

Constitution



**Ligue Internationale
des Sociétés
de Surveillance**

November 2006

CHAPTER I

Composition - Name - Headquarters

Article 1

The Ligue Internationale des Sociétés de Surveillance is an association of private security organizations of the world established with registered offices in Berne, Switzerland.

The Ligue is autonomous, and non-political in character.

Article 2

The Secretariat General and registered office of the Ligue are based in Berne, Switzerland.

Subject to Article (45) provision shall be made for conducting the business of the Ligue in English.

Article 3

The Secretariat General and registered offices of the Ligue may be transferred elsewhere provided such change is decided upon by the majority of three-fourths of the membership present and eligible to vote in General Assembly, or by a similar vote via post, fax or e-mail followed by a signed original.

CHAPTER II

Duration – Objectives

Article 4

No term is set for the Ligue's duration of life.

Article 5

The objective of the Ligue is to establish an impartial, international organization that will initiate and broaden contacts, exchange of experience and opinion among its members and the countries they represent, thereby deepening reciprocal understanding.

The ultimate aim is to enhance the recognition and ethical standards of our profession in the eyes of our customers, employees and the public in general. It is also the intention to promote a quality driven industry, where employees can take pride and enjoy a long term career.

It is the policy of the Ligue to fully comply with the competition and antitrust laws of all countries in which it operates and not to inhibit in any form, free and fair competition between its members.

It seeks to find solutions to common problems that are difficult or insoluble to resolve at a national level and to develop techniques and organizational methods that are more effective than those created by individuals or through local resources. The predominant idea throughout, is to improve and increase the overall potential of the private security in the world.

The Ligue shall always respect the position of individual members in relation to their legal obligations and the generally respected customs and practices, as applicable to companies of good repute in the countries that they operate in.

CHAPTER III

Organs of the Ligue – Members – Membership – Rights of Members – Loss of Membership

Article 6

The organs of the Ligue are:

- a) The General Assembly
- b) The Board
- c) The President
- d) Regional Committees of the Board for Europe, Asia-Pacific, Africa and The Americas to be considered when need for such is unanimously requested from the country members from such regions. Such Regional Committees are appointed by the Board and report to the Board.

The official Board language is English.

Article 7

Membership in the Ligue is obtained through the unanimous approval of the Board.

If a unanimous vote cannot be obtained from the Board, admission may be obtained at a subsequent meeting of the General Assembly, subject to the approval of three-fourths of the majority of the membership attending in person or by proxy and eligible to vote at the General Assembly meeting. If the Board votes unanimously against a new candidate, its application shall not be submitted to the General Assembly.

Article 8

Qualifications for admission of an organization to the Ligue are based on:

The stature of the organization, the good reputation it enjoys, its economic and organizational strength, its business ethics, as well as its absolute political independence.

In addition, a company applying for membership must fulfill the following specific requirements (which shall apply notwithstanding that the applicant for membership may be part of a group one or more of whose

companies is already in membership of the Ligue in relation to another country or countries):

- a) It must have been working in the security field for at least five years.
- b) It must satisfy the Board that it is a private security organization providing primarily services such as guarding, cash in transit, alarm monitoring or alarm system installation for the protection of people and property.
- c) It should be among the best qualified private security organizations providing security services in the country it represents, or being one of the world leaders in security services and satisfy the Board that its membership would substantially contribute to the aims and objectives of the Ligue.
- d) It must hold any necessary governmental license required to operate in the country which it represents and should also be a member of that country's leading trade association if there is any for the security industry.

No group of companies controlled by a single entity (as defined by Article (24)) shall provide more than one member of the Ligue in relation to any one country. Exceptions to this rule can be approved by the General Assembly.

Article 9

Federations, associations of syndicates or committees of employees or employers cannot be members of the Ligue.

Article 10

- a) Whenever a country is already represented by a member or members of the Ligue, initial proposals of new candidates for admission to the Ligue from that country shall be the exclusive prerogative of such existing member or members and no canvassing for new members from the country concerned shall be undertaken by any officer of the Ligue without the prior approval of such existing member or members.
- b) Where a country is already represented by one or more members of the Ligue, the Board shall not consider the nomination of any further candidate from that country unless such nomination is approved by all such existing members for the time being.
- c) If a company applies for membership direct to the Ligue, such application shall not be considered by the Board until the Board has referred the application to the member or members already represent-

ing the country concerned and shall not proceed to consider the application without the unanimous consent in writing of such member or members.

