



Constitution

22nd May 2014

CONSTITUTION

NAME OF ASSOCIATION

- 1) ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

VISION STATEMENT

- 2) The Association exists to support, assist and represent its member firms, while promoting the engineering construction industry as an effective and efficient force. Its principal aims are to encourage investors and clients to utilise the capabilities and experience of member firms and to contribute to harmonious and mutually beneficial relationships between member firms and their employees.

OBJECTIVES

- 3) The objectives of the Association shall be:
 - a) To assist member firms to satisfy their business aims and those of their clients by:
 - i) Providing a range of cost effective value-adding services at national and regional level to enhance member firms' business performance
 - ii) Maintaining employment relations stability and negotiating fair and cost-effective terms of employment through any collective labour agreements into which the Association may enter, specifically the NAECI
 - iii) Implementing and supporting a membership-led process of continuous industry improvement
 - iv) Providing advice and guidance so that the highest feasible standards of health, safety and environmental good practice may be achieved.

- b) To support member firms' interests in communicating with and influencing all industry stakeholders, Government and other relevant external bodies.
- c) To be acknowledged for its reputation in delivering customer satisfaction by:
 - i) Ensuring effective communications
 - ii) Maintaining a platform for flexible and effective management
 - iii) Influencing and shaping the future of the engineering construction industry.
- d) To do all such other things as are in the opinion of the Association incidental, supportive or conducive to the attainment of each or any of these objectives.

MEMBERSHIP

Eligibility for Membership

- 4) The Association has two membership categories:

Engineering construction contractors (incorporating managing contractor, major contractor and general member grades)

- a) Firms which either manage and/or carry out engineering construction work and which operate from or within the United Kingdom, or which are about to carry out such work, are eligible to apply for membership of the Association.
 - i) All engineering construction contractor applicants whose applications are approved by Management Board will be initially admitted to Provisional membership of ECIA. Provisional member status will apply for at least two complete calendar years from admission. In the January immediately following the passage of two complete calendar years of Provisional membership, the contractor's Provisional membership status may be upgraded to Full member status.
 - ii) Representatives of Provisional members shall not normally (see article 15a ii) be entitled to be an Office Bearer, Trustee, Director of ECIA Trustees Ltd or of

any other company established by the Association, nor to be a member of the Association's Management Board or Council (see Articles 13, 15 and 24 below).

From time to time, Council may approve specific, additional eligibility requirements which firms will have to meet in order to be accepted into membership. Where a firm fails to meet one or more of these specific, additional requirements, but would otherwise be eligible for membership, Management Board may, as an alternative to rejecting the application, offer to that firm the status of a Conditional (Provisional) member subject to such special rules and requirements of Conditional (Provisional) membership as may be approved by Council from time to time. Contractors admitted to Conditional (Provisional) membership will require the further approval of Management Board, at the end of the conventional period of Provisional membership before their membership status can be upgraded to that of a Full member.

Employment businesses

b) Firms which supply the Association's engineering construction contractor members with personnel are eligible to join the Association as an employment business member. From time to time, Council may approve specific, additional eligibility requirements which firms will have to meet in order to be accepted into, and to remain in, membership. All EB applicants whose applications are approved by Management Board will be initially admitted to Provisional membership of ECIA, which will last at least two complete calendar years from admission. EB members will be periodically reviewed to ensure that they are operating at or above all of the current eligibility requirements for EB members. If an EB member does not meet those eligibility requirements (and failings are not or cannot be remedied within a reasonable time determined by the Management Board) or is uncooperative during the review process then their membership will not be eligible to be renewed the following year. The entitlements and obligations of employment business members shall differ in some respects from those of other member firms, as detailed in various Articles below. These differences include the following:

- i) Employment businesses shall be entitled to join a specific Employment Businesses Forum, established and operated in accordance with Article 33 below.

- ii) Employment businesses shall be represented on Council by the elected Chairman of the Employment Businesses Forum (see Articles 13g and 15 below).
- iii) Employment business representatives shall be entitled to attend regional and general meetings of the Association in a non-voting capacity (see Articles 27 and 43 below).
- iv) Employment business representatives shall not be entitled to be an office bearer, trustee, director of ECIA Trustees Ltd or of any other company established by the Association, nor to be a member of the Association's Management Board (see Articles 13, 15 and 24 below).
- v) Employment business members are required to notify the ECIA (and the project auditor where one is in place) that they will be mobilizing labour to a NAECI project, with details of the numbers employees involved.
- vi) Employment Business members are solely responsible for the submission of ECIA levy returns in respect of hours worked on NAECI in-scope projects. Under no circumstances should hours worked by Employment Business labour be included within the levy returns of their contractor customers.
- vii) Employment Business members operating on NAECI in-scope sites will be the subject of occasional spot audits to ensure full compliance with the terms of NAECI.

Applications for Membership

- 5) Any Contractor firm desiring to be admitted to membership of the Association shall make formal application on the form prescribed for the purpose. The application shall be submitted to the Management Board and if approved the applicant shall be deemed to have been elected as a Provisional member of the Association (see Article 4), subject to the applicant undertaking to pay to the Association, in advance, such subscriptions, fees and levies as are calculated to be payable in accordance with Article 46 and, where applicable, Article 48.

