

GIBRALTAR **ASSOCIATION** **FOR NEW** **TECHNOLOGIES**

Gibraltar Association for New Technologies **(the “Constitution”)**

1. Title

1.1 The name of the Association shall be the “Gibraltar Association for New Technologies” (the “Association”).

1.2 The Association can also use the acronym “GANT”.

2. Objects

2.1 The objects of the Association are:

- (a) to establish in Gibraltar an association of Gibraltar entities and individuals involved in or associated with Gibraltar’s blockchain, distributed ledger technologies (including the token sale industry) and such other new technologies as the Committee (as defined below) shall from time to time determine should be within the scope of the Association’s responsibility (“New Technology Industry” and “New Technology” shall be construed accordingly);
- (b) to encourage co-operation between members of the Association and to stimulate the interest and participation of the New Technology Industry in matters concerning Gibraltar’s finance industry;
- (c) to provide a forum for discussion and exchange of ideas on matters of mutual interest to members of the Association and to provide a medium for the expression of professional opinion on matters of public interest;
- (d) to establish a recognised medium for communication between the Association and:
 - (i) HM Government of Gibraltar;
 - (ii) the Gibraltar Financial Services Commission (“GFSC”) and other public authorities of Gibraltar;

- (iii) the Gibraltar Finance Council;
 - (iv) other professional bodies in Gibraltar with related interests;
 - (v) the media; and
 - (vi) any other authority, association or body as may be expedient from time to time including authorities, association or bodies situated outside Gibraltar;
- (e) to promote high standards of professional conduct amongst the New Technology Industry in Gibraltar;
 - (f) to promote the reputation of Gibraltar's finance industry, both within Gibraltar and internationally;
 - (g) to facilitate educational programs, training courses, seminars and presentations on New Technology to members of the Association, the New Technology Industry, Gibraltar's finance industry and to facilitate support, guidance and training;
 - (h) to raise funds and invite and receive contributions from any person or persons whatsoever by way of subscription, or to enable the above objects; and
 - (i) to do all such other things as are incidental or may be thought conducive to the attainment of all or any of the above objects.

3. Membership

3.1 Subject to Article 3.5, the membership of the Association shall consist of the following three classes of membership ("Membership"):

- (a) individual membership ("Individual Membership");
- (b) body corporate membership ("Body Corporate Membership"); and
- (c) observer membership ("Observer Membership"),

and "Individual Member", "Body Corporate Member" and "Observer Member" shall be construed accordingly and "Member" shall mean any of them.

For the avoidance of doubt, a Body Corporate Member includes a partnership with or without separate legal personality.

3.2 Individual Membership in the Association shall be open to any person of at least eighteen years of age and who is undertaking any trade, business or profession in the New Technology Industry in or from within Gibraltar. Where such trade, business or profession is through or connected with a Body Corporate Member, that individual shall be subject to the voting restrictions of Article 8.1.

3.3 Body Corporate Membership in the Association shall be open to the following body corporates:

- (a) a holder of a licence granted under the Financial Services (Investment and Fiduciary Services) Act to carry on a controlled activity of selling goods (including tokens) and/or providing services in the New Technology Industry or otherwise legally entitled to do so under that Act; and
 - (b) a Gibraltar based provider of professional, advisory or consultancy services or otherwise involved in the New Technology Industry.
- 3.4 Observer Membership in the Association shall be open to body corporates that are in the process of applying for a licence to be issued by the GFSC which directly relates to New Technology. Observer Membership shall be for a period of one year, subject to the voting restrictions of Article 8.1, until such time as such licence is granted, whereupon those body corporates shall automatically become Body Corporate Members. Any extension of this one year period requires the agreement of the Committee.
- 3.5 Applications for Membership must be made to the Secretary (as defined below) of the Association and will be considered, approved or rejected by the Committee (in its absolute and unfettered discretion on such terms and conditions as it thinks fit) whose decision shall be final. This includes the approval of such other individuals and body corporates that do not fall within the classes of Membership set out in Article 3.1.
- 3.6 The Committee shall not be obliged to disclose its reasons for any decision made in relation to Article 3.5.
- 3.7 A register of Members shall be maintained by the Secretary.
- 3.8 All Members shall be bound by and agree to comply with the terms of this Constitution.
- 3.9 All Members shall comply with such Gibraltar legislation, rules, codes and guidance as may be applicable to them.

4. Termination of Membership

- 4.1 Members who wish to terminate or resign their Membership should inform the Secretary of their decision in writing.
- 4.2 The Committee reserves the right to suspend and/or disqualify Members who:
- (a) have ceased to satisfy the Membership requirements as set out in Article 3; or
 - (b) are in breach of their obligations under Article 7; or
 - (c) if it considers (in its absolute and unfettered discretion) that the situation warrants it.
- 4.3 Any Member that is suspended or disqualified or resigns shall not be entitled to any refund or rebate of Membership Fees paid, nor shall it be released from the obligation to pay any Membership Fees due to the Association.

