Incorporated Organisation must be in the Astana International Financial Centre.

4. INCORPORATED ORGANISATION PURPOSES AND RESTRICTIONS

4.1. The Authorised Activities of the Incorporated Organisation are:

- (a) *[insert activities]*; and
- (b) *[insert activities]*.

4.2. The Incorporated Organisation must not distribute profits or revenues from its activities to its Founding Members or Ordinary Members or former Founding Members or Ordinary Members.

5. INCORPORATED ORGANISATION'S MEMBERSHIP

5.1. Subject to the Regulations and without affecting any rights, entitlements or restrictions attached to any existing membership, any membership may be issued with the rights, entitlements or restrictions that the Board of the Incorporated Organisation determines by Ordinary Resolution.

5.2. The Incorporated Organisation must not have more than *[insert the maximum number]* of Founding Members at any time.

5.3. A person must not be recognised by the Incorporated Organisation as a Founding Member or Ordinary Member unless the person's name is entered in the Members Register as a Founding Member or Ordinary Member, as the case may be.

6. ADMISSION OF NEW MEMBERS

6.1. After the incorporation of the Incorporated Organisation, Founding Members are



appointed by Special Resolution of the Founding Members.

- 6.2. The Incorporated Organisation may charge a person a reasonable fee for the entry of the person's name in the Members Register.
- 6.3. The Board may, by Ordinary Resolution, decide whether membership certificates are to be issued and, if so, the form of the certificates.

7. PROCEEDINGS OF FOUNDING MEMBERS

- 7.1. Subject to this Charter, the Founding Members may conduct their proceedings (including their meetings) as they consider appropriate.
- 7.2. Subject to any decision of a General Meeting, a resolution in Writing signed by all the Founding Members is as valid and effective as if it had been passed at a General Meeting. The resolution may consist of several Documents in the like form each signed by 1 or more Founding Members. However, this subclause does not apply to any decision (however described) required to be made by Special Resolution.

8. CALLING GENERAL MEETINGS

- 8.1. Any Founding Member may call a General Meeting, including an annual general meeting of Founding Members.
- 8.2. A General Meeting may be called by a Founding Member by giving the other Founding Members at least 21 days Written notice of the meeting.
- 8.3. The notice must specify the time and place of the meeting and the general nature of the matters to be considered. If the Founding Member calling the meeting intends to propose a resolution at the meeting, the notice must specify the intention to propose the resolution and whether it is to be proposed as a Special Resolution.
- 8.4. Notice of an annual general meeting of the Founding Members must state that the meeting is an annual general meeting.

9. PROCEEDINGS AT GENERAL MEETINGS

- 9.1. Subject to the Regulations and this Charter, a question arising at a General Meeting is to be decided by a majority of the Founding Members present, in person or by proxy, and voting. However, subject to these Regulations and this Charter, the Founding Member chairing the meeting also has a casting vote if the votes on any question are equal.
- 9.2. Business may be conducted at a General Meeting only if a quorum is present. A quorum is 50% of the number of Founding Members for the time being or, if that number is not a whole number, the next whole number. If a Founding Member is required not to vote on a resolution because of a conflict of interest, the Founding Member must not be counted in working out whether there is a quorum in relation to the resolution.
- 9.3. If a quorum is not present within half an hour after the time specified in the notice calling the meeting (the **meeting start time**), the meeting must be adjourned to a place and time decided by the Founding Members. If during the meeting a quorum ceases to be present, the meeting must be adjourned to a place and time decided by the Founding Members.
- 9.4. The Chair of the Board of the Incorporated Organisation chairs the meeting. If the Chair of the Board is not present or willing to act within 15 minutes after the meeting start time,



another Founding Member elected by the Founding Members present chairs the meeting.