Once approved, a contractor's membership will be considered to be perpetual, and will continue until such time as the member takes such actions to retire from membership (see article 8) or is expelled from membership.

A firm which wished to become an EB member should complete the application form prescribed by Management Board from time to time, and shall also submit such supporting materials as the Association may specify evidencing that the applicant

meets required standards in respect of Health and Safety and Employment matters. The Management Board will decide in its sole discretion whether to accept or refuse the application. The decision will be notified to the applicant as soon as is reasonably practicable.

Grades of Membership

- 6) Council shall determine appropriate grades of membership and the subscriptions, fees and levies payable by each grade. The allocation of member firms and applicant member firms to each grade will be the responsibility of the Management Board, who will establish the criteria and/or other considerations that determine such allocations. Any member firm or applicant member firm which disputes the membership grade allocated to that firm shall have the right of appeal to Council. The appeal will be heard at the next Council meeting after the appeal is lodged in writing with the Management Board.

Associates

- 7) Any firm not eligible for membership of the Association under Article 4a) or 4b) may apply to the Management Board to be registered as an associate, and if accepted shall be entitled to receive such services as may be agreed by the Association upon payment of such fee as the Council may from time to time approve but such a firm shall not be a member of the Association. If an associate becomes eligible for membership under either Article 4a) or Article 4b) its associate status shall cease automatically and the firm must immediately submit an application for membership in accordance with Article 5.

Retirement from the Association

- 8) Any member may retire from the Association by giving at least six months' written notice to the Association to expire on 31 December. Failure to give such notice by 30 June in any year will leave the member in membership for the following year and liable for the applicable membership subscription.

On expiry of a valid notice to retire, a firm shall cease to be a member or associate and to have any interest in or claims upon the funds of the Association. Any questions

arising out of or as to the objections of a retiring member shall be determined in each case by the Management Board. Any subscriptions, fees or levies arising during the period of membership shall remain due and payable.

Expulsion or Suspension of Members and Associates

9 a) Membership under either Article 4a) shall cease and all the privileges thereof shall be forfeited:

i) If the Management Board order the name of the member to be removed from the list of members by reason of any subscription, fee or levy due from such member remaining unpaid three months after the due date. One calendar month's notice of such intention shall be given. Failure to submit a levy return within 30 days of issue of the levy return request will automatically result in a report being made to ECIA Management Board. Should no return have been received by the date of the next Council meeting, the Council will be notified of Management Board's actions/intended actions.

or

ii) If the Council, at a meeting of which the member shall have twenty-one clear days' notice and at which the member shall be given an opportunity of being heard, shall pass a resolution that it is undesirable in the interests of the Association that such member shall remain in membership; and the Council shall not be required to give any reasons for such termination.

9 b) Employment Business Membership under Article 4b) shall cease and all the privileges thereof shall be forfeited:

i) If the Management Board order the name of the member to be removed from the list of members by reason of any subscription, fee or levy due from such member remaining unpaid three months after the due date. One calendar month's notice of such intention shall be given. Failure to submit a levy return within 30 days of issue of the levy return request will automatically result in a report being made to ECIA Management Board. Should no return have been received by the date of the next Council meeting, the Council will be notified of Management Board's actions/intended actions;

or

ii) If the Management Board, passes a resolution that it is undesirable in the interests of the Association that such member shall remain in membership. This will be the normal course of action where an Employment Business member has been involved in deliberate non-compliance with the operation of NAECl. In such circumstances the member will have been given prior notice that Management Board would be considering their membership, and they will be given the opportunity to make written representations to Management Board, before its takes its decision. The Management Board shall not be required to give any reasons for such termination.

9 c) As an alternative to taking action under the provisions of Article 9a i) or 9b i), the Management Board may order the immediate temporary suspension of a member or the forfeiture of any of the privileges of membership. The Management Board shall also have power to authorise legal action to recover any unpaid subscriptions, fees or levies.

10) As an alternative to taking action under the provisions of Article 9a)ii, the Council may order the suspension of a member or the forfeiture of any of the privileges of membership.

11) The provisions of 9) to 10) above shall apply to the categories of membership stated. In addition to, or as an alternative to, in the case of provisional and conditional members, Employment Business members and associates, Management Board shall have the power, if it chooses, to order the suspension of a member or associate or the forfeiture of any of the privileges of membership or associate status with immediate effect, at any time and for any reason, if it appears to the Management Board that this is in the best interests of the Association. At the next meeting of the Council following the making of such an order, under this clause, Council shall receive a report on the matter and take such steps under the clauses above as it shall deem fit.

COUNCIL

12) The ultimate control of the affairs of the Association shall be vested in the Council which may do all things necessary for promoting the objectives of the Association, except only such as are directed by this constitution to be exercised by the Association in a

general meeting and such as are assigned under this constitution, or delegated by the Council, to the Management Board.

