



IPLOCA By-laws

1 PREAMBLE

1.1 Name: the name of the Association shall be the "International Pipe Line and Offshore Contractors Association" (hereinafter referred to as the "Association" or "IPLOCA").

1.2 Offices: the Registered Office and the Secretariat of the Association shall be in Geneva, Switzerland.

1.3 Geographical Spread: the Association shall draw its membership from all parts of the world.

1.4 Not for Profit Association: IPLOCA is a "not for profit" association constituted pursuant to article 60 ff of the Swiss Civil Code.

1.5 Funding the Association: the Association shall be funded from annual membership dues, interests on deposits, revenues from publications and revenues from conference activities of the Association.

2 OBJECTIVES

The Association shall have certain objectives. There are ten objectives of the Association.

These are as follows:

Objective 1: to promote, foster and develop the science and practice of constructing onshore and offshore pipelines and associated process engineering facilities.

Objective 2: to make membership of the Association a reasonable assurance of the skill, integrity, performance, and good faith of its members, and more generally to promote good faith and professional ethics in industry.

Objective 3: to maintain the standards of the contracting business for onshore and offshore pipelines and associated process engineering facilities at the highest professional level.

Objective 4: to promote safety and develop methods for the reduction and elimination of accidents and injuries to contractors' employees within the industry, and all those engaged in, or affected by, operations and work.

Objective 5: to promote measures and practices for the

protection of the environment and contribute to social, cultural and environmental development programs in Switzerland and wherever the membership of the Association is active.

Objective 6: to promote good and co-operative relationships amongst the membership of the Association as well as between the membership and other non-member contractors, owners, operators, statutory and other organisations and the general public.

Objective 7: to encourage efficiency amongst the members of the Association and their employees.

Objective 8: to put an end to any injurious, discriminatory or unfair business practices which may be conducted by or against the members of the Association.

Objective 9: to promote competition in the interests of a market economy based on liberal principles in Switzerland and wherever the membership of the Association is active, and in doing so, to comply with the Federal Act on Cartels and other restraints of Competition (Cartel Act, Cart A) 6 October 1995 of the Swiss Laws and with those of any other country or group of countries which are applicable to the different member categories.

Objective 10: to maintain and develop good relations with our Sister Associations within the industry as well as Associations allied to the industry and play a leading role in the World Federation of Pipeline Industry Associations.

3 MEMBERSHIP CATEGORIES

3.1 Regular Members

A corporate body shall be eligible to be a Regular Member provided:

3.1.1

It is a contracting company with at least three years' experience in the execution of onshore and/or offshore pipeline projects and/or distribution pipeline projects and/or the execution of associated process engineering projects.

3.1.2

It operates on a competitive basis, either on its own or as a major subcontractor, has an established reputation for skill, integrity and responsibility and can demonstrate its commitment to the pipeline and/or related process engineering construction Industry.

The Regular Members shall be grouped in Geographic Regions (currently eight Geographic Regions) with the composition of such Geographic Regions being subject to review from time to time from the standpoint of maintaining a proper and true representation from wherever the membership of the Association is active.

3.2 Associate Members

A corporate body shall be eligible for Associate Membership provided:

3.2.1

It has at least three years' experience in providing services, equipment, materials, tools or supplies on a competitive basis for the construction, rehabilitation or maintenance of onshore and/or offshore pipelines and/or associated process engineering facilities.

3.2.2

It operates on a competitive basis, has an established reputation for skill, integrity and responsibility, and is of good financial standing.

Note: Associate Members shall be grouped in Geographic Regions for administrative purposes only.

3.3 Academic Members

Universities and research institutions whose activities encompass research and/or the study of pipes, materials, tools, supplies, welding, coating, testing and the modus operandi associated with onshore and/or offshore pipelines and/or associated process engineering facilities may be invited to take up Academic Membership of the Association by a simple majority resolution of the Board of Directors: an Academic Member is not eligible to be elected to the Board of Directors nor is any such Academic Member entitled to attend at any General Meeting of the Association.

3.4 Honorary Members

Any individual who has performed distinguished service to the onshore or offshore pipeline industry and/or to the Association may be invited to take up Honorary Membership of the Association if such a proposal is sponsored in writing by at least five Regular Members each having at least five years Regular Membership and subject to a two-thirds Majority Resolution of the Board of Directors with such resolution to be by secret ballot: an Honorary Member is not eligible to be elected to the Board.

3.5 Corresponding Members

Oil & gas onshore and offshore owners and/or operators of pipeline systems and associated facilities, who have an interest in the work of the Association and a willingness to benefit from a whole range of technical guidance and briefings produced by the Association, may become Corresponding Members by

simple written application to the Executive Secretary of the Association followed by approval by simple majority resolution of the Board of Directors.