- 9.5. The Founding Member chairing the meeting (the **meeting chair**) may adjourn the meeting with the consent of the majority of the votes of the Founding Members present at the meeting. A matter must not be considered at the adjourned meeting if the matter could not have been considered at the meeting had the adjournment not taken place. It is not necessary for notice to be given of the adjourned meeting unless the meeting was adjourned for 14 days or longer. If the meeting was adjourned for 14 days or longer, at least 7 days notice of the adjourned meeting must be given to the Founding Members. The notice must specify the time and place of the adjourned meeting, the general nature of the matters to be considered at the adjourned meeting, and any resolutions of which notice has been given.
- 9.6. Unless a poll is demanded, a resolution put to the vote must be decided on a show of hands. A poll may be demanded, before or on the declaration of the result of a vote by show of hands:
 - (a) by the meeting chair; or
 - (b) by at least 2 Founding Members having the right to vote at the meeting.
- 9.7. Unless a poll is demanded, the meeting chair may declare that a resolution has been carried or lost by a particular majority. The entry in the minutes of the meeting of that declaration is conclusive evidence of the result of the resolution.
- 9.8. Any poll must be taken in the way the meeting chair directs and the result is the resolution of the meeting at which the poll was demanded.
- 9.9. A poll demanded on the election of a Founding Member to chair the meeting or on an adjournment must be taken immediately. A poll demanded on any other question must be taken as the meeting chair directs, but not more than 30 days after the day the poll is demanded. The demand for a poll does not prevent the continuation of the meeting for the transaction of any business other than the question on which the poll is demanded.
- 9.10. If a poll demanded at a meeting is not taken at the meeting, the Founding Members must be given at least 7 days Written notice of the time and place at which a poll is to be taken, unless the time and place is announced at the meeting.

10. VOTES OF FOUNDING MEMBERS

- 10.1. A Founding Member must not vote at a General Meeting or otherwise on any resolution concerning a matter in which the Founding Member has a direct or indirect conflict of interest, unless a General Meeting permits the Founding Member to vote on the resolution. For this subclause, an interest of a Founding Member includes an interest of any Person who is connected to the Founding Member.
- 10.2. An objection may only be raised at a General Meeting to the right of any person to vote at the meeting or on a poll arising from the meeting. The Founding Member chairing the meeting (the **meeting chair**) must rule on the objection unless the objection relates to the meeting chair. The decision of the meeting chair is final.
- 10.3. A Founding Member may vote on a poll by proxy.
- 10.4. An instrument appointing a proxy to vote at a General Meeting, or on a poll arising from a General Meeting, must be in Writing in a form approved by the Founding Members and



distributed with the notice of the meeting or poll. The form must include a section allowing the Founding Member to direct the proxy on how the proxy must act.

- 10.5. An instrument appointing a proxy must be deposited at the Office of the Incorporated Organisation at least 48 hours before the General Meeting at which the proxy is to be exercised is to be held. For a poll that is not being taken immediately but some time after it is demanded, an instrument appointing a proxy may be deposited at the poll with the Chair of the Board, the Secretary or any other Founding Member present or at any time before the poll at the Office of the Incorporated Organisation.
- 10.6. A vote given or poll demanded by proxy is valid despite the revocation of the proxy by the Founding Member who appointed the proxy unless the Incorporated Organisation receives Written notice of the revocation from the Founding Member before the vote is taken or the poll is demanded.

11. THE BOARD

- 11.1. The Incorporated Organisation has a Board.
- 11.2. The Board consists of the Chair and *[insert number]* other members.
- 11.3. The Board must consist solely of Founding Members.
- 11.4. The Chair and other members of the Board are appointed by the Founding Members for the terms (if any) decided by the Founding Members.
- 11.5. A person who is the Chair or another member of the Board ceases to be the Chair or member of the Board if:
 - (a) the person ceases to be a Founding Member; or
 - (b) the person's term as the Chair or another member ends without the person being reappointed; or
 - (c) the person is, in the opinion of the Founding Members formed by Special Resolution, incapable (otherwise than on a temporary basis) of performing the person's duties as the Chair or another member of the Board; or
 - (d) the person is absent, except on leave granted by the Board, from 3 consecutive meetings of the Board; or
 - (e) the person resigns as the Chair or another member of the Board by notice to the Incorporated Organisation; or
 - (f) the person is removed as the Chair or another member of the Board by Special Resolution of the Founding Members
- 11.6. The Founding Members may appoint a Founding Member to act as the Chair of the Board during any period, or all periods, when:
 - (a) there is a vacancy in the office of Chair of the Board; or
 - (b) the Chair is on leave of absence given by the Founding Members; or
 - (c) the Chair is unable, for any reason, to perform the duties of the office.



