

AquaFed

The International Federation of Private Water Operators

Association legalised on April 9, 2005
SIREN 484 646 401

Articles of Association¹

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¹ English translation. Original « Statuts » are written in French

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TITLE I – FORMATION AND OBJECT OF THE ASSOCIATION

Article 1: Association

An association is hereby formed by the parties to these Articles of Association and future parties thereto which are validly accepted, in accordance with the French Act of 1 July 1901, as amended, and the implementing regulations thereof, under the name:

In French: **Fédération Internationale des Opérateurs Privés de Services d’Eau.**

In English: **International Federation of Private Water Operators.**

It may be referred to as: **AquaFed.**

This association shall be referred to as the "Federation" herein.

Article 2: Object

The Federation's object is as follows:

- Representation of the sector of private water operators vis-à-vis international stakeholders and in particular international institutions. The association's role shall be to represent, directly or indirectly, private sector companies from all countries which manage the collective supply of drinking water or sewerage systems within the scope of licences, contracts or partnerships with public authorities.
- Promotion of the private sector's involvement in the collective management of drinking water and waste water treatment at international level.
- Search for good practices leading to the sharing of private operator’s shared expertise in water and wastewater throughout the world.
- Mobilisation of working groups on priority subjects identified collectively with the members.

Article 3: Registered Office

The registered office shall be located at 16 avenue Hoche, 75008 Paris, France.

It may be transferred to any other location in the same region pursuant to a decision by the Executive Committee and elsewhere pursuant to a decision by a General Meeting.

Article 4: Term

The association shall be formed for a term of 99 years.

TITLE II - MEMBERS

Article 5: Members

The Federation shall be comprised of Active Members, Associate Members and Honorary Members.

For the purpose of this Article, the expression "Private Company" shall mean any private law company whose decisions or capital are not controlled in fact or in law by public entities.

5.1 Active Members

Active Members shall be companies with a majority of private capital (referred to as "Corporate Members") or national associations of operators whose object is to represent companies in a specific country (referred to as "National Members").

5.1.1 Corporate Members

Any Private Company may join the Federation as an active Corporate Member that:

- directly manages or has significant holdings in subsidiaries managing collective services relating to drinking water or sewerage in any country whatsoever within the scope of long-term contracts, permits or licences granted by public authorities,
- and meets the following requirements:
 - it is a direct or indirect manager of a minimum number of individual connections in drinking water or wastewater networks. This number and the assessment arrangements shall be laid down in the Federation's Bylaws. They may be changed at any time by the Executive Committee;
 - water management is one of its main activities;
 - it is not subject to court-supervised recovery or asset liquidation proceedings;
 - it has sent a membership application in writing to the President of the Federation;
 - it has been approved by the Executive Committee and accepted by a General Meeting on a definitive basis.
 - Holdings are considered as significant in the event where they exceed a percentage of the capital established in the Bylaws.

The founding companies of the association shall automatically be Corporate Members of the Federation.

Each Active Corporate Member shall be represented by a person appointed by it in conjunction with a deputy chosen from its staff if it so wishes. All changes in representation is to be notified to the Federation.

5.1.2 National Members

Any association-like entity whose object is to represent operators of collective services relating to drinking water or sewerage in its country within the scope of long-term contracts, permits or licences granted by public authorities may join the Federation as a National Member, provided it meets the following requirements:

- its involvement in water or wastewater management is a clearly identified activity;
- it mainly represents Private Companies in law or in fact;
- it has sent a membership application in writing to the President of the Federation;
- it has been approved by the Executive Committee and accepted by a General Meeting on a definitive basis.

Each National Members shall be represented by a person appointed by it and selected from its legal representatives, in conjunction with a deputy chosen from its members if it so wishes. All changes in representation is to be notified to the Federation.

5.2. Associate Members

Associate Members shall be companies and associations in the water or wastewater sector which are involved in some aspects of the Federation's work, although they do not meet all of the conditions to qualify as Active Members. Organisations managing investment funds dedicated to the field of water and wastewater are also eligible to become associated members. Admission to Associate Membership shall require the Executive Committee's prior approval and definitive confirmation by a General Meeting. Each Associate Member shall be represented by a person appointed by it and selected from its staff.

