

ASSOCIAÇÃO DE PROPRIETÁRIOS DA QUINTA DA ENCOSTA
VELHA

ASSOCIATION RULES

1 Introduction

The rules hereinafter contained and any other rules made by the Association pursuant to its Articles of Association are called “the Association Rules” and should be read together with, and in the context of, the Articles of Association dated [.....] and any subsequent amendment thereto. In the event of any inconsistency between the Association Rules and the Articles of Association for the time being, the provisions of the Articles shall prevail.

In these Rules “Member” means Member of the Association as defined in the Articles of Association. All references to he and him shall include she and her and the singular shall include the plural. Terms specifically defined in the Articles of Association and used in these Rules shall have the same meaning as in the Articles.

By accepting membership of the Association and paying the membership fee, each Member agrees to be bound by the Articles of Association and Association Rules.

Notice will be given to Members of any amendment to, or revocation of, any Rule.

Subject to any subsequent decision at a General Meeting, the decision of the Management Board on all matters concerning or arising from the Association Rules shall be final and binding.

2 Membership

2.1 Registered Members and Additional Members

Membership of the Association is open to:

- all owners or co-owners of a property or property fraction in the QEV urbanisation (save for Grupo Vigia or its successors); and
- any person with a legal, economic, domestic, or social interest in a property or a property fraction in the QEV urbanisation nominated for membership by the owner or co-owner of a property.

Where only one owner or co-owner applies for membership that person shall apply as the *Registered Member* (with rights to vote at meetings).

Where more than one person applies for membership in respect of a property or property fraction, the applicants shall nominate one person as the Registered Member and each other applicant as an *Additional Member*. (The Registered Member for any property or property fraction may be changed through simple notification to the Secretary of the Management Board by the current members associated with that property or property fraction.)

2.2 Application Form

Each application for membership must be made, and submitted to the Secretary of the Management Board, in a form to be determined by the Management Board and

providing, at least, information establishing eligibility for membership; an email and permanent residential address for communication purposes; the details prescribed in the Articles; and the NIF number of the applicant(s) or the owning UK company as appropriate.

2.3 Determination of application

The Management Board will confirm membership to the applicant(s) provided that it is satisfied that eligibility for membership has been established, all the information requested on the application form has been supplied and, whether in the case of a new applicant or a resigned or terminated member applicant reapplying for membership, there are no monies owing to the Association.

If the Management Board considers that an applicant is ineligible for membership or has failed to provide sufficient information, it will give the applicant an opportunity to amend or correct and resubmit the application.

2.4 Multiple ownership/membership

Only the Registered Member for a property is entitled to exercise the votes attached to that property. Consequently, a person who owns or co-owns more than one property or property fraction in the QEV Urbanisation should apply for membership in respect of each property or property fraction if he wishes to be able to cast the related votes.

2.5 Corporate ownership/membership

Where an outright property is owned by a corporate entity, an application for membership may be in the name of the entity (and include information about the person nominated by that entity to exercise the rights and responsibilities of the Registered Member) or in the name of the beneficial owner(s).

Fractional properties are all owned by a corporate entity but the owners of the fractional interests are all eligible for membership in their own right.

2.6 Payment of membership fee

The annual membership fee may be included on an invoice for the C&U charge or may be invoiced separately at the discretion of the Management Board. In either case, the annual membership fee is due and payable no later than thirty days from the date of the invoice.

The name of any Member who has not paid his annual membership fee sixty days after the date of the invoice may be posted on the Association Website.

2.7 Payment of membership fee and exercise of membership rights

The Articles provide that only a Member who has "...paid the annual membership fee, or such other equivalent fee or charge as may be prescribed in the Association Rules..." is entitled to exercise the rights of membership including, for a Registered Member, the right to vote at a General Meeting.

For the avoidance of doubt, payment of the annual membership fee for any year shall entitle a Member to exercise membership rights in the next following year up to and including the thirtieth day following the issue of the invoice for the annual membership fee for that year.

2.8 Membership Register

The General Assembly Board is responsible for ensuring that a Register of Members is maintained and that relevant membership information, including the information submitted on the application form and a record of payment of the annual membership fee, is maintained and, when notification of changes in information is received from members, updated. The Register of Members shall be conclusive in determining membership status.

Access to the Register and to relevant membership information is restricted to the members of Boards who need to use it for the business of the Association and, except in any situation specifically provided for in these Rules, a Member's information will not be disclosed to other Members or to non-members without his consent.

