

ARTSM

The Association for Road Traffic Safety and Management

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Confidential

JAN.2006 Amending and Replacing Objects and Rules dated March 2002

OBJECTS AND RULES

OBJECTS

1. The name of the Association is:
"THE ASSOCIATION FOR ROAD TRAFFIC SAFETY AND MANAGEMENT".
 2. The office of the Association will be situated in England.
 3. The objects for which the Association is established are:-
 - (a) To constitute, provide and maintain a central national organisation for those concerned with systems and products for the detection, measurement, guidance and control of road traffic.
 - (b) To consider and deal with all questions directly or indirectly connected with such matters.
 - (c) To collect and circulate facts, statistics and other information affecting the said matters by means of periodicals, pamphlets, libraries, bureaux or otherwise as may be deemed expedient.
 - (d) To endeavour to secure preferential terms for members in connection with exhibitions and advertising space in periodicals.
 - (e) To watch and report upon the progress and methods of similar trade in foreign countries and places.
 - (f) To promote and organise or assist in promoting and organising exhibitions in connection or associated with the Objects.
 - (g) To produce literature for the benefit of those concerned with the matters set out in 3(a) above.
- continued
- (h) To promote, foster and encourage co-operation, joint endeavour and mutual aid amongst the members of the Association and with outside persons, associations and

other bodies having interests and objects in common with the Association and its members.

- (i) To make proposals and representations on the objects of the Association to Governments and Government Departments, Local Government and other public bodies and authorities, and as far as possible secure the adoption of such proposals and representations, and to obtain representation and appoint representatives on government committees and other public bodies and authorities.

Provided always that the Association shall not make any agreement or recommendation or impose any obligation which would cause the Constitution of the Association to be registrable under the Restrictive Trade Practices Act, 1956.

RULES OF CONSTITUTION

1 MEMBERS

- (a) Membership shall be divided into four classes: -
 - Ordinary Members**
 - Non-Voting Members**
 - Affiliates**
 - Overseas Affiliates**
- (b) An **Ordinary Member** may be any company, or firm, or Central, Regional or Local Government Department in the United Kingdom which manufactures or supplies one or more components of road traffic signs and/or devices prescribed in the current Traffic Signs Regulations and General Directions or specially authorised by one or more of the Secretaries of State for Transport, Scotland and Wales , or such other systems or products for the detection, measurement, guidance or control of road traffic as the Executive Committee may agree (hereinafter called traffic products). Any such company or firm may not be a subsidiary of or owned by any other Ordinary Member. A company or firm established in the United Kingdom, which is the sole technical representative of an overseas manufacturer of an important traffic product being used in this country, may be admitted to this class of membership. An Ordinary Member shall be entitled to attend all meetings and to vote thereat and to receive all literature from the Association from time to time.
- (c) A **Non-Voting Member** may be a company or firm complying with the general terms of (b) above, but which is the parent or subsidiary company of, or a firm owned by an Ordinary Member. A non-voting member shall be entitled to attend and speak at all meetings of the Association without power to vote, and to receive all literature from the Association from time to time.
- (d) An **Affiliate** may be a company, partnership, or individual who practises as a Consultant in the field of traffic or transportation. Such Affiliates shall be entitled to all benefits of membership except that they shall not be entitled to vote.
- (e) An **Overseas Affiliate** may be a company, partnership or individual who practises the field of traffic or transportation outside the United Kingdom. Such Affiliates shall not be entitled to vote; they shall, however, be entitled to receive a copy of the Associations Circular letter.
- (f) Ordinary and Non-Voting Members shall agree, as a condition of their membership to:

- (i) comply with all relevant British and/or National Standards and/or customer's specification in the manufacture and supply of their goods
 - (ii) maintain a high standard of design and manufacture of products and uphold the highest commercial and professional ethics of sales and advertising activities
 - (iii) freely submit to an investigation as detailed in Rule 13 if it is alleged that they are in breach of the Rules and/or Obligations of Membership or if the Member Company has been convicted, in a Court of Law, for any offence committed against any law relating to good commercial and/or professional behaviour.
- (g) The Association shall have full power to nominate and elect as Honorary Members persons of eminence who, in their opinion, are eligible for that position. Honorary members may be invited to attend general meetings, but shall not be entitled to vote thereat and shall not be eligible to be Chairman or Vice Chairman of the Association.