4. APPLICATIONS FOR MEMBERSHIP

4.1

Two Regular Members of at least two years good standing shall sponsor all Applications for membership.

4.2

All applications shall be submitted in writing to the Executive Secretary of the Association in the format prescribed by the Board.

4.3

The Board shall consider and vote on each application and shall determine the membership category to which the applicant is eligible. Election to membership shall be by a majority vote of the Board. The Board may, at its sole discretion, reject any application without stating any reason for doing so.

5 REPRESENTATIVES OF MEMBERS

5.1

Each Regular Member, Associate Member, Corresponding Member and Academic Member shall nominate by written notice to the Executive Secretary the name of a person who shall be its representative: any such member may change its representative at any time upon notification to the Executive Secretary.

5.2

Representatives shall receive on behalf of such member all correspondence, invoices, newsletters, and any other material whatsoever dealing with the affairs of the Association, and shall be responsible for the dissemination of information relating to the Association to the Member.

6 CHANGES TO NAME OR OWNERSHIP OF MEMBER

In the event that a member changes its name or ownership details, the member shall at once notify the Executive Secretary. The member shall demonstrate to the Board that its eligibility for membership, as defined herein, remains acceptable. If agreed by the Board, the new name or ownership details shall be entered in the Association's records without affecting the standing of the member or its representative, providing always that the current dues have been paid.

7 CESSATION OF MEMBERSHIP

Membership shall cease on the resignation of a Regular Member, Associate Member, Corresponding Member, Academic Member or Honorary Member, which may be at any time, or on insolvency of a Regular Member, an Associate Member, Corresponding Member or Academic Member, or on a Regular Member, Associate Member, Corresponding Member or Academic Member retiring from the contracting business relevant to the objectives of the Association, or otherwise no longer meeting membership eligibility requirements, or on non-payment of dues where appropriate. In all cases the member shall be liable to the Association for the full payment of dues relating to the year in which membership ceases.

8 ANNUAL AND SPECIAL GENERAL MEETINGS

8.1 Organisation of the Association

The organisation of the Association shall be comprised of the Annual General Meeting, and Special General Meetings, the Board of Directors and the Executive Committee. The day-to-day administration of the Association shall be conducted by an Executive Secretary and supporting staff.

8.2 Annual General Meeting

8.2.1

The Annual General Meeting ("AGM") shall be attended by the Regular Members that have paid their annual membership dues at least one day before the AGM and shall be the highest authority of the Association.

8.2.2

The following business shall be transacted at the AGM: election of the Board of Directors, review of the Treasurer's report and the annual accounts, appointment of auditors for the next accounting year, approval of any amendments of the By-laws; and dealing with any other matters arising which have been placed before the AGM by the President of the Association, or on the written request of three Regular Members.

8.2.3

The business of the AGM may also include the dissolution of the Association.

8.2.4

The AGM of the Association shall be held during the annual convention on a day and time to be determined by the Board.

8.3 Special General Meetings

A Special General Meeting ("SGM") may be called at any time by the President or the Board or upon the written request to the Executive Secretary by not less than ten Regular Members,

whose current annual dues have been paid. SGMs shall deal only with the matter or matters for which they have been called.

8.4 Attendance and Voting

8.4.1

All members shall be eligible to attend all AGMs and SGMs but, only Regular Members shall be entitled to attend and vote at AGMs or SGMs by way of a voting procedure subject to the requirement that a Regular Member shall be eligible to vote only if that Regular Member has paid its annual membership dues at least one day before the AGM.

8.4.2

Any Regular Member who has announced prior to one day before the Annual General Meeting that it wishes to relinquish its membership for the coming year, shall not be eligible to cast a vote.

8.4.3

Each Regular Member will be allowed one vote. Proposals or resolutions shall be decided by simple majority of the Regular Members present, except as provided herein.

8.5 Notice of Meetings

Thirty days' notice shall be given to members of every General Meeting (AGM and SGM). The notice will include details of the business to be transacted at such General Meeting.

8.6 Quorum at General Meetings

The Quorum at any General Meeting shall be twenty-five Regular Members present.

8.7 Other Meetings

The Association may hold other meetings at any time for the discussion of subjects of interest to the Association, and for the presentation of lectures, addresses or papers.

However, no decisions binding on the Association can be made at these meetings.

9 BOARD OF DIRECTORS

9.1 Board of Directors

The overall management and affairs of the Association shall be vested in and conducted by a board of directors elected by the Regular Members and Associate Members. The term of office of a Board shall be from the completion of one AGM to the completion of the next.

