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RULES AND REGULATIONS OF THE ASSOCIATION OF AFRICAN REFINERS

In accordance with Article 10 of the Constitution of the African Refiners Association (hereafter ARA): The operation of the ARA is provided for in "Rules and Regulations" first approved by the General Meeting.

In its capacity established by the Constitution (art. 5.2.2. lit. i), the Executive Committee of the ARA formulates the following Rules and Regulations:

Article 1: Subject matter

1.1 The objective of the Rules and Regulations is to regulate the running of the ARA. They therefore define and complete the Constitution. The jurisdiction of the Rules and Regulations is established in accordance with the Constitution of the ARA.

In case of contradiction or difficulty of interpretation between a clause of the Constitution and a clause of the Rules and Regulations, the Constitutional clause prevails.

Article 2: Registered Office, Operational Headquarters and Coordination

In accordance with article 2 of the Constitution, the registered office of the ARA is in Geneva (Switzerland). To ensure its continued operational and administrative functions, the ARA has created an Operational Headquarters in Abidjan (Cote d'Ivoire), which is available to the Executive Secretary to carry out his/her tasks. The ARA therefore has two main bases, one in Geneva (Switzerland), the other in Abidjan (Cote d'Ivoire). These coordinate their functions and exchange any information sent or received which impacts on the running of the ARA. More specifically, the ARA watches that the flow of information does not suffer any failure of any kind. It therefore ensures transparency and traceability. The acts, actions, decisions, activities of one base must be passed on to the other base. Passing on the information may happen promptly, periodically (monthly/quarterly/biannual activity reports) or at meetings such as the Executive Committee meetings.

In any case, the annual activity report presented to the AGM for approval must list all the important activities led by either base during the past year.

Article 3: Members

Membership/Application

3.1 The ARA comprises Members.

A candidate wishing to become a Member must request membership in writing to the Operational Headquarters (OH) of the ARA. If the candidate fulfills the criteria set out in article 4.2 lit a) or b) of the Constitution, an application form will be sent to it by the Operational Headquarters. If the candidate does not fulfill the criteria, a proposal of membership will be included on the

agenda of an Executive Committee meeting. There, a ruling will be given and its decision will be communicated to the candidate via the Operational Headquarters.

An application will be accepted if it obtains a majority vote from the Members present or represented of the Executive Committee. It is a vote by show of hands.

A candidate invited to join the ARA as a Member must complete and sign a membership form of the ARA in which it commits to pay the annual membership subscription and to comply with the Ethical Charter, which it receives at the same time. The application form is then passed on to the Executive Committee for scrutiny and decision, via the Operational Headquarters.

- 3.3 The Member shall pay the amount of the annual fee within 30 days of receipt of the invoice relating thereto. Upon proposal by the Executive Secretary, the Executive Committee, with approval from two thirds (2/3) of its Members present may suspend temporarily the obligation of a Member to pay a subscription if it is experiencing temporary financial difficulties expressed in writing. In the circumstances, the Member continues to enjoy its membership attributes. It is however not freed from paying or reimbursing fees in arrears and remains a debtor of the ARA.

In the other cases, by an Executive Committee absolute majority decision, the Member who, despite reminders, has not paid its subscription for the past two years, may be barred, not only from voting at the AGM but also from taking part in the activities and events organized by the ARA, except for charged training. The Member may not recover all its social prerogatives only if it has paid all its debt to ARA.

- 3.4 The Exit procedure for a Member is ruled by articles 4.4 and 4.5 of the Constitution.

If a Member is declared bankrupt or in liquidation, the ARA may request via the Executive Committee that this Member resigns from the Association. However, the Member may retain its membership if it proves that it plans to restart operations within a short time. The Executive Committee shall then decide whether or not to maintain the status of Member.

Representation

- 3.6 The Member shall designate a representative, who is a natural person. The Member is required to disclose the identity of the Representative to the Operational Headquarters for its participation in the General Meeting.

- 3.7 Any Member changing its Representative shall immediately inform the Operational Headquarters accordingly.

If the representative is not available to attend the General Meeting, the Member may nominate a Delegate whose exact identity must be given to the Operational Headquarters, at the latest on the eve of the General Meeting.

- 3.9 A delegation may accompany the Representative or Delegate of a Member to the AGM. The Delegation is limited to a maximum of four (4) people. These people must necessarily be members of the same legal entity. Their identity must be communicated to the Operational Headquarters no later than 30 (thirty) days of the General Meeting.