2 CONDITIONS OF MEMBERSHIP

- (a) All new and existing member applicants shall be accredited under BS EN ISO 9000:2000
- (b) All new member applicants shall produce the last 2 years of audited or certified accounts as prescribed by company law and as relevant to the size of business. These accounts will be in the name of the business applying for membership.
- (c) All new member applicants will be subject to a Dunn & Bradstreet, or similar, commercial check at their expense. New applicants will be required to demonstrate that their company holds relevant Public and also Product Liability Insurances in accordance with current statutes. Existing members will be required to provide evidence on an annual basis to the Secretariat that these insurances are in place.
- (d) All existing and new member applicants to be encouraged to obtain ISO 14000 accreditation and Investors in People status.
- (e) All members who wish to undertake work on trunk roads to comply with the requirements of the appropriate Sector Scheme for Trunk roads. Time to be given to comply.
- (f) All new Member applicants to provide two trade references
- (g) Potential new members will be audited by the ARTSM Executive Committee and their nominated representative to demonstrate that they meet the standards of the industry sector in which they are operating.
- (h) Nominated Representatives in 2(g) will draw up a common check list in order to undertake the warranty check.
- (i) Application for membership shall be made to the General Secretary in writing on the appropriate form
- (j) A note of every application for membership shall be referred to all members for comments. The Executive Committee shall have full powers to accept or reject an application after considering any comments made by members.
- (k) Upon election to membership the name of a new member shall be notified to all members of the Association.

- (l) The Association reserves the right to reject any application for membership without having to give a reason for such rejection.

3 ENTRANCE FEES AND SUBSCRIPTIONS

- (a) The entrance fee, if any, to be payable by new members shall be decided by the Association at the Annual General Meeting (A.G.M.) and shall be applicable to new members who apply for membership after that date.
- (b) The annual subscriptions to the funds of the Association shall be fixed by the Association at the A.G.M.. An estimate of expenditure for the ensuing year shall be presented, and this amount, or any other amount that may be decided, shall be the basis for assessing the subscriptions for the next year to be paid by the members in each class of membership.
- (c) Any additional sums that may be required during the year to meet working expenses shall be fixed by the Association at an extraordinary general meeting in such manner as shall be decided at that meeting. The annual subscription fixed at the A.G.M. shall be for the year ending on 31st December of the following year, and shall become due and payable on the 1st January of that year.
- (d) In the case of any member who is elected after the 31st January in any year the subscription payable by the member for the financial year then current shall be payable immediately after election and shall be calculated pro rata for each month of membership inclusive of the month in which the membership is approved, the amount payable for each month being one-twelfth of the annual subscription which would have been payable by the member if his membership had existed for the complete financial year then current.
- (e) Any member who so wishes may pay the subscription by standing order in six equal monthly instalments, the first instalment being payable on the 1st January and the total amount payable being 5% above the normal cost of the appropriate subscription.

4 RETIREMENT AND/OR EXPULSION

- (a) Any member is entitled to retire from the Association after not less than 12 months from the date of admission by giving to the Secretary at least three months notice in writing. In such cases the Secretary shall advise all other members of the Association within seven days of receipt of such notices.
- (b) Every member shall adhere to all decisions taken by the Association until his membership ceases. He shall pay his annual subscription in respect of the year in which he gives notice to retire and, if membership continues into the subsequent year, for each month of that year into which his membership extends, but shall be under no further financial obligation save that he shall, for twelve months after retirement, be liable to contribute to the funds under rule 15(c).
- (c) Any firm ceasing for any reason to be a member of the Association shall have no claim on the funds, property or assets of the Association.
- (d) Any member of the Association going into bankruptcy, compounding with his creditors, making an assignment to his creditors, or going into liquidation, otherwise than for the purpose of reconstruction or amalgamation, shall forthwith cease to be a member of the Association.