2.9 Proof of Membership

The Management Board may, at its discretion, provide proof of membership in the form of a membership number, membership card, certificate, letter, or otherwise.

2.10 Current version of Articles and Rules

The current version of the Association's Articles and Rules will be made available to members through the Association website or may be requested from the Secretary of the General Assembly Board.

2.11 Pro rata reduction of membership fee

In respect of a person who makes a first application for membership and has membership confirmed part way through a membership year, the Management Board may, at its discretion, make a pro rata reduction in the annual membership fee for that person for that year.

2.12 Notification of changes in membership information

It is the responsibility of each Member to notify the Secretary of the Management Board of any change in ownership, contact details (email or permanent residential address), or other circumstances affecting membership of the Association.

A Registered Member has a specific responsibility to notify the Secretary of the Management Board of any change in the Registered Member for any property or property fraction.

3 Membership Fee and C&U charges

The amount of the annual membership fee relating to properties owned outright, property fractions, and multiple properties in single ownership, is recommended by the Management Board and agreed at a General Meeting.

In the case of outright ownership, the annual membership fee shall be the full amount of the fee fixed for the property irrespective of the number of people eligible to apply for membership in respect of that property.

In the case of fractional ownership, the membership fee for quarter share owners shall be one quarter of the fee fixed for the property and for twelfth share owners one twelfth of the fee fixed for the property, irrespective, in either case, of the number of people eligible to apply for membership in respect of that property fraction.

In the case of multiple ownership (where a person or a corporate entity owns more than one property or property fraction and is the Registered Member in respect of two or more of them), the membership fee shall not exceed twice the amount of the highest membership fee for a property owned outright, irrespective of the number of properties or property fractions owned.

4 Boards and Committees

4.1 Remuneration

Members of Boards and Committees are not remunerated but may claim reasonable expenses incurred in the conduct of Association business.

4.2 Term of Office

Unless otherwise agreed at the AGM at which he is elected, the term of office of a Board Member runs from the date of his election until the third AGM following his election.

No Board Member may serve more than two consecutive terms of office unless a third term is specifically approved by resolution of a General Meeting.

4.3 Resignation and Termination

A Board Member may resign before the end of his term of office by notice in writing to the Secretary of the General Assembly Board.

The term of office of a Board Member shall be terminated if he ceases to be a Member of the Association or otherwise becomes ineligible to continue in office and may, in any event, be terminated by resolution of a General Meeting.

4.4 Elections

Board Members will be elected at the AGM.

Notice of vacancies, an invitation to nominate candidates for election, and a date for the submission of nominations shall be circulated by the General Assembly Board no later than six weeks in advance of the AGM.

Each candidate for election must be a Member and must be proposed and seconded by Members entitled to vote at the AGM.

No candidate may be proposed for membership of more than one Board.

Where more than one candidate is proposed for a vacancy on a Board, an election will be conducted by the Chairman of the General Assembly Board. If an election is required for the position of Chairman of the General Assembly Board, it will be conducted by the Secretary of that Board.

4.5 Powers of Co-option and Invitation

Each Board may, at its discretion, co-opt one additional non-voting Board Member (who may or may not be a Member of the Association) for such period as it deems appropriate.

Each Board may, at its discretion, invite a member of another Board, or a Member of the Association, or any other person to attend a meeting of the Board and to participate but not to vote.

4.6 Casual Vacancies

Each Board may fill a vacancy occurring in its membership by appointing to the Board a Member eligible to be a candidate for election to the Board who shall hold office until the next following AGM.

Where more than one casual vacancy occurs at the same time, or where it is not possible to fill a casual vacancy by appointment, the General Assembly Board will seek nominations from Members and, if necessary, conduct an election by email to fill the vacancy or vacancies.

Appointment to a casual vacancy should be made, where possible, within one month of the vacancy occurring and any necessary election held, where possible, within three months.

4.7 Conduct of Meetings

Each Board shall meet, in person or through communications technology, as often as necessary to discharge the business of the Association. Meetings will be convened by the Chairman or Secretary to a timetable agreed by the Board.

A majority of the members of the Board in attendance at a meeting constitutes a quorum.

Decisions of Boards are taken by majority vote with the Chairman holding a second or casting vote in the event of equality of votes. Abstentions are not permitted and a member may request a secret vote.

Minutes of the meetings of each Board shall be kept and shall be signed by the Chairman.

4.8 Conflicts of Interest

Members of Boards and Committees may not vote in matters in which they (or their spouse, partner, parent, or child) have a specific interest beyond their interest as a Member of the Association.