Membership of Council

13) Subject to the provisions of Article 13j-k below, the Council shall consist of:

- a) The President, the immediate Past President, the Deputy President, ~~and~~ Vice-Presidents of the Association, and members of the Management Board.
- b) Up to fifteen regional representatives. Each regional committee shall elect annually the number of representatives allocated to it by the Council. All engineering construction contractor Full members will be eligible to nominate a candidate for election by the region within which their head office within the United Kingdom lies.
- c) Up to fifteen representatives to be appointed by the managing contractors, who will meet at least once a year in order to appoint their representatives to the Council.
- d) Up to fifteen representatives to be appointed by the major contractors, who will meet at least once a year in order to appoint their representatives to the Council.
- e) Up to fifteen representatives to be appointed by the general members, who will normally meet at least once a year in order to appoint their representatives to Council. Alternatively any general member may submit his name as a potential representative directly to Council. If more than fifteen names are proposed priority will be given to those elected in the meeting of general members referred to in this clause.
- f) Up to five other co-opted representatives from the Association's membership may be appointed by the Council, after the elections or appointments under (a), (b), (c), (d) and (e) above have been held.
- g) The Managing Director of the Association and the Chairman of each of the Association's standing committees (including the Chairman of the Employment Businesses Forum) shall be members of the Council, but will attend its meetings in

a non-voting capacity unless they have been elected or appointed under the provisions of (a), (b), (c), (d) or (e) above.

- h) A representative of the Offshore Contractors' Association, who will attend meetings in a voting capacity.
- i) In addition the Council shall have the power to invite representatives of other Associations or other people to attend its meetings, or for a specific agenda item only at a meeting, in a non-voting capacity if it considers that their presence would be of value.
- j) Representatives of Provisional members (with the exception of existing Office Bearers, see Article 15a ii) and representatives of Employment Business members (with the exception of the elected Chairman of the Employment Businesses Forum) are not entitled to be elected or appointed to Council (see Article 4).
- k) In order to be eligible for appointment to Council (under Articles 13 b-f above), or to continue to serve on Council after appointment, representatives of any member must be directly employed by that member in a permanent capacity.
- l) The AGM endorses the nominations/elections to Council on the basis of the named individuals. Council membership is non-transferable and there is no entitlement for elected Council representatives to send substitutes to Council, if they are unable to attend or to nominate replacement company representatives should they step down/resign.

Meetings of the Council

14) The Council shall meet as and when it requires (normally four times a year) and may act notwithstanding any vacancy in its membership including any failure or delay in the appointment or election of any of its members or in the reporting of any such appointment or election. At each of its meetings the Council shall receive informative reports on the activities of the Association's Management Board, committees and staff since the previous meeting. Decisions of the Council must be supported by a simple

majority of those Council members with voting rights who are present at the meeting. A quorum for a meeting shall be not less than ten voting members including at least one of the office bearers listed in Article 16.

OFFICE BEARERS, TRUSTEES AND DIRECTORS

15) Qualification for Office

a) i) Except in the circumstances outlined in Article 15 a ii, no person shall be eligible to be an office bearer, trustee, director of ECIA Trustees Ltd or of any other company established by the Association unless he is a directly employed permanent employee, partner, director or office bearer of an engineering construction contractor firm holding Full membership of ECIA. Representatives of Employment Business members are not entitled to be elected or appointed as Office Bearers, Trustees and Directors (see Article 4).

ii) Representatives of Provisional members are not normally entitled to be elected or appointed as Office Bearers, Trustees and Directors except in the case of an existing Office Bearer who has moved between the employment of two different ECIA contractor members (with the latter employer being a Provisional member) during their tenure as an Office Bearer. In this instance the office bearer may continue in post and can apply for re-election.

b) The same eligibility requirements shall apply to membership of Council, with the exception of the Association's Managing Director and the Chairman of the Employment Businesses Forum, who are non-voting members of Council *ex officio* in accordance with Article 13g) above.

Annually Elected Office Bearers

16) The following office bearers of the Association shall be elected at the annual general meeting and shall normally hold office for up to two years or until their successor is elected thereafter. They shall submit themselves for re-election each year.

a) A President

b) A Deputy President

c) Two Vice-Presidents. A third Vice-President may also be elected in the event that the outgoing President is unable to take up the office of immediate Past President.

17) Any vacancy among the office bearers between one annual general meeting and another may be filled for the time being by the Council. This may include the appointment of a third Vice-President in the event that the office of immediate Past President becomes vacant.

18) The President shall act as chairman of any general meeting or special general meeting and of the Council, provided that in his absence the chair will be taken by one of the office bearers present.

Other Office Bearers

19) As the office of immediate Past President is not an elected one, the immediate Past President shall be entitled to be an office bearer, provided that he is an employee, partner, director, office bearer or authorised representative of an engineering construction contractor member firm, until he is succeeded by the next immediate Past President.

Trustees

20) The Association shall appoint trustees as hereinafter laid down.