- 3.10 A Member who cannot attend the AGM may be represented by a third party (Third Party Representative). This person must hold a proxy form empowering him/her to take part in the AGM and to vote on behalf of the represented Member. The proxy form must reach the Operational Headquarters at the latest on the eve of the said AGM.

Article 4: The Annual General Meeting

Agenda

- 4.1 Sixty (60) days at least before the AGM, the Executive Secretary will send a draft Agenda to Members, in French or in English, together with the invitation to attend the AGM (Constitution 5.1.3).

Each Member may send in writing to the Executive Secretary, via the Operational Headquarters, one or more justified points it wishes to add to the Agenda.

- 4.2 A final Agenda will be sent to the Members at least thirty (30) days prior to the AGM. The agenda shall be appended with all documents necessary to the holding of the meeting and decisions to be taken.
- 4.3 The items on the final agenda will be discussed and dealt with at the AGM. No decision shall be taken on items which have not been duly included in the agenda. This shall not apply to items for which a majority of the Members present want to get a vote.

Running of the AGM

- 4.4 The identity of the Representative of the Member or of any delegate thereof shall be checked at the entrance of the venue of the AGM. This procedure is essential to give the Representative entitlement to take part in the AGM and to vote. The Executive Secretary and the Operational Headquarters will organise this procedure.
- 4.5 Each Representative, Delegate or Third Party Representative duly authorised by the Operational Headquarters to take part in the AGM shall be issued a personal identity badge. His/her name and the name of the Member he/she represents shall be recorded on the attendance register. Such AGM participants shall be seated where the name of the relevant Member has been set. To ease the voting process in particular, such seats shall be regrouped at the front of the Meeting room.
- 4.6 The President of the ARA shall chair the AGM and its discussions. In his/her absence, this task falls to the Vice-President or to any other member of the Executive Committee appointed by the Executive Secretary. The Executive Secretary and the Operational Headquarters shall hold the secretariat of the AGM. Debates shall take place in French or in English. Simultaneous translation shall be available.
- 4.7 The list of Members present shall be established after the full registration of arrivals.
- 4.8 The Executive Secretary has the responsibility to prepare the Minutes of the AGM but he can delegate the task to the Operational Headquarters or any other person. The Minutes will show at least the list of Members present, the Executive Secretary's activity report, the decisions taken and the result of elections, as well as the requests for information by the Members and the answers given. It shall be written in French and translated into English.
- 4.9 Following usual checks, the minutes so approved and signed shall be sent to all Members as an attachment to the agenda of the next General Meeting.

Voting and election procedure

- 4.10 Only Members are entitled to vote. Each member has one vote.
- 4.11 In accordance with article 5.1.5 of the Constitution, voting at the AGM is, as a rule, by show of hands. Subject to the decisions indicated below (art. 4.13 and 4.14), which requires a qualified majority, the General Meeting shall take its decisions and vote with an absolute majority (art. 4.12) of the votes present or represented.

4.12 At the General Meeting, the following decisions shall require an absolute majority (majority comprising more than half of the votes) of the Members present or represented:

- a) Approval of the past year activity report;
- b) Approval of the audited annual accounts;
- c) Approval of the amount of contributions and the annual budget.
- d) Approval of items and/or recommendations on the agenda;
- e) Discharge to the Executive Committee for its management

4.13 The following decisions and elections will require a qualified majority of 2/3 of votes of the Members present or represented:

Election for 3 years of the members of the Executive Committee;

- b) Election for a one year term, of the President and Vice-President on a proposal of the Executive Secretary.
- c) Election for a three year term, of the Executive Secretary, renewable for two additional terms.
- e) Election for a term of three years, of the Treasurer, renewable for one additional term.
- f) All decisions taken at an Extraordinary General Meeting;

4.14 The following decisions shall require a qualified majority of 3/4 of the votes of the Members present or represented:

- a) Dismissal of a member of the Executive Committee;
- b) Exclusion of a Member.
- c) Winding up of the ARA.
- d) Amendments to the Constitution.
- e) Approval of the Rules and Regulations and any amendments thereof.

Article 5: Executive Committee

Management of the Association

5.1 As part of the management of the ARA, the Executive Committee shall be vested with the powers specifically defined under article 5.2.2 of the Constitution.

As a matter of course, the Executive Committee is accountable for all the duties and obligations not assigned to other committees of the ARA.