- d) Subject to the preceding paragraphs of this Article, members may from time to time recommend to the Board from within the countries they represent such a number of eligible candidates for new membership as will secure representation of each country.

Article 11

Membership of the Ligue is acquired only after the Board, having agreed on the adequacy of the qualifications of the candidate organization, gives due notice of membership status.

Article 12

Membership of the Ligue carries with it the obligation of complete observance of the Constitution and the lawful decisions of the General Assembly and the Board.

Each member must:

- a) Make payments in accordance with Articles (35), (36), (37) and (38) of the Constitution.
- b) Bring to the immediate attention of the Secretariat:
 - (i) notice of cessation of its activities for whatever reason;
 - (ii) changes that would affect its license;
 - (iii) changes of ownership either by sale or by transfer of the majority of its shares;Membership status will automatically be reviewed in the event that any of the foregoing occur.
- c) Bring to the immediate attention of the Secretariat any change of residence and address and any changes to the geographic scope in which it operates.
- d) Certify annually to the Secretariat that it is maintaining reasonable insurance cover relating to its potential obligations to customers, employees and the public arising from its operations and that in all respects it continues to comply with the criteria laid down for membership of the Ligue.
- e) Keep the Secretariat informed annually in writing about important legal commercial or operational developments within the member's country affecting the private security industry.

Article 13

Members of the Ligue undertake to comply fully with all applicable competition and antitrust laws, and to observe the spirit of free and fair competition.

Article 14

All members of the Ligue have the right to request Ligue guidance in accomplishing the objectives outlined in Article (5) of the Constitution.

They also have the right to:

- a) Attend ordinary and extraordinary meetings of the General Assembly.
- b) Examine the accounts.
- c) Make suggestions to, and requests of, the Board.
- d) Present complaints to the Board.

Members eligible to vote under the provisions of Article (23) also have the right to elect the Board in accordance with Articles (24) and (26).

Article 15

Membership in the Ligue is terminated by:

Resignation, Inactivity or Expulsion.

Resignation may be effected by written request with prior notice of at least six months.

Inactivity is adjudged to exist when a member has not observed, in whole or in part, the requirements of Articles (12) and (13) of the Constitution.

The charge of inactivity is to be communicated by the Board in writing to the member concerned. If the member does not remedy the breach of Articles (12) or (13) within 30 days of communication of the charge, its membership shall automatically lapse.

Expulsion of a member may occur if:

- a) The member does not observe its obligations to the Ligue, and if upon having had these violations called to its attention twice by letter, it does not correct them.
- b) The member commits actions that have a gravely adverse effect upon the interests and prestige of the Ligue, or one or more of its members, or that are opposed to the objectives of the Ligue.

Expulsion must be voted upon in an Assembly and is affirmed by a three-fourths majority of the members present and entitled to vote in Assembly or by a similar vote via post or fax.

CHAPTER IV

Function of the Organs of the Ligue - General Assembly - Extraordinary Assemblies - Voting Rights - The Board - The President - Secretariat of the Ligue

Article 16

The General Assembly, attended by the members of the Ligue, is held every two years.

The General Assembly fixes the time and place of the next meeting.

It also has the following responsibilities:

- a) To review and approve or disapprove the accounts covering the preceding financial period.
- b) To elect the members of the Board and the President.
- c) To determine the annual membership fee.
- d) To consider all other matters relating to the Ligue's activities; to refer to the Board such of these matters as may properly belong to that body; or to place matters on the agenda for future consideration by the General Assembly.
- e) To appoint the necessary committees for the disposal of designated matters.
- f) To resolve upon applications for membership as provided in Article (7).

A formal agenda shall be prepared in advance of the General Assembly. The meeting shall follow the agenda. Minutes shall be maintained, that accurately reflect the actions taken at the meeting.

Article 17

An Extraordinary Assembly can be convened for extraordinary reason.

It may be convened by the Board, by the President or at the request of one-third of the membership. In this latter case the request must specify the subject matter to be considered.

A meeting of the Extraordinary Assembly must be held within two months after the date of the request.

A formal agenda shall be prepared in advance of the Extraordinary General Assembly. The meeting shall follow the agenda. Minutes shall be maintained, that accurately reflect the actions taken at the meeting.