Disqualification

21) A person shall cease to be an office bearer, trustee, director of ECIA Trustees Ltd or of any other company established by the Association, or a member of any committee of the Association if:

a) he becomes bankrupt or insolvent or of unsound mind or otherwise incapable of acting; or

- b) he resigns his office or appointment; or

- c) having been elected or appointed or co-opted in respect of being a directly employed permanent employee, partner, director or office bearer of a member of the Association he ceases to be such a directly employed permanent employee, partner, director or office bearer, or his firm ceases to be a member of the Association or becomes bankrupt or goes into liquidation other than voluntary liquidation for the purposes of reconstruction.

Removal from Office

- 22) An office bearer or member of the Council or the Management Board may be removed from office by resolution of the Council passed by a simple majority of those Council members with voting rights who are present at the meeting.

MANAGEMENT BOARD

- 23) The Management Board shall oversee the work of the Association's Managing Director, staff and committees and the implementation of the Association's policies and its own and Council's decisions. The Management Board shall recommend for the approval of the Council the rates and levels of all subscriptions, fees and levies to be paid by member firms. It shall meet as and when it requires (up to ten times a year) and may act notwithstanding any vacancy in its membership including any failure or delay in the appointment or election of any of its members or in the reporting of any such appointment or election. Decisions of the Management Board must be supported by a simple majority of those Management Board members with voting rights who are present at the meeting. A quorum for a meeting shall be not less than five voting members including at least one of the office bearers listed in Article 16. The President shall act as chairman of the Management Board, provided that in his absence the chair will be taken by one of the office bearers present.

Membership of Management Board

24) The Management Board shall consist of the President, the Deputy President, the immediate Past President, the Vice Presidents and three representatives each of managing and major contractors. In addition, up to three representatives of the general members may be co-opted from among their Council representatives. The chairmen of the Association's standing committees (except for the Chairman of the Employment Businesses Forum), the Chief Executive of the Offshore Contractors' Association and the Managing Director of the Association will be members of the Management Board. All of the above shall be voting members except for the Managing Director of the Association and the Chairmen of the Association's standing committees. The Management Board has the power to co-opt additional representatives for specific purposes. Representatives of Provisional members and Employment Business members shall not normally be entitled to be appointed or elected as a member of Management Board (see Articles 4 and 15)

- a) With the exception of the Managing Director of ECIA, the Chief Executive of the Offshore Contractors Association and the Office Bearers, no person shall be eligible to be appointed to Management Board, unless he is a directly employed permanent employee, partner, director or office bearer of an engineering construction contractor firm holding Full membership of ECIA.

Insurance

25) In addition to any further duties or powers which may from time to time be delegated to it by the Council or by general meetings of the Association, the Management Board shall in relation to any policy of insurance effected by the Association or in relation to any moneys payable under such policy have power in their discretion to declare the trusts upon which such policies or moneys are from time to time to be held and shall further have power to confer upon themselves (or others on their behalf) such powers of management and investment as they shall think fit.

COMMITTEES

Regional Committees

- 26) There are six regions which comprise the Scotland and Northern Ireland Region, South East Region, South Wales and Western Region, North West Region, Yorkshire and Midlands Region and Northern Region. The Management Board has the power to vary these regions, the regional committees and their jurisdiction, subject to the approval of the Council.
- 27) Each region will establish a regional committee and all engineering construction contractor members with head offices in the region shall automatically be members thereof. Additionally, any member from another region who has a contract in the region and any employment business member may join the committee but shall not participate in any regional election for membership of the Council.
- a) Each regional committee will annually elect, from its engineering construction contractor membership, a regional chairman. No person shall be eligible to stand for election as a regional committee chairman, unless he is a directly employed permanent employee, partner, director or office bearer of an engineering construction contractor firm holding Full membership of ECIA.
- 28) This chairman will be one of the region's representatives on the Council unless he has already been allocated a seat on the Council as a major contractor or a managing contractor in which case his seat will not count against the allocation for his region.
- 29) The purposes of the regional committees shall be to elect representatives in accordance with Article 13, to consider matters of importance arising in the region, to support and promote the objectives and policies of the Association at regional level, and to comment on any matter referred from the Council.
- 30) Decisions of regional committees must be supported by a simple majority of those regional members with voting rights who are present at the meeting.
- 31) Any dispute or fundamental difference regarding these provisions shall be referred to the Management Board for settlement.

The National Joint Council, Standing Committees, Sub-Committees and Working Parties

32) The Council or Management Board may appoint sub-committees of their membership to which they may delegate any of their respective powers, subject to any rules they may determine to limit or regulate the exercise of such delegations.

33) The Council or Management Board may appoint other committees or working parties of a specialised nature or to cover the interests of particular members. The size of such committees or working parties, membership composition, terms of reference, frequency of meetings, manner of reporting, duration and all other matters connected with their activities shall be determined by the Council or Management Board. No person shall be eligible to be stand for election or appointment as a standing committee chairman, unless he is a directly employed permanent employee, partner, director or office bearer of an engineering construction contractor firm holding Full membership of ECIA. In the case of Council, some or all of these powers set out in this article and Article 32 may be delegated to the Management Board.

34) The Management Board shall be entitled to authorise ECIA appointments to serve on the National Joint Council and any other external bodies which it may consider to be appropriate. No person shall be eligible for appointment as an ECIA representative on the NJC unless he is a directly employed permanent employee, partner, director or office bearer of an organisation holding Full membership of ECIA, or, alternatively, is a directly employed permanent member of the ECIA Staff.