- (e) Any member whose subscription has not been paid by 1st April (application for payment having duly been made) shall, without prejudice to his liabilities, if any, under these rules, automatically cease to be a member of the Association.
- (f) Any member may be suspended from the proceedings of any meeting by resolution of the members present and voting. A member may also on the recommendation of the Executive Committee be expelled from the Association, but such member shall have fourteen clear days' notice of the Association meeting at which his case is to be heard and he may make explanation but shall not be present at the discussion, nor vote, nor take part in the proceedings otherwise than as the Association may allow. In cases of suspension or expulsion the member concerned shall continue to be liable in the terms of clause 4(b).
- (g) The Executive Committee may reinstate to membership of the Association any past member of the Association upon such terms as it may decide.

5 MANAGEMENT AND CONTROL

- (a) The Management and control of the affairs of the Association shall be vested in an Executive Committee.
- (b) The Executive Committee shall consist of SIX representatives of Ordinary Members elected by the Ordinary Members. Each member of the Committee shall serve solely in his personal capacity but shall cease to be a member of the committee if his firm ceases to be a member of the Association or if he ceases to be employed by that member-firm. A member of the committee may be represented by a senior executive as a deputy at one meeting but not at two successive meetings. Each member of the Committee, or his representative, shall have one vote on committee matters except that the Chairman shall have, in addition to his ordinary vote, a casting vote.
- (c) The Executive Committee may co-opt up to three members, as and when required; co-opted members shall attend only the meetings to which they are invited and shall in any case retire at the next Annual General Meeting.
- (d) One of the elected members of the Executive Committee, excepting any Chairman elect, shall retire by rotation at the conclusion of each annual general meeting. The member who has served on the Committee for the longest uninterrupted period shall retire first; if two or more members have served on the Committee for an equal period the member to retire shall be decided by lot. In addition the member who has served for one year as immediate past Chairman shall retire from the Committee.
- (e) Vacancies caused by elected members going out of office under the preceding paragraph shall be filled by ballot of all Ordinary Members. The election of members shall take place before the annual general meeting each year and the members so elected shall hold office from the conclusion of the Annual General Meeting. The Secretary shall invite each Ordinary Member, excluding any whose representatives are members of the Executive Committee for the ensuing year, to name within seven days natural persons who are available for election to the Executive Committee. If the number of nominations exceeds the number of vacancies, the Secretary shall then issue to each Ordinary Member for postal vote the list of those candidates and invite each Ordinary Member to vote for the required number of candidates. The election shall be decided by a simple majority of the votes received by first post on the eighth day after posting the ballot papers. Any tie shall be decided by a casting vote of the Chairman. The member retiring by rotation shall be eligible for immediate re-election but the member

who has retired from the position of immediate past Chairman shall not be eligible for re-election for a further twelve months.

- (f) Any casual vacancy on the Executive Committee may be filled by the Executive Committee. The member so appointed shall retire at the next annual general meeting but shall be eligible for re-election.
- (g) The continuing members of the Executive Committee may act notwithstanding any vacancy in their body, but if and so long as the number of members of the Executive Committee is reduced below the number fixed as the necessary quorum, the continuing members may act for the purpose of increasing the number of members of the Executive Committee or of summoning a general meeting of the Association but for no other purpose.
- (h) The quorum for any meeting of the Executive Committee shall be not less than two of the elected members plus either Chairman or Vice Chairman.
- (i) The Executive Committee may make such rules for the conduct of its business as it sees fit.
- (j) The Executive Committee shall elect from among their members a Chairman and a Vice Chairman of the Association who shall hold their respective offices for one year, but may be re-elected provided that the Chairman shall not hold office for more than two consecutive years.
- (k) It shall be the duty of the Executive Committee to report to members after each meeting of the committee such matters of general interest as have come before them.

6 OFFICERS

The Chief Executive Officer of the Association shall be called "the General Secretary and Administrator" . The General Secretary shall be appointed by the Executive Committee for such time, at such remuneration and upon such conditions as they may think fit, and any official so appointed may be removed by them.