5.3. Honorary Members

Honorary Members of the Federation shall be appointed by the Executive Committee from among individuals who have distinguished themselves in view of either their exceptional work or important services provided in relation to water or waste water management or to the Federation.

Former Presidents shall automatically be Honorary Presidents of the Federation.

Article 6: Admission

In order to join the association, potential members must be accepted by the Executive Committee pursuant to a proposal by the Executive Committee Officers. A General Meeting shall confirm membership on a definitive basis. In particular, the Executive Committee shall assess the fulfilment of the membership requirements as defined by Article 5. In view of the diversity of legal and institutional situations in various countries, the Executive Committee may freely interpret these requirements on a case-by-case basis. Applicants must make membership applications in writing. Reasons for rejection need not be given.

Article 7: Resignation of Members and Cancellation of Membership

Any member of the Federation may withdraw from the Federation at the time of its choosing by giving the President 3 months' notice in writing in writing.

The Executive Committee shall automatically remove a member who no longer meets the requirements laid down by Article 5 for qualification for membership of the Federation from the list of the Federation's members.

The Executive Committee may order the exclusion of any member who has not paid the membership fee provided for by Article 8 in full for one year after a reminder that has not been followed by payment within a period of 3 months.

The Executive Committee shall automatically summon a member, or do so at the request of one or several members of the Federation, where said member's operations, in its opinion, appear not to comply with fair dealing, the Federation's objects and Code of Ethics or whose public statements are incompatible with the Federation's public stand. If the member summoned fails to appear further to two summonses or if it fails to explain the facts in question, the Executive Committee may order its unconditional exclusion.

The capacity as member of the association shall be lost in the event of the death of an individual or the winding-up of a legal entity for any reason whatsoever.

Decisions taken by the Executive Committee pursuant to Article 7 shall be final. Reasons do not need to be given and said decisions shall be binding on all members of the Federation.

Resigning members or members whose membership has been cancelled shall relinquish payments made to the Federation's funds.

The resignation or departure of a member for any reason whatsoever shall not entitle it to any share whatsoever of the Federation's assets.

Article 8: Membership Fees - Resources

8.1. Membership fees

The association's members shall contribute to its financing by paying an annual membership fee, the amount of which shall be fixed by the Executive Committee every year in accordance with the arrangements defined in the Bylaws.

If technical information relating to each member is necessary to calculate the membership fees, the members' declarations of the basis for the calculation of membership fees should be made during the first half of the each accounting period by specifying the information relating to the previous accounting period. The Executive Committee shall decide on the amount of the membership fees in view of these declarations and may ask the members to provide any proof in relation thereto that it deems appropriate.

Membership fees shall be owed on a pro rata basis for each member accepted during the course of an accounting period.

8.2. Resources

The association's resources shall consist of capital contributions and annual membership fees paid by members, together with any public or private subsidies that may be granted. They may also include any other resources not prohibited by laws and regulations in force.

TITLE III – EXECUTIVE COMMITTEE

Article 9: Executive Committee

9.1. The Federation shall be administered by an Executive Committee comprised of individuals elected by a General Meeting and the immediate past President. The association's Executive Committee shall be comprised of a minimum of six members and a maximum of fifteen members.

In order to be elected, potential members must be nominated by at least one Active Member.

9.2. Members of the Executive Committee shall be elected for three years and shall be immediately eligible for re-election upon the expiry of their mandate. A year shall cover the period between two Annual General Meetings.

However, some of the initial members of the Executive Committee may be appointed for shorter periods in order to allow some members of the Executive Committee to be changed at each future General Meeting.

9.3. In the event one or more positions as members of the Executive Committee is/are vacant, the Executive Committee may arrange for the position(s) to be filled by appointing one or more replacements on a provisional basis.

Appointments on a provisional basis shall be mandatory where the number of members of the Executive Committee falls below the minimum set forth by Article 9, paragraph 1.