OFFICIALS

Managing Director

35) The Management Board shall on the nomination of the President appoint a Managing Director who shall be the senior official of the Association. The Managing Director, who will have full responsibility for the Association's day-to-day operations, shall be

accountable to the Management Board, which will determine the role, responsibilities and accountabilities of the Managing Director.

36) The Managing Director shall have authority, limited by the policies established by the Management Board and the rules of the Association, to take such decisions as may need to be made between Management Board meetings.

37) The terms and conditions of the Managing Director shall be determined by the President and the Deputy President, who shall also be charged with ensuring the Managing Director's proper compliance with the responsibilities and accountabilities of his position. The Managing Director shall be a non-voting member of all committees of the Association.

Other Association Staff

38) All other staff of the Association, whether directly employed or not, shall be appointed by the Managing Director. The Managing Director shall also allocate to staff their duties and direct their activities, and, with the approval of the President and the Deputy President, determine their terms and conditions of employment.

GENERAL MEETINGS OF THE ASSOCIATION

Annual Meetings of the Association

39) An annual general meeting of the Association, of which not less than seven clear days' written notice shall be given by the Association, shall be held in each year on such day and at such place as the Council (or the Association in general meeting) may determine, for the purpose of receiving and adopting the report of the Management Board for the immediately preceding year, consideration of the accounts, as audited, and for the transaction of any other business required to be done at a general meeting.

Special Meetings of the Association

40) Special general meetings of the Association may be called at the request of the office bearers, the Management Board or the Council or any fifteen engineering construction contractor Full members of the Association. Any such request from members must be in writing and state the business to be brought before the meeting. Not less than seven clear days written notice must be given of any special general meeting and Notices convening such a meeting must state the business to be brought before the meeting and, where issued pursuant to a request from members, must be issued within fourteen days of a request being made by members as described in this Article.

Notice of Meetings

41) All notices of annual general and special general meetings shall be sent by email to each member's last known business email address.

Quorum

42) Fifteen representatives of engineering construction contractor member firms, including at least one of the office bearers listed in Article 16, shall form a quorum at general meetings of the Association.

Voting at General Meetings

43) Each engineering construction contractor firm in Full membership of ECIA will have one vote. Eligible members who are unable to attend the meeting may register proxy votes on any issue which is to be considered. Such proxy votes must be received by the Association before the commencement of the meeting. Employment business member firms and Provisional member firms may attend general meetings in a non-voting capacity.

Chairman's Casting Vote

44) In the case of equality of votes the chairman shall in all cases have a casting vote in addition to his deliberative vote.

Voting by Fax or Email

45) Resolutions or recommendations may be dealt with by fax or email ballot if in the opinion of the Council it is considered appropriate to do so. In such cases not less than thirty days shall elapse between the issuing of ballot forms to Full members and the closing date for their return to the Association.

FUNDS

Subscriptions, Fees and Levies

46) Members shall pay the following:

- a) A basic subscription to be approved from time to time by the Council, payable in advance on or before the first day of January in each year.
- b) Additional subscriptions for managing and major Contractors and employment business members to be approved from time to time by the Council, payable in advance on or before the first day of January in each year.
- c) A levy on each worked man-hour at a rate, or rates, to be approved from time to time by the Council, based on returns for site-based manual workers on work in scope to the NAECI, apart from NAECI Category 1 projects, which shall be submitted by member firms to the Association on a monthly or quarterly basis and be payable within one month of the date of invoice. In order to ensure the integrity of levy returns submitted, the Association will undertake spot audits on members as and when it sees fit. Members are required to offer full co-operation to the auditors involved in such audits. As previously stated in article 4, Employment Business members are solely responsible for submitting levy returns in respect of their own employees and shall not pass this responsibility to their contractor member customer.
- d) In the case of ex-NECEA members, in the place of (c) above, the following levies shall apply, expressed as percentages of payroll and based on wage returns for site-based manual workers which shall be submitted annually to the Association for the tax year preceding the date on which levies become due – payable on or before the

first day of January in each year. The percentage, or percentages, to be applied to each levy category will be approved from time to time by the Council.

- i) A levy (or levies) in respect of work performed under NAECI Categories 2 or 3.
 - ii) A levy in respect of all other work in scope to the NAECI, apart from NAECI Category 1 projects.
- e) A levy on each worked man-hour at a rate to be approved from time to time by the Council, based on returns for site-based manual workers on NAECI Category 1 projects which shall be submitted to the Association on a monthly basis and be payable within one month of the date of invoice.
- f) Agreed fees for specific services supplied by the Association to the member firm in question.
- 47) Any member failing to pay any such subscriptions, fees or levies for a period of not less than three months after the due date shall be liable to forfeit any or all of the privileges of membership, or to suspension or expulsion.
- 48) Any firm applying for membership within a period of three years from the date of that same firm ceasing, for whatever reason, to be a member of the Association shall be required to:
- a) Pay to the Association a sum equal to any subscriptions, fees and levies still outstanding from the previous period of membership
 - b) Make a declaration to the Association in respect of any levies for the intervening period, and pay to the Association a sum equal to the subscriptions, fees and levies, that would have been due to the Association from that firm under Article 46 if it had remained in membership for the whole of the intervening period.
- 49) If a member winds-up owing the Association monies relating to unpaid subscriptions, fees and/or levies, and there is a subsequent attempt to apply for membership (either by a similar or a reconstructed company identified by the Management Board by virtue of having a similar trading name, same address and/or similar board of directors) the