7 FINANCE

- (a) The Executive Committee shall cause true accounts to be kept of the receipts and expenditure of the Association and such accounts shall be kept at the offices of the Association and, subject to any reasonable restrictions as to time and manner of inspecting, be open to inspection by members, with the exception of the register of subscriptions which shall not be open to inspection.
- (b) The financial year shall begin on 1st January and end on 31st December in each year.
- (c) The Chairman, Vice Chairman and General Secretary for the time being shall be the trustees of the income and property of the Association with power to open and operate the Association's banking account in accordance with the following provisions:
 - (i) Working expenses shall be defrayed from the annual subscriptions of members, but in the event of funds so obtained being insufficient to meet the working expenses, or any extraordinary expenses, further contributions for the ascertained balance shall be made in a manner to be decided by members in general meeting.
 - (ii) All monies received shall be lodged with a bank approved by the Association in general meeting, in an account named "The Association for Road Traffic Safety and

Management". All cheques drawn thereon shall be signed jointly by any two of the following i.e. the General Secretary, the Chairman and any one member of the Executive Committee. All cheques and moneys lodged in the account shall be endorsed by any one of the above.

- (iii) At the annual general meeting in each year the Executive Committee shall submit audited accounts for the past year.

8 ANNUAL REPORT

The work of the Association shall be the subject of an annual report which shall be submitted by the Executive Committee to the Association at the annual general meeting.

9 MEETINGS OF THE ASSOCIATION

(a) Annual General Meeting

The Annual General Meeting of the Association shall be held in March of each year or at such other time as the Executive Committee may determine. Not less than fourteen clear days' notice of the annual general meeting shall be given to each member with an agenda of the business to be discussed.

The business of the Annual General Meeting shall be to receive the annual report and audited accounts for the past year, to elect auditors, to receive the names of those elected to the Executive Committee and offices of the Association, and any other competent business.

(b) General Meetings

An extraordinary general meeting may be called at any time by the General Secretary at the direction of the Chairman or the Executive Committee or on demand of not less than five of the Ordinary Members of the Association, subject to not less than fourteen days' notice to all members, accompanied by an agenda setting out the business for which such meeting is called. Ordinary meetings may be called at any time by the General Secretary at the direction of the Chairman or the Executive Committee, subject to not less than fourteen days' notice to all members accompanied by an agenda of the business to be discussed.

10 PROCEEDINGS AT MEETINGS OF THE ASSOCIATION

- (a) Five Ordinary Members present in person at the commencement of the business of the meeting shall form a quorum at all general meetings of the Association.
- (b) Every delegate shall write his name and the member he represents on an attendance list provided for the purpose, and if there is more than one delegate per member, the delegate who is to vote on behalf of the member shall so indicate.
- (c) If within half-an-hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the following week at the same time and place, and if at such adjourned meeting a quorum is not present, the members then present shall be sufficient quorum.
- (d) The Chairman of the Association or, in his absence, the Vice Chairman of the Association shall preside as Chairman at every meeting of the Association, and in the absence of both, a Chairman shall be elected from those present and be entitled to a casting vote at such meeting.

- (e) The Chairman may, with the consent of the meeting, adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. No poll may be demanded on any resolution for adjournment.
- (f) Each Ordinary Member present shall be entitled to one vote at all annual general or extraordinary general or ordinary meetings of the Association. Non-Voting members, and affiliates, including overseas Affiliates, shall not be entitled to vote.
- (g) Every question submitted to a meeting shall be decided in the first instance by a show of hands and in the case of an equality of votes the Chairman shall, both on a show of hands and at the poll if demanded, have a casting vote in addition to the vote to which he is entitled as a member.
- (h) At any meeting, unless it be an annual general or an extraordinary general meeting, a declaration by the Chairman that a resolution has been carried or carried by a particular majority or lost or not carried by a particular majority, together with an entry to that effect in the minutes of the Association, shall be conclusive evidence of the decision. If a poll is then demanded by three Ordinary Members present, the meeting shall appoint two scrutineers, and the procedure in (i) below shall apply.
- (i) If a poll has been demanded in the manner aforesaid at the meeting at which the resolution in question shall have been put to the vote, the secretary shall send as soon as practicable to each Ordinary Member a voting paper prepared in accordance with a form to be approved by the Chairman and Vice Chairman of the Association, stating the questions voted upon at such meeting and a time (not being more than fourteen days after the date of issue of the form) within which the voting paper, duly completed and signed by the member voting, is to be returned to and received at the office of the Association. Within three days after the time for the return of the forms, the two members of the Association nominated by the meeting to act as scrutineers shall declare the result of the voting and scrutiny by notice in writing to be handed to the General Secretary, or in his absence to a responsible servant of the Association at the Association's office. This decision shall be final. The result of such polling shall be deemed to be the resolution of the Association in general meeting, and members notified accordingly.