5. General Meetings

5. An annual general meeting (“AGM”) of the Association will be held in every calendar year and shall be held not later than fifteen months after the date of the previous AGM. Such AGMs shall transact the following business:
 - (a) receive the Chairman's report;
 - (b) receive the financial statements of the Association for the past Financial Year (as defined below);
 - (c) subject to an AGM taking place in a year where a Committee requires election in accordance with Article 9, elect no more than 9 representatives of Members, who will form the Committee; and
 - (d) transact other business of which due notice has been given to the Secretary.
- 5.2 Notwithstanding Article 5.1, the Association’s first AGM shall be held no earlier than two years from the date of adoption of this Constitution.
- 5.3 A minimum of twenty-one days’ notice in writing or by electronic communication (email etc.) of the AGM shall be given to all Members. Nominations for the representatives to be elected under Article 5.1(c) must be received in writing or by electronic communication (email etc.) by the Secretary not less than seven days before the AGM. Nominations received shall be notified to the Members in advance of the AGM.
- 5.4 Notice of business to be transacted under Article 5.1 (d) above must be received in writing or by electronic communication (email etc.) by the Secretary not less than seven days before the date of the AGM.
- 5.5 Any meeting of the Members that is not an AGM shall be an extraordinary general meeting (“EGM”). The Committee may call an EGM at any time by giving fourteen days' notice in writing to all Members of the Association.
- 5.6 No business shall be transacted at any meeting of the Members unless a quorum is present at the time which the meeting proceeds to business. A quorum is a minimum of four Members present in person or by proxy.
- 5.7 For the election of the Committee, the nine candidates polling the most votes shall be elected as members of the Committee until the next AGM that requires election of a Committee in accordance with Article 9. The first two runner-ups shall be referred to as alternate committee members (the “Alternate Committee Members”) who may be appointed to the Committee to fill a vacancy pursuant to Article 9.
6. **Financial Year**

The financial year of the Association shall end on [Day] [Month] (the “Financial Year”). Financial statements, which need not be audited, shall be prepared each year for submission to the AGM.

7. Membership Fees

- 7.1 Members are required to pay membership fees (the “Membership Fees”) which shall be set by the Committee.
- 7.2 The Committee shall determine both the amounts and the dates for payment of the Membership Fees.
- 7.3 Members who do not pay their Membership Fees when due, will automatically cease to be Members. The Committee has discretion to allow Membership to continue even in the case of late payment.
- 7.4 Members are considered to be in good financial standing when they have no payments outstanding to the Association. Only Members in good financial standing have voting rights or can be elected to the Committee.

8. Votes and Meetings

- 8.1 At any AGM or EGM (together “General Meetings”) at which a vote is called for, questions shall be determined by a simple majority of votes. Each Member shall be entitled to one vote whether in person or by proxy. Individual Members and Observer Members, to which a prohibition on voting applies pursuant to Articles 3.2 or 3.4, shall not be entitled to vote at General Meetings.
- 8.2 For the election of the Committee, each Member can vote for up to nine candidates in a printed ballot.

9. Committee

- 9.1 The management of the affairs of the Association shall be delegated to an executive committee (the “Committee”).
- 9.2 The Committee is elected at an AGM, for a term of 2 years. Notwithstanding any other provision of this Constitution, the members of first Committee shall be elected by the Members at an EGM called for this purpose as soon as practicable following the conclusion of such period determined by Mr David Parody, during which applications for Membership are accepted by the Association. The provisions of Article 5.5 shall apply to the calling of an EGM except that the EGM would be called by Mr David Parody. All members of the Committee are deemed to have been validly appointed under this Constitution and shall continue in office until the Association’s first AGM referred to in Article 5.2.
- 9.3 The following officers shall be allocated amongst the members of the Committee: Chairman, Deputy Chairman, Treasurer and Secretary and a maximum of five other persons (“Officers”).

Notwithstanding any other provision of this Constitution, the first Chairman of the Committee is Mr David Parody who shall serve until the first AGM referred to in Article 5.2.