Management Board having considered the circumstances, are empowered to attach additional conditions before approving a membership application. This may include, amongst other things, the requirement for the applicant to put up an “advanced bond” of up to £15,000 (amount to be determined by the Managing Director) from which the Association will draw down future levy and subscriptions as required.

Association to Notify Members of Rates of Subscriptions, Fees or Levies in Force

50) The Association shall notify each member of the rates of subscriptions, fees and levies in force from time to time and of the amount of the subscription, fee and levy required to be paid by the member of the Association in accordance with such rates.

Expenditure and Investment of Funds

51) The funds of the Association shall be applied to provide for the ordinary working expenses of the Association in implementation of the objectives of the Association as set out in Article 3. Subject thereto the Management Board shall regulate the expenditure of the funds in such manner as they deem fit.

Accounts

52) The Management Board shall cause to be kept proper accounting records of all transactions concerning the assets and liabilities of the Association and shall take such steps as are requisite for the preparation and audit of annual accounts.

Auditors

53) The Association shall appoint a registered auditor (or auditors) to audit the annual accounts of the Association. The method of such appointment shall be for the Management Board to decide but any auditor (or auditors) so appointed may only be removed from office by a resolution passed at a general meeting of the Association.

LEGAL PROVISIONS

Indemnification of Office bearers, etc.

54) Every office bearer, trustee, director of ECIA Trustees Ltd or of any other company established by the Association, member of the Council, Management Board or of any committee or sub-committee, employee or agent of the Association shall be indemnified by the Association against all costs, losses and expenses which such person may incur or become liable to pay and incur by reason of any act or thing done, or omitted to be done, by him in such capacity as aforesaid or in any way in the discharge of his duties, but this shall not apply to travelling and other costs associated with attending meetings of the Association or other meetings for the purpose of representing the Association save as may be the subject of arrangement made from time to time by the Management Board.

55) No member of the Council or Management Board shall be liable for any other member of the Council or Management Board or for joining in any receipt or other act for conformity; or for any loss or expense happening to the Association through the insufficiency or deficiency of any security in or upon which any of the funds of the Association shall be invested, or for any loss or damage arising from the bankruptcy or insolvency or wrongful act of any person with whom any monies, securities or effects shall be deposited, or for any loss, damage or misfortune whatsoever which shall happen in the execution of the duties of his office or in relation thereto, unless the same shall happen through his own fraud, neglect or wilful default.

Defective Appointments

56) Any act done or performed by the Council, the Management Board or any committee or sub-committee of the Association or by any person acting as a member of the Council, Board or such committee or sub-committee, or by any office bearer, trustee, director of ECIA Trustees Ltd or of any other company established by the Association, employee or agent of the Association acting on the authority of the Council shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such person or member of the Council, committee or sub-

committee so acting or that any of them were disqualified, be as valid as if any such person had been duly appointed and was duly qualified.

Legal Proceedings

57) The Management Board may in any case where a member of the Association is or may be involved in legal proceedings relating to matters of common interest to members of the Association authorise assistance (financial or otherwise) to be given by the office bearers, staff or agents of the Association in connection with such proceedings.

Publication of Confidential Information

58) No member shall publish to a third party confidential information provided to it by the Association and each and every member shall indemnify and keep harmless the Association, its Council, office bearers, staff and agents and all other members against any action or proceedings arising from unauthorised disclosure.

TRUSTEES AND INVESTMENTS

Trustees

59) The property and investments of the Association shall be vested in ECIA Trustees Ltd who shall hold the same for and on behalf of the Association and shall deal with the same in accordance with the advice of the Management Board.

Investments and Securities

60) Any of the monies of the Association may, with the consent of the Management Board be used by ECIA Trustees Ltd by way of investment:

- a) for the purchase of land or any interest therein, provided that the unexpired portion of any interest other than the freehold is not, at the time of purchase, less than forty years;
- b) to build upon the same land with power, when and as often as they think proper, to alter, repair and pull down buildings;
- c) for the purchase of securities of any Government, local authority, statutory undertaking or company quoted on any stock exchange. Provided always that at the time of investment the paid up capital and the capital reserves (including any share premium account and capital redemption reserve fund) of such company shall together total £1 million at least or its equivalent at the rate of exchange current at the date of investment and so that in the case of the company having shares of par value such paid up capital and capital reserves of the company concerned to total £1 million at least or such equivalent aforesaid;
- d) for the purchase of any other property;
- e) for the making of loans;
- f) for the placing on deposit with any banker, public authority, institution or company whose normal business includes the acceptance of such deposits; and such investments may from time to time be varied with the consent of the Management Board.