These provisional appointments shall be subject to ratification by the next Ordinary General Meeting. A provisionally appointed member of the Executive Committee shall only remain in office for the remainder of his/her predecessor's mandate.

9.4. The mandate of the Executive Committee member shall terminate:

- if the individual resigns;
- if the mandate is revoked by the General Meeting, and said revocation may take place following an incident at a meeting;
- if the company or association that he/she represents loses its capacity as a member.

9.5. The position as a member of the Executive Committee shall be not remunerated. Members shall not enter into any personal obligations in view of their positions.

9.6. If the elected members of the Executive Committee are the only members of their company or association sitting on the Executive Committee, they may be assisted at these meetings by an individual from their company or association who they must appoint in writing and who must be approved by the Executive Committee. These assistants shall not form part of the Executive Committee. They shall only attend meetings in a consultative capacity. However, in the event a member is absent, they may cast a single vote in his/her place, provided they have been granted a proxy in writing.

9.7. The General Meeting shall elect a President from among the members of the Executive Committee. The President shall remain in office for the term of his/her mandate as a member of the Executive Committee. He/she shall be immediately eligible for re-election.

Article 10: Meetings and Deliberations of the Executive Committee

10.1. The Executive Committee shall meet:

- when a meeting is convened by its President and under his/her Chairmanship or, in the event of the President's absence, by one of the Deputy Presidents appointed by the President, each time that he/she deems this necessary and as a minimum at least four times per year.
- at the request of at least half of the members of the Executive Committee.

The Executive Director shall prepare the papers to be submitted to the Executive Committee in coordination with the Executive Committee Officers. He will take part in the meetings of the Executive Committee except in cases where there is a conflict of interest.

Invitations to meetings shall be sent at least 10 days prior to said meeting by e-mail. They shall contain the agenda for the meeting drawn up by the President of the Executive Committee or by the members of the Executive Committee who requested the meeting.

The Executive Committee shall meet at the association's registered office or at any other location specified in the invitation. Meetings may also be held by teleconference.

10.2. The effective presence or representation of at least half of the members of the Executive Committee in office shall be required for the Executive Committee's deliberations to be valid. Any member of the Executive Committee who is absent or prevented from attending may authorize in writing another member to represent him/her.

One individual may hold an unlimited number of proxies.

10.3. Each member of the Executive Committee shall have one vote. The Executive Committee's deliberations shall require a simple majority of the votes of members present or represented. Votes shall be taken by a show of hands. However, a secret ballot must be held in the event it is requested by one of the members of the General Meeting with a voting right.

10.4. The Executive Committee's deliberations shall be recorded in minutes entered in the register of the association's deliberations and signed by the President and the Secretary who may issue copies or extracts thereof jointly or separately.

Article 11: Powers of the Executive Committee

The Executive Committee shall be vested with the widest powers to administer the association within the limits of its object and subject to the powers of General Meetings.

It shall authorise the President to bring legal proceedings.

It shall notably take all decisions relating to managing and conserving the association's assets and, in particular, decisions relating to using funds, leasing the premises required to fulfil the association's object and managing human resources.

He can appoint and remove an Executive Director at any time.

He determines the Executive Director's remuneration.

The Executive Committee shall determine the Federation's main policies. Where necessary, it shall validate the Federation's public stands. It shall draw up the association's budget and annual financial statements.

Article 12: Executive Committee Officers

12.1. The Executive Committee shall elect from among its members two Deputy Presidents, a Secretary and a Treasurer who, in conjunction with the President, shall be the Executive Committee Officers. Deputies may assist the Secretary and the Treasurer where applicable. The Executive Committee may change officers pursuant to a simple decision.

The President, the Deputy Presidents and the Secretary of the Executive Committee shall also be President, Deputy Presidents and Secretary of General Meetings.

12.2. Executive Committee Officers shall be elected for a term of three years and shall be immediately eligible for re-election.

12.3 If the Executive Committee has appointed an Executive Director, this person shall assume the functions of secretary, without becoming a member of the Executive Committee Officers.