Article 18

Subject to the provisions concerning voting rights prescribed by Article (23) any or all of the Ligue members may participate in the General Assembly and in any Extraordinary Assembly. Any member which does not plan to send a delegate may assign any vote to which it is entitled by written proxy to one of the attending delegates.

Only one proxy vote may be assigned to any one delegate present at the Extraordinary Assembly. No member delegate present at the Extraordinary Assembly may have more than one vote over and above his own.

Article 19

Each member of the Ligue may participate in an Assembly with as many representatives of its company as it wishes, provided these representatives perform executive functions in the company, but there may be an extra charge by the host company if members come with more than 2 couples or 4 delegates.

Article 20

Unless three or more members entitled to vote request another form of voting, a show of hands shall be used, which shall be checked and then rechecked.

Resolutions shall be determined by simple majority except in cases where the Constitution clearly specifies otherwise.

Article 21

The Assembly is presided over by the Chairman of the Ligue.

On the naming of the new Chairman of the Ligue, the outgoing Chairman relinquishes the Chair of the Assembly to the new Chairman.

The position of Chairman is subject to re-election every two years. In general no Chairman may serve as such for more than two consecutive two-year terms. At the Board's request, the General Assembly can make an exception.

There may be a President of the Ligue. Such President shall be proposed by any Member of the Ligue and he or she shall be elected by three-fourths

of the members entitled to vote at a General Assembly. The President retains his position indefinitely.

The Secretary General of the Ligue acts also as secretary at the General Assembly.

Article 22

The decisions of the General Assembly are binding on all members.

Article 23

Subject to any other specific provisions of this Constitution, members of the Ligue shall collectively have one vote exercisable as follows:

Members who together represent each country shall collectively have one vote which in case of disagreement among them shall be recorded in accordance with the opinion of the majority among such members present in person or by proxy. In case of a disagreement involving an equality of votes among them their vote shall be disregarded.

Article 24

Where a group of companies are members of the Ligue and are controlled by a single entity (whether by means of a financial or shareholding organization or a sole proprietorship) the votes otherwise exercisable by such companies within the Ligue shall be limited so that the total of their votes capable of being cast at any General or Extraordinary Assembly shall not exceed twenty-five per cent of the total votes of the entire membership. Should the total of such a group reach twenty-five per cent of the total membership then the votes of the most recent member or members of that group representing any excess above the twenty-five per cent limit shall not be counted.

Article 25

The Board shall be composed of between nine and twelve directors proposed by and elected from the eligible members of the Ligue, one of whom shall be the Chairman and one the Vice-Chairman. The General Assembly decides the maximum size of the Board for the term by vote. If a President is elected he or she has the right to participate and assist at Board meetings but without voting rights.

Article 26

- a) At each General Assembly two of the directors for the time being shall retire from office but if offering themselves they shall be eligible for reelection, save that in general no director may serve for more than six consecutive years. The General Assembly can make exceptions of Board's request.
- b) The two directors to retire at each General Assembly shall be those who have been longest in office as directors since their last election, but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- c) The President shall not be subject to retirement by rotation.
- d) No person other than a director retiring at the General Assembly shall (unless recommended by the Board) be eligible for election to the office of director at any General Assembly unless, not less than three months before the date appointed for the General Assembly, there shall have been received at the registered office of the Ligue notice in writing signed by a member duly qualified to attend and vote at the Assembly of its intention to propose such person for election and also notice in writing signed by that person of his willingness to be elected.
- e) Particulars of all valid nominations received at the registered office of the Ligue under paragraph d) of this Article shall as far as practicable be sent in writing to all members of the Ligue not later than two months before the date of the General Assembly to which they relate.
- f) The Board shall have the power at any time to appoint any eligible person to be a director either to fill a casual vacancy or as an addition to the existing directors but so that the total number of directors shall not at any time exceed the number prescribed by Article (25). Any director so appointed shall hold office until the next following General Assembly and then be eligible for re-election.
- g) Those eligible to serve on the Board of the Ligue must be Directors or Senior Executives of the Companies they represent.
- h) The functions of the Board are performed without remuneration.