May Hold Property

61) ECIA Trustees Ltd may with the consent of the Management Board:

- a) sell, feu, exchange, mortgage, lease or enter into any tenancy agreement in respect of, any land or interest therein and no purchaser, feuar, assignee, mortgagee or tenant shall be bound to enquire as to the authority for any sale, feu exchange, mortgage, lease or tenancy agreement by ECIA Trustees Ltd;
- b) borrow on the security of the said investments such sums at such rates of interest as the Management Board may direct, and may vary or sell any of the said

investments and invest the proceeds of such sales in any of the stocks, shares, securities, mortgages or property hereinbefore set out.

62) The receipt of ECIA Trustees Ltd shall be a good discharge for all monies arising from or in connection with any investments held by ECIA Trustees Ltd or any sale, feu, exchange, mortgage or lease of any land or interest therein.

AMENDMENT OF CONSTITUTION OR AMALGAMATION

Amendment of Constitution or Amalgamation with another Organisation

63) A resolution to alter, amend, vary or rescind the constitution of the Association, either in whole or in part, or to amalgamate with another organisation may be considered by the Council. Twenty-one clear days' written notice of such resolutions must be given to Council members. If such a resolution is supported by a two-thirds majority of voting members present at the relevant Council meeting it may be approved by the Council for submission to a special general meeting of the Association called for that purpose or to any other general meeting of the Association, or to a ballot provided that not less than thirty clear days' written notice of the proposed alteration, amendment, variation or rescission has been given prior thereto. When a ballot is used not less than thirty days shall elapse between the issuing of ballot forms to members and the closing date for their return to the Association. Such resolutions will require to be approved by at least two-thirds of the votes of the engineering construction contractor members of the Association recorded at the meeting or obtained by ballot.

DISSOLUTION

64) The Association may be dissolved by a resolution passed by at least two-thirds of the votes of the engineering construction contractor members of the Association recorded at a special general meeting called for the purpose by written notice to each member thirty days at least before the day of the meeting. Such a meeting shall be called only on the requisition in writing of at least one-third of the engineering construction contractor members of the Association. The basis on which the assets are to be

distributed and the liabilities met shall be determined at the special general meeting at which the resolution determining on dissolution is passed.

DUTIES OF MEMBERS AND ASSOCIATES

Rules

65) For the protection of the interests of members and associates, each and every member and associate shall loyally abide by and comply with the constitution and rules of the Association and all decisions of the Council, including such obligations as to membership and associate status which may from time to time be agreed.

Industrial Disputes and Dealings with Full-time Trade Union Officials

66) Members must:

- a) report to the Association at the earliest possible moment any industrial dispute or impending industrial dispute involving or likely to involve employees within scope of any collective labour agreement signed by the Association and specifically the NAECI, and report to the Association at the earliest possible moment any significant approach or contact which is made to them by full-time officials of trades unions signatory to any such agreement. Before holding any formal NAECI procedural meetings with such full-time trade union officials, to contact the Association, which shall be represented at the meeting if the member so requires or if the Association considers this to be in the interest of members in general. The role adopted by Association officials who attend such procedural meetings shall be solely as determined by the member.

- b) In the event of a stoppage of work, a restriction of output or any other form of industrial action occurring at a site on which a member is engaged he shall observe and conform to such regulations and directions as the Council of the Association may make or give from time to time in relation thereto.

OFFICES

Offices of the Association

67) The offices of the Association shall be at such places as the Management Board may from time to time determine. Notice of any change shall be given in writing to the members.

ENGINEERING EMPLOYERS' FEDERATION

Agreement with the Engineering Employers' Federation (EEF Limited)

68) a) The Articles of Association of EEF Limited provide that "the first associate members of EEF shall be, inter alia, the Engineering Construction Industry Association which shall be admitted as associate members and referred to as "Associated Bodies" on such terms as may be determined by the Directors of EEF Limited."

b) the terms on which the Directors of EEF Limited have admitted the Association as an Associated Body of EEF are those set out in the Agreement made between the Association and EEF (the predecessor of EEF Limited) dated 1 October 2008. That Agreement confers certain benefits on members of the Association.

c) the Association has the right to sever its relationship with the EEF Limited by giving six months' notice in writing. The EEF Limited can terminate the relationship immediately on written notice where the Association has wilfully acted to damage the interest of EEF or conducted itself in a manner inconsistent with the terms of the Agreement of 1 October 2008.