Article 13: Role of Executive Committee Officers

13.1. The Executive Committee Officers shall oversee the implementation of the Executive Committee's decisions. They shall meet as often as required in the association's interest pursuant to an invitation by the President.

13.2. The President shall represent the association in all acts in civil matters and shall be vested with full powers for this purpose. In the event of his/her absence or temporary inability to act, he/she may be replaced by one of the Deputy Presidents appointed by the President.

With the Executive Committee's prior approval, the President may partially delegate his/her powers, under his/her responsibility, to one or more representatives of his/her choosing, whether members or non-members of the Executive Committee, or to the Executive Director as appropriate.

13.3. The Secretary shall be responsible for issuing invitations, to be signed by the President, for members to attend meetings. He/she shall draw up or arrange for the drawing up of minutes of meetings of Executive Committee Officers, the Executive Committee and of General Meetings. He/she shall keep the register provided for by Article 5 of the French Act of 1 July 1901.

13.4. In addition to special delegations which he/she may be granted by the Executive Committee, the Treasurer, assisted where necessary or replaced by the Executive Committee's Secretary in the event of any inability to act, shall be responsible for monitoring the accounts and cash flow. He/she shall also be in charge of requesting the payment of membership fees by members, a task that he may delegate to the Executive Director as appropriate.

The treasurer shall draw up a report on the association's financial situation and present it to the Annual General Meeting.

13.5. Positions as an Executive Committee Officer shall be not remunerated.

TITLE IV – GENERAL MEETINGS

Article 14: General Rules applying to General Meetings

14.1. General Meetings shall be comprised of all of the association's Active Members whose membership fee payments are up to date on the date of meeting.

Each Active Member may be represented by another Active Member of the association or by the President. His/her representative shall be granted a special proxy. Representation by any other person shall be prohibited. The number of proxies, which a member of a General Meeting may be granted, shall be limited to five.

14.2. Each Active Member of the association shall be entitled to a number of votes (voting rights) determined in accordance with the Bylaws. At a General Meeting, he/she shall have the right to use his/her votes and the votes of members that he/she is representing.

14.3. General Meetings shall be convened at the Executive Committee's initiative. Invitations shall be sent by e-mail. They shall be sent to each Active Member at least 20 days in advance. They shall contain the agenda for the meeting drawn up by the Executive Committee.

General Meetings may only deliberate on items on the agenda or those added by the President during the meeting in view of the General Meeting's discussions.

The Executive Director shall take part in General Meetings except in cases where there is a conflict of interest.

14.4. General Meetings shall be held at the association's registered office or at any other location specified in the invitation.

14.5. General Meetings shall be chaired by the President or, in the event he/she is unable to act, by the Deputy President appointed by the President or, failing this, by the person appointed by the General Meeting.

14.6. An attendance sheet shall be drawn up and signed by the members of the General Meeting upon entering the Meeting and shall be certified by the President and Secretary of the General Meeting.

14.7. The General Meeting's deliberations shall be recorded in minutes containing a summary of the discussions, the text of the resolutions and the result of the votes. They shall be signed by the President and the Secretary. These minutes shall be re-transcribed, without whiteout or erasing, and in chronological order, in the register of the association's deliberations.

Article 15: Ordinary General Meetings

15.1. Ordinary General Meetings shall be held at least once per year within ten months following the end of the accounting period (see Article 17). They may also be convened on an extraordinary basis by the President or at the request of at least one quarter of the members of the association.

15.2. The Executive Committee's reports on the association's management, activities and legal status and the financial report shall be presented to Annual Ordinary General Meetings.

The Statutory Auditor's report shall also be presented (see Article 18).

Ordinary General Meetings shall approve or adjust the financial statements for the accounting period and give full discharge to the members of the Executive Committee and the Treasurer.

They shall elect the members of the Executive Committee and the President and shall ratify appointments made on a provisional basis.

They shall accept applicants for membership of the Federation nominated by the Executive Committee on a definitive basis.