- 11.7. While a Founding Member is acting as the Chair of the Board:
- (a) the Founding Member has, subject to any limitations in the acting appointment, all the Functions of the Chair; and
 - (b) this Charter applies in relation to the Founding Member as if the Founding Member were the Chair.

12. ALTERNATE MEMBERS OF BOARD

- 12.1. A Founding Member who is the Chair or another member of the Board (the **appointor**) may appoint another Founding Member (the **appointee**) as the Founding Member's alternate and may revoke the appointment at any time. The appointee may Exercise all the Functions of the appointor as a member of the Board (other than any Function of the Chair) but is not entitled to remuneration.
- 12.2. The appointor and appointee must both be given notice of all Board meetings.
- 12.3. The appointee is entitled to attend and vote at Board meetings, and counts towards the Board's quorum, if the appointor is absent.
- 12.4. The appointee holds office as the appointor's alternate for as long as the appointor holds office as a member of the Board unless the appointee's appointment is revoked by the appointor.
- 12.5. The appointor must give notice of the appointment of the appointee, and any revocation of the appointment, to the Incorporated Organisation.

13. FUNCTION AND POWERS OF BOARD

- 13.1. The Incorporated Organisation must be managed by the Board of the Incorporated Organisation.
- 13.2. The Board may appoint a resident of the Republic of Kazakhstan to be the Incorporated Organisation's agent.
- 13.3. The Board may delegate any of its Functions to a committee of Founding Members or to a duly appointed agent.
- 13.4. The Board has power to do all things necessary or convenient to be done for, or in connection with, the conduct of the Incorporated Organisation's Authorised Activities. These powers include, but are not limited to, the following:
- (a) to negotiate, sign and execute contracts, transactions, arrangements, and deals, of any kind or nature, with third parties in the name of the Incorporated Organisation, with the right to terminate and amend them as required from time to time;
 - (b) to open, close and manage bank accounts for the Incorporated Organisation, to carry out banking transactions on behalf of the Incorporated Organisation (including, for example, the right to issue, sign and endorse cheques, draw voucher letters of credit, make transfers, obtain loans with or without security, and obtain bank facilities, bank guarantees and bank performance bonds) and to complete and sign all applications and Documents necessary for the conduct of the Incorporated Organisation's Authorised Activities;



- (c) to employ Persons required for the conduct of the Incorporated Organisation's Authorised Activities, and to decide their remuneration, benefits and the rules and provisions related to their employment, as well as the right to terminate their employment;
- (d) to sign memoranda of association with the terms and conditions that it considers appropriate;
- (e) to claim on behalf of the Incorporated Organisation, to attach the property of debtors, to refer cases to arbitration, and to appoint lawyers and take legal proceedings to protect the Incorporated Organisation's interests whether as plaintiff or defendant, as party to arbitration or otherwise.

14. APPOINTMENT OF FOUNDING MEMBERS

A person must not be appointed as a Founding Member at a General Meeting unless the person has been recommended by a Founding Member or Ordinary Member and details of the person have been included in the notice of the meeting at which the appointment is to be considered. The details must include at least the information that would be included in the Members Register if the person were to be appointed as a Founding Member.

15. CEASING TO BE FOUNDING MEMBERS

A person who is a Founding Member ceases to be a Founding Member if the person:

- (a) becomes bankrupt; or
- (b) is, in the opinion of the Founding Members formed by Special Resolution, incapable (otherwise than on a temporary basis) of performing the duties of a Founding Member; or
- (c) is absent, except on leave granted by the Founding Members, from 3 consecutive General Meetings; or;
- (d) resigns by notice to the Incorporated Organisation; or
- (e) is removed by Special Resolution of the Founding Members.

16. REMUNERATION AND EXPENSES OF FOUNDING MEMBERS

A Founding Member is entitled to be paid the remuneration, and reimbursed the expenses, decided by the Founding Members by Special Resolution.

17. PROCEEDINGS OF THE BOARD

- 17.1. Subject to this Charter, the Board of the Incorporated Organisation may conduct its proceedings (including its meetings) as it considers appropriate.
- 17.2. The Board is to meet at the times and places that it decides.
- 17.3. However, the Chair of the Board may, at any time, call a meeting of the Board and must call a meeting if asked by at least the number of members of the Board required to constitute a quorum.
- 17.4. The Chair is to chair all meetings of the Board at which the Chair is present. If the Chair



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is not present a meeting, the member of the Board (other than an alternate member) elected by the members present (including any alternate members) chairs the meeting.