9.2 Number of Directors

The minimum number of directors shall be twelve and the maximum number of directors shall be twenty-five. There shall be a minimum of nine directors elected from amongst the Regular

Members and there may be up to three directors elected from amongst the Associate Members; the Board of Directors may also appoint up to five Directors-at-Large and the Immediate Past President shall be an ex-officio member of the Board for the year immediately following his or her Presidency.

9.3 Eligibility for Election to the Board of Directors

9.3.1

Owners or senior executives of Regular Members shall be eligible for election to the Board of Directors.

9.3.2

Owners or senior executives of Associate Members shall be eligible for election to the Board of Directors.

9.3.3

Academic Members and Corresponding Members may also be co-opted to the committees of the Board to provide specific expertise as and when required.

9.4 Election of Directors

9.4.1

Directors shall be elected annually prior to the AGM. The directors shall be approved and confirmed by a simple majority vote of the Regular Members at the AGM.

9.4.2

In the event that the AGM does not approve any particular nomination, further nominations shall be proposed and seconded, and voted on at the AGM.

9.4.3

Directors-at-Large shall be appointed by the Executive Committee, subject to the approval of the Board of Directors.

9.4.4

The term of office of each director (elected or appointed) shall be not more than two consecutive years, except in the case of a director who has been appointed an officer of the Association, and provided in all cases that any such director continues to be an appointed Regular Member's representative and except in the case of Directors-at-Large who, with a two-thirds majority resolution of the Board of Directors, may be eligible for appointment for two consecutive two year periods; then, in such circumstances, such Director-at-Large shall be ineligible for appointment for the following two year period.

9.4.5

The Regular Members shall be grouped into Geographic Regions. Representatives of fully paid up Regular Members in any one Region shall elect only directors to the Board from Regular

Members of that Geographic Region. All Geographic Regions may elect up to two directors to the Board.

9.4.6

In case the membership of a certain Geographic Region decreases to less than five Regular Members being eligible to cast their vote for the election of directors to the Board of Directors, then this Geographic Region shall thereupon be entitled to elect only one director to the Board.

9.5 Proxies

9.5.1

In the event that a Regular Member's representative does not attend a General Meeting such representative may assign his or her voting right to a representative of another Regular Member by written proxy. To be valid the proxy must be filed with the Executive Secretary at least one month prior to the General Meeting.

9.5.2

In the event that a Regular or Associate Member's representative does not attend an Election Meeting such representative may assign his or her voting right to a representative of another member, from their electoral field, by written proxy. To be valid the proxy must be filed with the Executive Secretary at least ten days prior to the Election Meeting.

9.6 Times of Nomination for Election to Board of Directors

All nominations shall be submitted in writing to the Executive Secretary not later than 30 days preceding the AGM. It is the duty of the incumbent directors to ensure that consultations with as many members as is conveniently possible take place relating to the question of nominations.

9.7 Vacancies

If a vacancy occurs on the Board through death, resignation, absence of candidates for election or cessation of a director's representative status, the Board may appoint a substitute director from amongst the Regular Members or Associate Members as they may decide. This substitution is valid until the next AGM.

9.8 Board Member Commitment

The board members are expected to actively participate in the affairs of the Association. Should any director not so participate, then the Board has the right to require the resignation of that director and to appoint a substitute director from amongst the Regular Members or Associate Members as they may decide.

9.9 Board Meetings

9.9.1

The Board of Directors shall meet before and after each AGM, and on at least three other occasions during a year at places

of their choice. It shall also meet at any time or place upon call by the President, or upon the written request to the Executive Secretary by four members of the Board. The Board of Directors can also meet in person or at their discretion by teleconference.

9.9.2

A quorum for a valid Board Meeting shall be a majority of the Board.

9.9.3

The Board may also act by correspondence in the following manner. The President of the Association may submit a proposal in writing to each member of the Board and request a written vote on a particular proposal. The Executive Secretary shall then tabulate such written votes and if sufficient votes are received to constitute a quorum, the votes shall be considered an official action of the Board of Directors on the submitted proposal. It is the duty of the directors to cast such votes in a timely fashion.

9.9.4

In the event of a deadlock in voting, the President shall have a casting vote (except on those matters requiring a two thirds majority). Proposals or resolutions shall be decided by a simple majority of those present, except for those matters requiring a two thirds majority.

9.10 Committees of the Board

The Board may from time to time appoint such committees as it deems appropriate to investigate any matter, to carry out agreed studies and to assist in the running of the affairs of the Association. A director, where possible, shall chair each committee. Members of the committee may otherwise be drawn from the total membership. The Executive Secretary may have a seat on respective committees. All decisions taken by committees shall be subject to the approval of the Board.