11 RESOLUTIONS

- (a) All resolutions to change the objects or rules of the Association shall require a majority of three-fourths of those members present and voting.
- (b) At any general meeting of the Association the Ordinary Members may resolve, subject to a majority of three-fourths of those present and voting, to commit each Ordinary Member of the Association to the expenditure of up to £10 per item, subject to a maximum of £25 per member in any financial year, on any project for which provision has not been made in the estimate of expenditure for that financial year, as presented at the preceding autumn ordinary meeting, provided that due notice has been given in the agenda for the meeting at which the matter is to be discussed.
- (c) All other resolutions shall require a simple majority of those present and voting.

12. INDEMNITY

The Chairman, Vice Chairman and members of any committee, and the other officers for the time being of the Association shall be indemnified out of the funds of the Association against all costs,

charges, losses, damages and expenses which they shall respectively incur or sustain on account of any act, deed, matter or thing which shall be concurred in, or omitted by them, respectively in or about the bona fide execution of their duty in their respective offices; and shall be reimbursed by the Association all reasonable expenses incurred by them in or about any legal proceedings or arbitration on account of the Association, or otherwise, in the execution of their respective offices - except such costs losses and expenses as shall happen through their respective wilful acts, neglect or defaults - and none of them shall be chargeable for any money which he shall not actually receive, or be answerable for the act, receipt, neglect or default of any other member of the Association, or officer, or trustee, or any banker, broker, collector, agent or other person appointed by the Association, or such trustees (as the case may be) with whom or into whose hands any property, funds or monies of the Association may be deposited or come: or for the insufficiency of any security or investment in, or upon, which any of the moneys of the Association shall be invested by order of the Association, or for any loss or damage which may happen in the execution of his office - unless the same shall happen through his own wilful act, neglect or default.

13 BREACH OF RULES AND/OR OBLIGATIONS OF MEMBERSHIP

Any alleged infringement of the Rules or obligations of membership or any complaint against any member in connection with his membership of the Association, shall be reported to the Executive Committee, and if they see fit shall be communicated in due form by them to the member against whom the complaint is made with a request for an explanation.

The Executive Committee shall have the right to call for, and the member shall submit within fourteen days, all correspondence and relevant documents to enable a complete investigation to be made, even if such correspondence relates to apparatus or material other than systems or products as referred to in Rule 1(b), provided it is relevant to the investigation.

On completing their investigation the Executive Committee may at their discretion submit a full report thereon to the Association and if they do so shall send a copy to the member whose action has been investigated. On receipt of such report, that member shall make a reply in writing within fourteen days and on receipt of such reply, or failure to reply within fourteen days, the Association shall consider and determine any further action to be taken on the matter.

14 INTERPRETATION OF THE RULES AND OBLIGATIONS OF MEMBERSHIP

In the event of any member having doubt as to the meaning of any of the rules or obligations of membership, he should apply to the Executive Committee for a ruling. Where the issue is one of major importance the committee shall circulate their ruling to all the members and such ruling shall be accepted and acted upon by all members unless and until amended or rescinded by a decision of the Association.

15 DURATION

- (a) The Association shall continue until dissolved by resolution of a meeting of the Association specially called for the purpose, provided that not less than thirty days' notice shall have been given to all members and that not less than three-fourths of all members present and voting vote in favour of such resolution at the meeting.
- (b) In the event of such dissolution, the property of the Association shall, after discharging all liabilities and the costs of winding up, be divided between the members pro rata to the current year's subscription.

- (c) If the funds of the Association on dissolution shall prove insufficient to meet the Association's debts, liabilities and the expense of winding-up, the deficiency shall be contributed by all members or past members under Rule 4(b), in proportion to subscriptions last payable.

16 CONFIDENTIALITY

The rules and obligations of membership and all information, whether oral or documentary, which it shall be necessary for members to disclose to each other or to the Executive Committee at any time, including all discussions and resolutions at meetings of the members, shall be deemed to have been disclosed in strictest confidence.

OBLIGATIONS OF MEMBERSHIP

The obligations of membership herein contained and any alteration or additions thereto which may be made from time to time shall be binding on and be observed, in letter and spirit, by all members, and the work "member" or "membership" shall be construed as in clause 1(a).