- 17.5. Subject to this Charter, a question arising at a meeting of the Board is to be decided by a majority of the members of the Board present, in person or by alternate, and voting. However, subject to this Charter, the member chairing the meeting (the **meeting chair**) also has a casting vote if the votes on any question are equal.
- 17.6. Business may be conducted at a meeting of the Board only if a quorum is present. A quorum is 2 or, if the Founding Members have fixed another number, that number. If a member of the Board is required not to vote on a resolution because of a conflict of interest, the member must not be counted in working out whether there is a quorum in relation to the resolution.
- 17.7. An appointment of a member of the Board, or of an alternate of a member of the Board, is not invalid only because of a defect or irregularity in or in relation to the appointment.
- 17.8. Subject to any decision of a General Meeting or of the Board, a resolution in Writing signed by all the members of the Board (or their alternates) is as valid and effective as if it had been passed at a meeting of the Board. The resolution may consist of several Documents in the like form each signed by 1 or more members (or their alternates).
- 17.9. A member of the Board must not vote at a meeting of the Board or otherwise on any resolution concerning a matter in which the member has a direct or indirect conflict of interest, unless a General Meeting or meeting of the Board permits the member to vote on the resolution. For this subclause, an interest of a member of the Board includes an interest of any Person who is connected to the member.
- 17.10. An objection may only be raised at a meeting of the Board to the right of any person to vote at the meeting. The meeting chair must rule on the objection unless the objection relates to the meeting chair. The decision of the meeting chair is final.

18. **SECRETARY**

The Board may appoint and remove a secretary and is to decide the terms and conditions of any appointment (including in relation to remuneration).

19. **MINUTES**

The Founding Members must ensure that minutes are kept recording the following:

- (a) all appointments of officers (including agents appointed under clause 13.3) made by the Founding Members;
- (b) all proceedings at or arising out of General Meetings, and meetings of the Board and committees of Founding Members, including the names of the Founding Members present at each meeting.

20. **NOTICES**

- 20.1. Any notice under this Charter must be given in Writing.
- 20.2. Notice may be given to a Founding Member personally, by sending it by post in a prepaid envelope addressed to the Founding Member at the Founding Member's registered address, or by leaving it at that address.



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20.3. A person present, either in person or by proxy, at any meeting is taken to have received notice of the meeting.

20.4. Proof that an envelope containing a notice was properly addressed, prepaid and posted is conclusive evidence that the notice was given 48 hours after it was posted. A notice is taken to be given at the end of 48 hours after the envelope containing it was posted.

21. **INDEMNITY**

The Incorporated Organisation must indemnify a Founding Member, officer or Auditor of the Incorporated Organisation in relation to any liability incurred in defending any proceeding in relation to the Incorporated Organisation.

22. **AMENDMENT OF THIS CHARTER**

This Charter may only be amended by a Special Resolution of the Founding Members.



SCHEDULE 2: FINE LIMITS

Note: See rule 3.3.

2.1. Table of fine limits

The following table sets the maximum fines that may be imposed for certain Contraventions of the AIFC Non-profit Incorporated Organisations Regulations.

column 1 item	column 2 provision contravened	column 3 relevant section heading	column 4 maximum fine US\$
1	8	Prohibition against conducting certain activities	25,000
2	9(1)	Authorised Activities of Incorporated Organisations	25,000
3	10	Restrictions on Incorporated Organisations	10,000
4	16(1) or (3)	Registered office and conduct of activities	2,000
5	17	Particulars in communications	1,000
6	18	Name of Incorporated Organisation	1,000
7	19(1), (6) or (9)	Change of name	1,000
8	21(1)	Accounting Records of Incorporated Organisations	15,000
9	21(2)	Accounting Records of Incorporated Organisations	2,000
10	22	Accounts	5,000
11	25	Register of members	2,000
12	27	Board of Incorporated Organisation	2,000
13	36(1)	Obligation of disclosure to Registrar of Companies	5,000
14	37	Compliance with orders etc. of Registrar to Incorporated Organisations	25,000