- 9.4 Officers are elected by a vote of the Committee. Each position is voted separately, in the order referred to in Article 9.3. Each Committee member can nominate himself for each position and the person receiving most votes for each position is elected.
- 9.5 The Committee shall be first convened, following election, within 14 days following the date of the General Meeting by the elected Chairman.
- 9.6 An Officer cannot be elected consecutively to the same position, i.e. for a second term, unless voted unanimously by the Members. Where an Officer is elected for a second consecutive term, a third consecutive term will not be allowed.
- 9.7 In case a Committee member resigns from membership of the Committee, the Alternate Member which received the largest number of votes shall be elected to the Committee. If the Committee member that resigned held an Officer position, then an election for the vacant position will be held by the Committee. Each Committee member can nominate himself for the vacant position and the person receiving most votes for the position is elected. If, as a result, a further vacant position is created, then an election shall also be held for that vacant position.
- 9.8 Should both the Alternate Members be elected to the Committee as a result of resignations (or should the Alternate Members not wish to accept their appointment) then the Committee can fill vacant Committee positions by electing, with a majority vote, a Member not presently in the Committee.
- 9.9 The Committee is required to meet at least quarterly at the invitation of either (i) the Chairman or (ii) both the Deputy Chairman and the Secretary.
- 9.10 The agenda for the meetings are set by either (i) the Chairman or (ii) both the Deputy Chairman and the Secretary.
- 9.11 Every Committee member can include items in the agenda by notifying the Secretary in writing or by electronic communication (email etc.), at least seven days before the meeting.
- 9.12 The Committee is quorate when at least five members are present.
- 9.13 Committee members can participate through a conference call, and in such case are considered present.
- 9.14 All decisions shall be taken by a majority vote of the Committee members present, each Committee member having one vote.
- 9.15 In case of a tied vote, the Chairman will have a casting vote.
- 9.16 The Committee shall have powers to do all such things and incur such expenditure as it, in its absolute discretion, deems necessary for the achievement of the objects of the Association and

for the day to day running of the Association. The Committee may pay subscription fees to such organisations as may be approved by the Committee from time to time. Moreover, the Committee may seek such professional or other advice or may instruct, or retain, other service providers as it, in its absolute discretion, deems necessary to perform its duties on behalf of the Association.

9.17 The Committee shall have the power to appoint such sub-committees as may be deemed necessary and may determine their terms of reference, powers, duration and composition. All acts and proceedings of such sub-committee shall be reported back fully and promptly to the Committee.

9.18 The Committee, acting unanimously, shall have the power to co-opt up to a maximum of two persons to sit on the Committee, who the Committee considers necessary in order to support and further the objects of the Association, provided that in the view of the Committee, this is incapable of being provided by the existing members of the Committee.

10. Secretary

If, at any time, there shall be no Secretary of the Association, anything which this Constitution requires to be done by the Secretary shall be effective if done to or by one or more other Committee member(s).

11. Association Funds

11.1 The Association funds shall be maintained by the Treasurer at reputable banks approved by the Committee. Any such account shall be in the name of the Association.

11.2 Cheques shall only be drawn jointly by the Treasurer and either the (i) Chairman, (ii) Deputy Chairman or (iii) Secretary, authorisation of the expenses having been made by the Committee.

11.3 The income and property of the Association, shall be applied solely towards the promotion of the objects of the Association set forth in Article 2 and no proportion shall be paid or transferred directly or indirectly by way of dividend bonus, or otherwise by way of profit to any Member or Committee member, provided that nothing herein shall prevent the payment in good faith of reasonable and proper remuneration to any employee of the Association or the payment of reasonable and proper out-of-pocket expenses.

12. Dissolution

12.1 The Association may at any time be dissolved by a decision supported by not less than 75% of the Members present in person or by proxy and voting at a General Meeting of which at least twenty-one days' notice in writing or by electronic communication (email etc.) shall have been sent to all Members.

12.2 In the case of dissolution, any assets remaining after the settlement of all liabilities incurred will be donated to a charity, nominated by a majority vote of the Committee members.

13. Rules

- 13.1 The Committee may from time to time make such reasonable and proper rules as they may deem necessary or expedient for the proper conduct and management of the Association.
- 13.2 The rules may regulate the following matters but are not restricted to them:
- (a) the entrance fees, subscriptions and other fees or payments to be made by Members;
 - (b) the procedure at General Meetings and meetings of the Committee.
- 13.3 The Association in General Meeting has the power to alter, add to or repeal the rules.
- 13.4 The Committee must adopt such means as they think sufficient to bring the rules to the notice of the Members.
- 13.5 The rules shall be binding on all the Members. No rule shall be inconsistent with, or shall affect or repeal anything contained in, this Constitution.

14. Final Issues

- 14.1 Subject to Article 14.2, no additions to or alterations of this Constitution shall be made other than at a General Meeting, which shall be called for that purpose and requires at least twenty-one days' notice in writing or by electronic communication (email etc.) to be sent to all the Members as well as the approval of at least 75% of the Members present in person or by proxy.
- 14.2 No additions to or alterations of this Constitution shall be made at any time prior to the Association's first AGM (as referred to in Article 5.2).
- 14.3 This Constitution was adopted as the Constitution of the Association on [DAY] [MONTH] 2018 and is valid from this date and is the first Constitution of the Association.