They shall authorise the signature of legal instruments or the performance of operations which exceed the Executive Committee's powers.

In general, Ordinary General Meetings shall deliberate on all matters which do not fall within the authority of General Meetings requiring a special majority.

15.3. Ordinary General Meetings shall deliberate validly irrespective of the number of members present or represented. They shall take decisions by a simple majority (in terms of votes) of the valid votes.

Votes shall be taken by a show of hands. However, a secret ballot shall be mandatory for the renewal of the mandates of members of the Executive Committee or the President. A secret ballot must be held in the event a written request is made in this respect that is signed by three members of the General Meeting.

Article 16: General Meetings Requiring a Special Majority

16.1. Only General Meetings requiring a special majority shall have the authority to amend the Articles of Association, order the winding-up of the association, decide on the transfer of its assets and decide to merge with other associations.

16.2. General Meetings requiring a special majority shall only deliberate validly if at least half of the association's voting rights are present or represented. If this quorum is not reached at a General Meeting, the President, with the same agenda, shall convene a second General Meeting after a period of not less than 15 days but no more than 90 days. In this case, the invitation to the meeting must be sent at least 10 days before the Meeting rather than 20 days beforehand, as is generally the case for General Meetings. At this second meeting, the General Meeting shall deliberate validly irrespective of the number of voting rights present or represented.

Resolutions of General Meetings requiring a special majority shall be adopted by a majority of two-thirds of the votes of the members present or represented.

TITLE V – EXECUTIVE DIRECTOR

Article 17: Executive Director

An Executive Director can be appointed by the Executive Committee to assure the secretariat of the Federation and its day to day management.

If appropriate the Executive Director may be an employee of the Federation. His/her remuneration shall be determined by the Executive Committee.

Article 18: Functions

The Executive Director is charged with the following functions:

18.1: work in close collaboration with the Executive Committee Officers and subject to their supervision;

18.2: Be present at meetings of the General Assembly and Executive Committee, prepare their agendas and minutes in consultation with the Executive Committee Officers;

18.3: Manage the staff and coordinate its activities;

18.4: Progress the activities of the Federation, including organising and participating in the meetings of working groups;

18.5; Represent the Federation during international events and with partner organisations;

18.6: Sign any document that commits the Federation within the limits of its day to day management;

18;7; Report on his/her activities to the Executive Committee;

18.9; And any other task explicitly delegated by the Executive Committee, The President or the Treasurer

TITLE VI – OPERATION AND MISCELLANEOUS

Article 19: Accounting Period

The accounting period shall start on 1 January and end on 31 December of each year.

Article 20: Statutory Auditors

The General Meeting shall appoint a Statutory Auditor and a deputy Statutory Auditor. The Statutory Auditor shall perform his/her auditing duties in accordance with the terms and conditions provided for by the standards and rules applying to his/her profession.

Article 21: Winding-up

In the event the association is wound up for any reason whatsoever, a General Meeting requiring a special majority shall appoint one or more liquidators responsible for the liquidation process. At the end of the liquidation process, a General Meeting requiring a special majority shall decide on the transfer of net assets.

Article 22: Bylaws

The Executive Committee shall draw up Bylaws intended to specify and supplement the association's operating rules:

The Bylaws shall specify in particular:

- the thresholds for eligibility as defined in Article 5.1,
- the principles of establishing annual membership fees as defined in Article 8,
- the arrangements for allotting voting rights at General Meetings in accordance with Article 14.

Article 23: Activities

The only commercial activities that the Federation is authorized to undertake are the sale of information or communication materials (publications, CD-roms, videos, etc) and the organisation of conferences, educative training or collective events.

The Federation will not undertake any trading activity on behalf of any of its members.

In bids for water management or waste services, the Federation will not have any relationship that favours any one of its members or that favours its members over other candidates. The Federation must not act illegally or in an anti-competitive manner.

Article 2': Responsibility

The actions of the Federation only engage it and shall not legally bind its members. The Federation is not authorized to legally represent any individual member.

Adopted by the General Meeting of active members in Paris on 5 September 2007.