The Executive Committee shall exercise the power of management. It carries out the decisions of the AGM, which come under its competence. It also takes all decisions necessary to the smooth running of the ARA and the achievement of its objectives. It takes into account the risks incurred by the ARA and, where necessary, takes the necessary measures to anticipate them. To this effect, it sets up or arranges for a "Risk Evaluation" to be set up: i.e. a written document including on one hand the types of risks incurred (company, persons, legislation and regulation, finance, politics and others) and on another, the level of said risks. This document shall be reviewed and validated by the Executive Committee at least once every two years.

The procedure for payments, purchases, investments, and that for recovering unpaid subscriptions and debts are specified in the recommendations of the Internal Control System (ICS) (art. 8.3 of the Constitution). These recommendations shall be implemented by the Executive Committee or by any other person designated to this purpose, including the Treasurer. The latter shall prepare the report on cash assets to be reviewed by the Executive Committee as part of its routine management of the Association.

All bank account movements are conveyed to the person designated by the Executive Secretary, who has to record them and make them available to the Treasurer and the Executive Secretary who take part in the preparation of the periodic report on cash assets to present to the Executive Committee.

Representation to third parties

- 5.2 The ARA is represented towards third parties by the Executive Secretary or by any person duly authorized by the Operational Headquarters.

In order to maintain the principle of transparency and corporate governance of the ARA, the people indicated above, acting as representatives, shall obtain from the Executive Committee an approval or a ratification undertaken or to be undertaken, and of the decision taken or to be taken.

- 5.3 The members of the Executive Committee empowered to sign on behalf of the ARA are the Executive Secretary, the President and the Treasurer and/or any other person designated to this effect.
- 5.4 The obligations of reciprocal communication as per article 2 of these Rules and Regulations shall apply to all banking operations.

Members of the Executive Committee

- 5.5 Elected by the General Meeting, the members of the Executive Committee are representatives of the Members.

Meetings of the Executive Committee

- 5.6 *Frequency of meetings:* The Executive Committee shall meet at least three times a year.
- 5.7 *Venue:* The Executive Committee shall meet at a venue selected by the Executive Secretary.
- 5.8 *Convening:* The Executive Committee shall be convened by the Executive Secretary or by any other member who considers it urgent to hold a meeting, provided that he/she justifies this. The notification may be sent by e-mail, telephone, fax or any other means of communication. It shall be written in French and English.
- 5.9 *Time:* The convening notice shall be sent to the members of the Committee at least thirty (30) days prior to the date of the meeting with the agenda and the minutes of the previous meeting.
- 5.10 *Agenda:* The Executive Secretary or any other person appointed to that effect shall set a draft Agenda for the Executive Committee Meeting. It shall be appended to the convening notice and be written in French and in English. Any items or recommendations that the members of the Executive Committee wish to be discussed shall be presented at the latest at the opening of the meeting. The first item on the agenda shall be the adoption of the final agenda.
- 5.11 *Chairmanship:* The Executive Committee shall be chaired by the President of the ARA. Failing this, it shall be chaired by the Vice-President or by any other member designated by the Executive Secretary. In case the President, the Vice President and the Executive Secretary are absent, the members of the Executive Committee shall appoint, at the opening, a member who will chair the meeting.
- 5.12 *Language:* Depending on the speakers, the Executive Committee meetings will be held in French or in English. As a general rule, there shall be no simultaneous translation.
- 5.13 *Decisions:* Decisions at Executive Committee meetings require the absolute majority of the members present. A member may be represented by a person from the same legal entity or by another member of the Executive Committee as long as this is announced at the opening of the meeting at the latest, and is approved by the other Executive Committee members present. The approval decision shall be included in the Minutes.

The vote on decisions to be taken shall be by show of hands.

5.14 *Minutes*: Minutes of the meeting of the Executive Committee shall be established and shall include at least the decisions taken and actions planned.

They shall be produced in French and in English by the Operational Headquarters or any other person designated, under the authority of the Executive Secretary, who signs them.

Article 6: Executive Secretary

Appointment

6.1 The Executive Secretary is elected by the General Meeting.

6.2 Pursuant to Article 5.2.7 al. 2 of the Constitution, the Executive Secretary is elected for a term of 3 (three) years. He/she may be re-elected for a further two terms.

Qualification

6.3 The Executive Secretary holds a wide and diverse strategic and operational role. He/she is the linchpin and the coordinator of the activities of the ARA.