Article 27

The Board has full authority to carry out its assigned duties, except such authority as the Constitution expressly reserves to the General Assembly. Without intent to limit the powers of the Board, the following are among its specific duties:

- a) To elect from among their number a Chairman and a Vice Chairman of the Ligue.
- b) To carry on the Ligue's business in accordance with the Constitution and the decisions of the General Assembly.
- c) To arrange for the preparation of the requisite financial statements and budget estimates, with appropriate reports associated with these documents.
- d) To appoint and dismiss the Secretary General of the Ligue.
- e) To prepare the agenda for the General Assembly.
- f) To present to the General Assembly a list of eligible candidates for election to the Board.
- g) To resolve upon the admission, resignation and inactivity of members.

At each General Assembly the Board shall present a report of its activities.

A formal agenda shall be prepared in advance of the Board Meeting. The meeting shall follow the agenda. Minutes shall be maintained, that accurately reflect the actions taken at the meeting.

Article 28

- a) Save as provided in Article (7) decisions of the Board are arrived at by a simple majority of members present in person. In case of an equality of votes the Chairman (or in his absence the Vice-Chairman) shall have a second or casting vote.
- b) The quorum necessary for the transaction of the business of the Board shall be more than half of the Board members and personally present including the Chairman or Vice-Chairman.

Article 29

The legal representative of the Ligue is the Chairman; in his absence or indisposition the Vice-Chairman. The Chairman presides over the Board as well as over the General Assembly.

Article 30

The Secretariat of the Ligue is under the direction of the Secretary General who must be chosen from among the Ligue members.

The Secretary General is appointed by the Board, which also determines the limits of his power, the tasks he shall perform and issues him all directives.

The Secretary General has no vote when attending Board meetings.

Article 31

The Ligue member within whose country the Secretary General is functioning is required to provide the necessary office space. The Secretary General shall be reimbursed for expenses directly incurred by his office.

Article 32

The Secretary General specifically:

- a) Prepares the invitation for the General Assembly in conjunction with the Chairman of the Ligue and the Board. He compiles the minutes of the General Assembly for signature by the Chairman.
- b) Assists the Chairman in carrying out those matters laid down by the Constitution, the General Assembly and the Board.
- c) Acts as general adviser on problems and questions that are of interest to the Ligue and refers such questions as may be necessary to the Board.
- d) Circulates to members reports and information of general interest received by the Secretariat.
- e) Discharges such other duties as may be assigned to him by the Board.

CHAPTER V

Financial Administration

Article 33

The Chairman supervises the financial management of the Ligue with the assistance of the Secretary General.

Article 34

The Ligue obtains its funds from:

- a) Admission Fees
- b) Ordinary and Extraordinary Fees
- c) The Reserve Fund
- d) Any other approved sources which may be decided upon.

Article 35

The Admission Fee is paid only at the time of admission to the Ligue. The Admission Fee forms the Reserve Fund of the Ligue which is fixed for the duration of the Ligue, except as set forth in Article (41) of the Constitution.

Article 36

Each General Assembly shall consider whether to maintain the Ordinary Fee, raise it, or lower it.

Article 37

The Extraordinary Fee will be as fixed by the General Assembly from time to time, when exceptional circumstances require it.

Article 38

Fees are obligatory for all members.

Article 39

In case of resignation, inactivity or expulsion, a member loses its right to the Property and Reserve Fund of the Ligue, and his Admission Fee will in no case be refunded.

Article 40

The financial management of the Ligue is carried out based on two-year intervals, being the time that elapses between two General Assemblies.

Article 41

At the end of each two-year period the net surplus of the Budget, reduced by 10% to be paid into the Reserve Fund, shall be carried forward. In the event of a deficit, the General Assembly, upon recommendation of the appointed Budget Committee, may elect to eliminate the deficit either by an Extraordinary Fee levied upon all members, or by transfer from the Reserve Fund.

CHAPTER VI

Final Dispositions

Article 42

The Constitution may be modified. Changes of the Constitution are determined by the General Assembly and take effect only upon assent by vote of three-fourths of all members. This vote may be by post, fax or e-mail.

Article 43

All the duties under the Constitution, including those of Secretary General, shall be performed without pay. The only payments that may be made are those authorized by Article (31) of the Constitution.

Article 44

In the case of dissolution of the Ligue, the General Assembly shall appoint the liquidators, and determine the method of the liquidation and disposal of the Property of the Ligue.

Article 45

Copies of the Constitution shall be produced in English.

Article 46

This Constitution has been approved by resolution of the General Assembly of the Ligue, passed the 1st day of November 2006, and is effective from that date to replace the previous Constitution.