9.11 Administrative Rules

The Board shall conduct the affairs of the Association in compliance with these By-laws. The Board may make further administrative rules and/or prepare administrative manuals as it may deem desirable to facilitate the Association's own or its employees' management; but, in any event these rules or manuals shall not conflict with these By-Laws.

10 MANAGEMENT OF THE ASSOCIATION

10.1 Officers of the Association and Executive Committee

10.1.1

The officers of the Association shall be directors of the Board and shall be representatives of Regular Members. The officers shall be the President, the First Vice President, the Second Vice President, the Treasurer and the Immediate Past President.

They will collectively form the Executive Committee. Any recommendations of the Executive Committee to the Board must have the endorsement of the President.

10.1.2

It is preferable that the President, the First and Second Vice Presidents and the retiring President shall be from different regions. However, this is not mandatory.

10.1.3

At the first meeting of the newly elected Board after the AGM, the retiring President shall take the chair and shall table the proposed names of the President, First Vice President, Second Vice President and Treasurer for the forthcoming year. Election shall be by majority vote of the Board of Directors. On election, the new President shall preside, and the retiring President shall become the Immediate Past President.

10.1.4

The elected officers shall serve a minimum period of one year, or until their successor is elected.

10.1.5

The term of office of the President is one year. Unless agreed otherwise by the decision of a simple majority resolution of the Board of Directors, no director can become eligible to be President before having served two years on the Board, attended at least six Board Meetings and served one year as First Vice President.

10.1.6

No Regular Member, once having held the presidency, may hold it again before six years have elapsed. Unless otherwise decided by a simple majority resolution of the Board of Directors no individual representative may serve twice as President. No directors may serve as directors any longer than six consecutive years.

10.1.7

In extraordinary circumstances, a president may be appointed by a majority of the full Board.

10.2 Duties of Officers

10.2.1

The President shall preside at all meetings of the directors and at all General Meetings, chair the Executive Committee, maintain and further the objectives of the Association and perform such other duties incidental to his or her office, or which are delegated to him or her by the Board.

10.2.2

The First Vice President shall sit on the Executive Committee and chair it in the absence of the President.

10.2.3

In the event of the death or resignation of the President, the First Vice President shall succeed as President, and the Second Vice President shall succeed as First Vice President. Succession shall not count as election.

10.2.4

The Treasurer shall advise the Board on, and supervise the finances of the Association and the accounting function. The Treasurer shall have responsibility for overseeing the preparation of the annual accounts and annual report for the approval of the Board and submission to the AGM, advising the Board on the levels of the annual dues, and Convention registration fees and sitting on the Executive Committee.

10.3 Executive Secretary

The Executive Committee shall appoint the Executive Secretary of the Association by simple majority resolution of the Board of Directors. The Executive Secretary shall be engaged in accordance with the terms, conditions and remuneration set forth in a contract agreed by the President and approved by the then Board of Directors.

10.4 Staff of the Association and Consultants

The Executive Committee shall appoint staff and consultants as it may deem necessary from time to time, to assist the Committee, Board, and the Executive Secretary in the smooth and efficient running of the Association's business. The Executive Committee shall determine, and the Board shall approve, the terms, conditions of employment and remuneration of all staff.

10.5 Signature Rights

The Executive Secretary, individually or jointly with other Secretariat staff and officers of the Board of Directors of the Association, will have signature rights as per the limitations defined by the Board of Directors. No other representative of a member of the Association, or any third party, individually or jointly, shall have signature rights.

11 CONVENTIONS

11.1 Location

The Association shall hold an annual convention. The form and format of the convention shall be determined by the Board. The Board shall decide the date and place of the following year's convention not later than at its Board Meeting prior to the AGM.

11.2 Attendance

Delegates who are eligible to attend the annual convention, which may include guests and spouses, shall register with the Association's Secretariat not later than the date prescribed on the registration system. The Board, at its sole discretion, shall decide

on the number of, and which, applications shall be acceptable. Due regard shall be given to Regular Members, Associate Members or Corresponding Members sponsoring functions or activities and to a fair distribution throughout all regions. All members shall be entitled to register at least one representative to attend the convention. In addition, all former Presidents and Honorary Members shall be entitled to attend. No consideration shall be given to applications from Regular Members or Associate Members whose current annual subscriptions have not been paid.

11.3 Hotel Bills

All members shall be liable for their own hotel bills, and for those of their guests, whether the reservation has been made through the Association or not, and shall remain liable if the reservation has not been taken up.