DEFINITIONS

69) In this constitution, unless the context otherwise requires, the following expressions shall have the meaning hereby assigned to them respectively, that is to say:

- 'The Association' means the Engineering Construction Industry Association.
- 'firm' includes, company, corporation, partnership, establishment or individual contractor.
- 'member firm' means any firm which is a member of the Association in accordance with Articles 4a), 4b), 5 and 6. An engineering construction contractor member firm shall join the Association as a general member unless it has applied to be, and has been accepted as, or designated, a managing or major contractor. The distinct entitlements of Provisional members, Conditional (provisional) members and Employment Business member firms under this constitution are summarised in Article 4.
- 'associate' means any firm which is not eligible to join the Association as a member firm, but is registered as an associate in accordance with Article 7.
- 'agent' means a person who is authorised by the Association to act on its behalf but who is not an employee of the Association.
- 'the Council' means the Council of the Association.
- 'the Management Board' means the Management Board of the Association.
- 'standing committee' means one of the principal Association committees, which have a responsibility to assist in developing advice and policies for ECIA members.
- 'managing contractor' means a member who is accepted by the Council as a managing contractor and who agrees to pay the appropriate subscription in accordance with Article 46.
- 'major contractor' means a member who is accepted by the Council as being a major contractor with significant presence in the UK engineering construction industry and who agrees to pay the appropriate subscription in accordance with Article 46.
- 'year' means a calendar year.

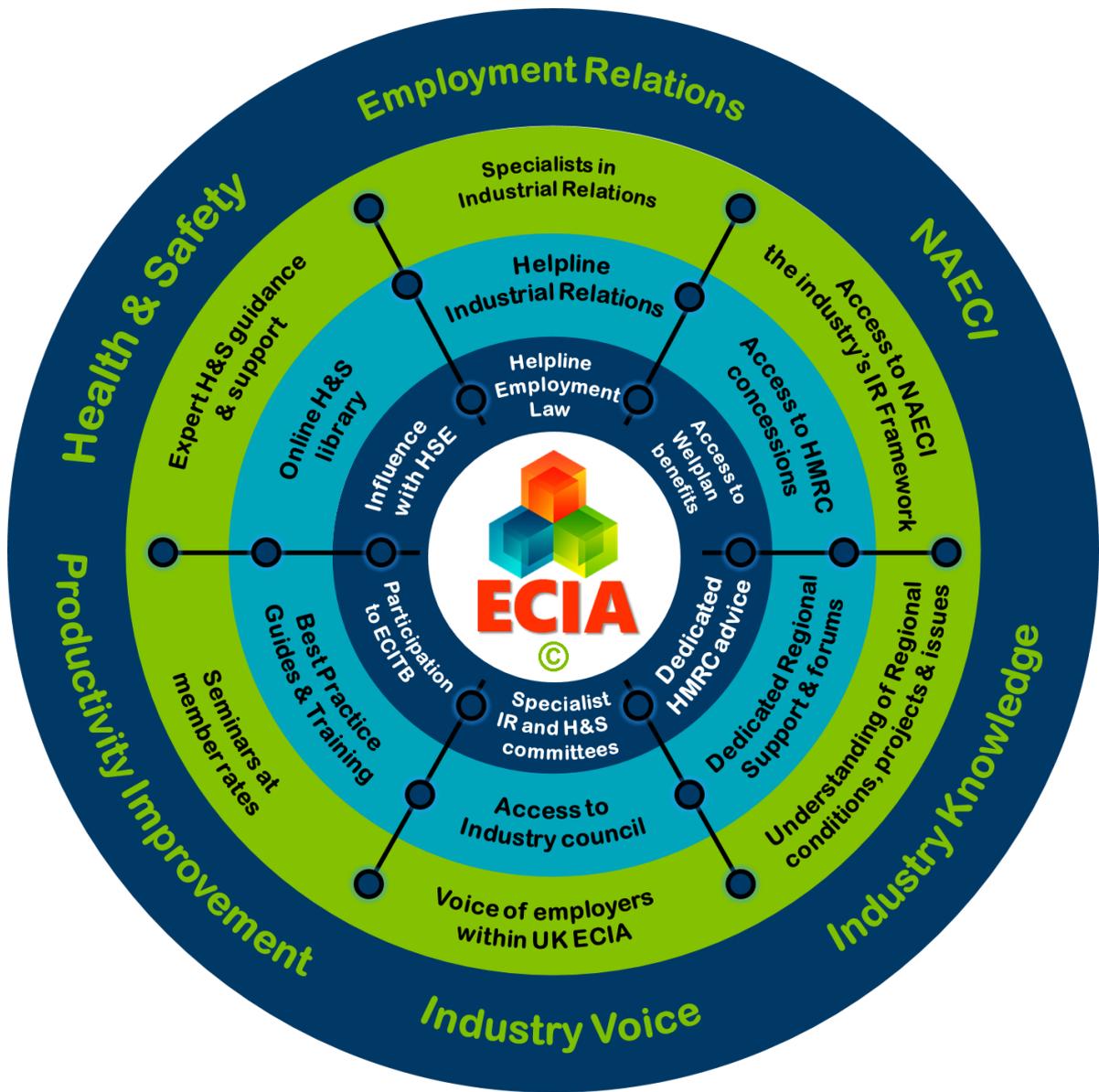
- 'NECEA' and 'OCPCA' mean the National Engineering Construction Employers' Association and the Oil and Chemical Plant Constructors' Association respectively, which amalgamated to form the Association.

- 'NAECI' means the National Agreement for the Engineering Construction Industry in force at the relevant time.

Words in the singular shall include the plural, words in the plural shall include the singular, and words importing the masculine gender shall include females.

Endorsed and approved by Council and S.G.M. on 22 May 2014

NOTES





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