

## **Rules of Procedure**

### ***Members.***

#### **Rule 1**

Members are individuals of the tax, legal, accountancy and related professions qualified to practice in their countries. See further Article 4 of the Constitution. The membership is personal. The member is entitled to make use of the name Transnational Taxation Network TTN. It is the object of the member to promote TTN and their own consultancy and to take advantage of the co-operation between the members, and generally to foster a spirit of good fellowship amongst the members and exchange know-how. The member will be nominated and elected at an Annual General Meeting ("AGM"). The number of members in each country will be fixed by the AGM

### ***Aspirant Members.***

#### **Rule 2**

An aspirant member has the limited rights and status set out in Article 9 of the Constitution. The aspirant member pays no contribution until he/she has been elected at an AGM.

### ***Honorary Members.***

#### **Rule 3**

Honorary members are those members who have been of great value to the Association and have been proposed by the Executive Committee or the AGM and have been appointed by the AGM. They are entitled to attend the AGM and they have the right to receive information which is mailed to all members and aspirant members and to use the name of TTN. They are not entitled to remuneration from the Association unless otherwise agreed at the AGM. They are entitled to vote at General Meetings.

### ***Annual Contribution and entrance fees.***

#### **Rule 4**

- 4.1 The entrance fee and annual fee is fixed every year by the AGM. The members are required to pay the annual fee in one instalment to be fixed by the AGM. Nevertheless there may be exemptions by request of a member addressed to the Executive Committee. The fee invoice is due for payment within 30 days of receipt. Late payments will be subject to a 1% interest charge per month, or such other amount as the Executive Committee may determine.

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4.2 Referral fees between members are allowed subject to the members concerned disclosing this to the client where the rules of their profession require and mutually agreeing the fee. No member should be forced to pay a referral fee. The fees will not exceed 20% of the professional fees charged to the client and may only be collected on a one time basis per assignment. No referral fee is payable in any event where it would be in breach of any relevant practice rules.

### ***Executive Committee.***

#### **Rule 5**

The Executive Committee members are appointed for a 4 year term at an AGM to serve from 1<sup>st</sup> January in the year following their election. Outgoing members will handover information and records to their successor at the first Executive Committee meeting of that year and shall be entitled to attend that meeting.

The Executive Committee will be composed of at least three individuals. The President (Chairman), the Vice-President, Treasurer and Secretary will be drawn from at least three countries. The maximum number of Executive Committee will be eight. In the event of an equality of votes on any motion the President's vote will be decisive. The Executive Committee will meet at least four times a year. See further Articles 10,11,12,13,14 & 15 and 18 of the Constitution. The Executive Committee will provide one member for the Membership & Marketing Committee. The Executive Committee members will have only an advisory role in the aforementioned Committee. Four members of the Executive Committee may attend once a year an International Tax, Legal, Accountancy Conference at the expense of the Association as regards the registration fees. The Executive Committee will agree a budget for this purpose and will present the list of conferences to be attended for the coming year to the AGM, for approval of the budget. The visiting members will represent TTN at the Conference and deliver a technical report of each visit. This report will be presented to the Association via the newsletter. In an emergency the Executive Committee may meet by telephone conference.

### ***Compensation.***

#### **Rule 6**

Any compensation of the Executive Committee, or any other TTN Committee and/or TTN Staff member will be approved by the AGM and will be listed in the Treasurer's budget. The said members will be reimbursed for economy class travel costs (flight, train, car, hotel, etc.). The treasurer will present an adequate budget for this purpose at the AGM.

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Any reimbursement or remuneration of a member paid on behalf of the Association in respect of any exceptional work has to be presented in detail at the AGM by the Treasurer. See further the Article 14 of the Constitution.

### ***Annual General Meetings (“AGMs”)***

#### **Rule 7**

The AGM shall be held at a venue approved by a previous AGM. The person who is to lead the technical part of the AGM of one year shall be voted for in the AGM of the previous year. The agenda for the AGM will comprise internal procedures and professional technical topics. (All members have the responsibility to bring relevant topics and professional know-how to the attention of the members). The minutes of the AGM will be produced by the Secretary of the Executive Committee within one month of the AGM and will be circulated to members.

### ***Secretary and External Secretary.***

#### **Rule 8**

The Secretary of the Executive Committee shall be a member of the Association. The Secretary is responsible for administration, mailing to members, organisation of the AGM, quarterly updates of membership lists and Minutes of Executive Committee meetings and minutes of the AGM. The Executive Committee may ask the AGM to approve the appointment of an external secretary. After approval of such function, remuneration and responsibilities by the AGM the Executive Committee may appoint such a person. The external secretary may be chosen from amongst the staff of one of the member's firms. In such an event where no Executive Committee Member acts as Secretary the supervision of the external secretary shall be under the responsibility of the Executive Committee.

### ***Membership & Marketing Committee.***

#### **Rule 9**

The Membership & Marketing Committee shall be primarily responsible for the recruitment of new members, make recommendations to the Executive Committee, take care of the newsletter and its contents and advise the Executive Committee directly after their meetings. The Membership & Marketing Committee will have one vote in the Executive Committee's meeting on matters relating only to matters covered by their remit. The Membership & Marketing Committee members are entitled to compensation for their hotel and travel costs on the basis of economy class public transport. Article 22 of the Constitution applies.

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### ***Ethical Code.***

#### **Rule 10**

All members are subject to the ethical codes governing their professions. Reported breaches of the code, or failings in the quality of services are reportable to the Executive Committee. If the alleged breach of ethics or standards is established by the Executive Committee, its decision is final and it may penalise or expel the member.

### ***Newsletter***

#### **Article 11**

The Internal newsletter shall be produced four (4) times a year where possible under the supervision of the Board member responsible for the Membership & Marketing Committee. The internal newsletter is only for internal matters and purposes. The technical part will be produced in the TTN Website. The secretary of the Executive Committee shall support the Membership & Marketing Committee with the editorial part and production of the Newsletter.

### ***Use of the TTN logo***

#### **Rule 12**

All members are entitled to use the TTN logo at their discretion. The logo will be applied to the members on request by print-out, diskette or any other mean of data distribution. The logo may be used on the notepaper of member's firms.

### ***Official Language.***

#### **Rule 13**

The spoken and written language of the Association will be English. This also applies to written documents, disputes and other official papers.

### ***Official Currency.***

#### **Rule 14**

Contributions, fees, compensations etc. will be charged and paid in Euros.

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### ***Voting Procedure.***

#### **Rule 15**

If a resolution is to be voted on a show of hands the Chairman of the General Meeting shall count those for and against and declare whether or not a resolution is carried. The Secretary shall have a membership list to check the entitlement of those voting. Proxies shall be lodged with the Secretary before the start of the General Meeting. On points of order during the Meeting the Chairman's decision shall be final. If a written ballot is demanded the Chairman together with the Secretary will prepare ballot papers which will, after they have been marked with a cross by each person entitled to vote, be placed folded in a closed box or other non-transparent receptacle. On completion of the ballot the Chairman and Secretary will scrutinise the result and declare whether or not the resolution is carried. Their verdict shall be final. (See Also Article 18 of the Constitution).

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Note: Amendments agreed at AGM 2002 incorporated in these Rules of Procedure.