His/her specific duties are as follows:

- a) Define the strategy of the ARA in collaboration with the Executive Committee;
- b) In collaboration with the Treasurer, prepare the annual budget proposal for approval by the Executive Committee, at least two months before the AGM;
- c) Provide the ARA with a course of action in keeping with the objectives set in the Constitution;
- d) Contribute to the interpersonal, economic, financial, technical and environmental development of the ARA;
- e) Work in close collaboration with ARA consultants;
- f) Control the financial and accounting framework of the ARA in close collaboration with the Treasurer and the Auditors;
- g) Prepare and convene the meetings of the Executive Committee as well as organize and convene the AGM and, where necessary, extraordinary General Meetings;
- h) Enter into contractual agreements on behalf of the ARA within the limits of its approved budget and its remit;
- i) Delegate to ad hoc committees, whenever deemed necessary, tasks related to specific technical issues, strategy, communication, database and/or sustainable development, in particular.

Whenever possible, he/she shall attend all the Executive Committee meetings.

6.4 Vis-à-vis the Members, before and during the General Meeting, within the Executive Committee and for the running of the ARA, the Executive Secretary shall perform the duties outlined in the Constitution under Articles 4.3 and 4.4 (admission and exit of Members), 5.1 (General Meeting), 5.2.3 (procedure for appointing members within the Executive Committee) 5.2.8 paragraph 3 and 8.1 (budget preparation and establishment of accounts with the Treasurer) and article 6 (establishment of ad hoc committees).

6.5 The Executive Secretary shall recommend to the General Meeting a person who will be the President of the Association for one year based on criteria of involvement and regular presence on the Executive Committee. He/she shall also recommend a person to be the Vice-President. Two months before the Annual General Meeting, the Executive Secretary shall request the formal agreement of the future President. Should he/she be unavailable or unable to take on these duties, the Executive Secretary records this and approaches another Member of the Executive Committee. He/she shall follow the same procedure for the future Vice-President.

- 6.6 Assisted by the Operational Headquarters of which he/she is the President, the Executive Secretary is responsible for the secretariat of the ARA. He/she shall establish the minutes of the meetings of the Executive Committee and the General Meeting or arrange for this to be done. He/she is the repository, either directly or through a third party, of all important original documents of the Association (minutes of General Meetings, minutes of Executive Committee meetings, contract, banking, administrative documents), it being specified that that he/she shall ensure that these documents are all gathered and filed in one place.
- 6.7 The Executive Secretary shall conduct the winding-up of the ARA.

Article 7: Operational Headquarters

- 7.1 The Operational Headquarters shall undertake all tasks set out by the Constitution and/or the Rules and Regulations. Moreover, the Operational Headquarters shall undertake all operational and/or administrative activities delegated by the Executive Secretary.

The Operational Headquarters shall coordinate its actions with those of the Registered Office in Geneva. The Operational Headquarters shall work in close collaboration with the ARA consultants;

Article 8: Work Groups

Work Groups shall be established, modified or disbanded by decision of the Executive Committee.

- 8.2 The operating rules and terms of reference of Work Groups shall be proposed by each Group Leader and confirmed by the Executive Committee in reference to article 5.2.2 lit. d) of the Constitution.
- 8.3 The Executive Committee shall appoint the Leader, the Coordinator and/or Technical Advisors (article 5.3.2 of the Constitution).
- 8.4 The number of members in a Work Group is not limited.
- 8.5 Work Groups shall meet at least twice a year.
- 8.6 The Leader of each Work Group shall report to the AGM on its annual activities.
- 8.7 A Work Group shall only include persons showing motivation and willingness to be active in order to achieve the objectives set.
- 8.8 Any person wishing to leave a Work Group may do so by informing his/her Leader of his/her decision.
- 8.9 A Leader may ask a member of a Work Group to leave his/her Work Group due to frequent absence, loss of interest, incompatibility or any other reason which would impede the smooth running of the Group.
- 8.10 The Leader shall notify the Committee of the resignation or exit of a member of a Work Group.

Article 9: Annual Budget

- 9.1 The Treasurer, in close collaboration with the Executive Secretary or any other person designated to this task, shall prepare a draft annual budget in French and in English.
- 9.2 The draft annual budget shall be submitted to the Executive Committee for validation at the latest 1 (one) month prior to the ordinary Annual General Meeting.
- 9.3 Once validated by the Executive Committee, the annual budget shall be presented to Members by the Operational Headquarters before the General Meeting.

The annual budget approved by the Executive Committee shall be presented by the Treasurer during the AGM. All relevant discussions may then take place. Corrections, amendments and additions are possible. Only Members may take part in the vote on the annual budget.

Article 10: Adoption and effective date

The present Rules and Regulations were adopted by the Annual General Meeting in Cape Town (South Africa), on March 28th, 2011. They were amended at the General Meetings of March 18, 2013 and March 14, 2016.

They enter into force immediately.

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