11.4 Sister Associations

The Association's Sister Associations who are members of the World Federation of Pipe Line Industry Associations (WFPIA), as listed in the IPLOCA Yearbook, may register to attend the convention.

12 DUES

12.1 Payment of Dues

The annual dues for Regular Members and Associate Members shall not exceed the maximum as at present proposed by the Board and approved by the AGM. Amendments to the maximum amount shall be subject to approval by the AGM. The Board at its sole discretion shall determine each year the annual membership dues and the registration fees for the annual convention. All memberships confirmed by the Board are subject to a Joining Fee equal to the membership fee. All such dues shall be payable to the Secretariat of the Association. The members shall not be personally liable for the Association's debts. The Association's liability is limited to the Association's assets.

12.2 Due Date

The annual dues shall become payable on 1 January and shall be paid within 90 days, unless a notification of resignation is received in writing 15 days prior to the previous year's end. The registration fee shall be paid not later than 30 days before the start date of the annual convention. Corresponding Members, Honorary Members and Academic Members do not have to pay the annual dues.

12.3 Non-Payment of Dues

A written reminder shall be sent by the Executive Secretary to all Regular Members and Associate Members whose annual dues remain unpaid 90 days after the due date. If full payment is not made within a further 30 days, that is 120 days after the due date, membership shall terminate automatically, unless, on written application of a Regular Member or Associate Member, the Board, at its sole discretion, may extend the time for payment to

a maximum of 180 days after the due date. Failure to pay within the extended period shall also result in automatic termination of membership.

In exceptional circumstances beyond the control of one or more members, following a written request providing reasons from a member, the Board may at its sole discretion decide to defer these payment terms.

No previous Regular Member or Associate Member shall be reconsidered for readmission unless and until all past outstanding dues have been paid.

13 DISCIPLINE

If the Board is of the opinion that it has cause to complain of a member's conduct as being injurious and prejudicial to the best interests and objectives of the Association, or if it receives a written complaint from a member or from any other reputable body, or from a statutory or other organisation, that a member may have so conducted itself, then the Board shall give the member an opportunity to answer the complaint in writing and shall further investigate the matter, as it thinks fit. The Board shall then either by simple majority resolution of the Board, take no further action or alternatively admonish the member.

By a two thirds majority resolution of the Board, the Board may recommend the expulsion of the member. In the latter case, the member shall be invited in writing to resign within thirty days. If no letter of resignation is received within the thirty day period, the member shall be expelled by notice in writing.

The member shall have the right of appeal to the membership as a whole against the Board's expulsion, which right shall be exercised within the aforesaid thirty day period.

If the member elects to appeal, the facts shall be circulated to all members. A secret vote shall be taken of the Regular Members at the Annual General Meeting or Special General Meeting and a two thirds majority shall be required to nullify the action of the Board.

14 ACCOUNTING YEAR

The accounting year shall be from 1st of January to 31st of December. The annual accounts shall be made, the audit completed and the audit report presented to the Board no later than the end of May. The accounts shall be kept in English and as per Swiss Law.

15 EMBLEM OR LOGO

Regular Members, Associate Members, Corresponding Members and Academic Members shall be entitled to use the emblem or logo of the Association. Copies of the precise design, the pantone colours to be used and the guidelines shall be available from the Secretariat.

16 ARTICLES AND BY-LAWS OBJECTIVES

Any revision or amendment to the By-laws of the Association can only be made by a two thirds majority resolution of the Board and subsequent approval by the Regular Members at the AGM.

17 LANGUAGE

The official language of the Association is English, for communication, correspondence, accounting and in the conduct of its affairs. Should translation of documents be provided, only the English language text shall prevail.

18 DISSOLUTION

The Association shall be dissolved by decision of a SGM, specially called to that effect, taken at a majority vote of two thirds of the present or represented Regular Members. In case of dissolution, the available assets, once the liabilities have been settled, shall be transferred to an institution having a similar purpose as the association or to a charity. A transfer of assets to members as well as any use of assets for their benefit, irrespective of the amount and the reason therefore, is excluded.

19 LITIGATION

Any dispute arising during the life of the Association or during its dissolution either between the members of the Association and its management or between the members and the Association or between the members themselves as a consequence of the Association's activity shall first be brought to mediation, the mediator being appointed by the Board of Directors. If mediation fails, the dispute shall be decided upon by the courts of the Canton of Geneva. Swiss law shall be applicable in all cases.

20 FINAL ARRANGEMENTS

These By-laws shall take effect on 30 September 2017.

Juan Arzuaga
Executive Secretary

Rubén Uri
IPLOCA President 2016-2017