Members may not contract with the Association, directly or indirectly, unless such contract benefits the Association and is agreed by the Management Board. In the case of a member of the Management Board, any such contract must be agreed by the Chairman of the General Assembly Board.

4.9 Committees

Committees (or Working Groups) with specific tasks and/or terms of reference may be established by the Management Board or by resolution of a General Meeting.

The Management Board or General Meeting, as the case may be, shall specify the composition, purpose, reporting line, and duration of the Committee or Working Group and will appoint its Chairman.

5 General Meetings

5.1 Convening a Meeting

At least one General Meeting, designated as the Annual General Meeting, shall be convened in each financial year and the business dealt with shall include the approval of accounts and the election of Board and Committees. The Annual General Meeting shall normally be convened within five months of the end of the Financial Year.

A second General Meeting will normally be convened towards the end of the financial year to approve the Annual Budget and set the membership fee.

General Meetings are convened in accordance with the provisions of the Articles and the venue and timing of a General Meeting shall be determined by the General Assembly Board with the objective of enabling as many members as possible to attend.

Notice of a General Meeting, in the form specified in the Articles, shall be given by email (or mail) to the email (or mailing) address recorded in the Register of Members.

5.2 Business and conduct of Meetings

A meeting agenda, specifying the business to be discussed (including, where relevant, the election of Boards and resolutions to be proposed) will be included with the notice convening the General Meeting.

Matters not listed on the agenda may only be discussed, and any additional resolutions may only be proposed, with the agreement of a majority of Registered Members present at the meeting or at the discretion of the Chairman of the meeting.

Minutes of each General Meeting shall be kept, subsequently circulated to all Members, and recorded in a minute book.

5.3 Voting at Meetings

Only Registered Members may vote at meetings and the number of votes they may each cast is determined by calculated by reference to the relevant property or property fraction associated with his membership. A property owned outright carries twelve votes, a quarter share will carry three votes, and a twelfth share will carry one vote.

The Chairman of the meeting will permit the Registered Members for a fractional property together to cast twelve votes even if not all the owners of fractions in the property are Members of the Association *provided that* the whole of the C&U charge invoiced to that property in the current financial year has been paid in full.

Matters requiring a 75% majority of votes cast are listed in the Articles. All other matters require a simple majority of votes cast.

The method of voting at the meeting – by show of hands or by show of voting card – is at the discretion of the Chairman subject to the requirement that the Minutes must be able to record accurately the number of votes cast. Any Member may, following a show of hands, require the vote to be taken by voting card.

A Registered Member may not vote at a General Meeting on any matter in which he (or his co-owner, spouse, partner, parent, or child) has a specific interest beyond his interest as a Member of the Association.

Before a vote on a resolution is taken at a General Meeting, the Chairman will declare the number of proxy and email votes cast, or to be cast, in favour of or against that resolution.

5.4 Proxy Votes

The notice convening a General Meeting shall specify the manner in which Registered Members may appoint the Chairman of the General Assembly Board, or another Member of the Association, to represent them at a General Meeting and to cast their votes on specific resolutions or generally.

A proxy given by a Registered Member may be general (permitting the Chairman to vote as he sees fit on any resolution or on any other matter raised during the meeting) or specific (directing the Chairman to vote for or against, or abstain from voting, in respect of any or all of the resolutions set out in the notice of meeting).

A proxy may be given in respect of elections to Boards, as for resolutions.

Notification of the appointment of a proxy, in the form specified in the notice of meeting, must be given to the Secretary of the General Assembly Board no later than 48 hours before the scheduled commencement of the meeting. A proxy notified later than that deadline, or in a form other than that specified in the notice of meeting, will not be valid

5.5 Email votes

A Registered Member may cast his vote by email in respect of any election to be held at a General Meeting or any resolution set out in the notice of meeting. An email vote will only be valid if it specifies the relevant election or resolution; indicates the number of votes to be cast and the way in which they should be cast; is sent from the email address recorded for that member in the Register of Members; and is communicated to the Secretary of the General Assembly Board no later than 48 hours before the scheduled commencement of the meeting.

6 Management Board

The Management Board will be convened by the Chairman and will meet at least once every three months.

The Management Board may delegate some of its duties to qualified professionals and may appoint Committees or special working groups with responsibility for advising the Board and/or carrying out specific tasks.

If the position of Chairman or Treasurer of the Management Board is vacant, that position will, until a replacement is elected, be filled by another member of the Management Board.

Chairman

The Chairman will:

- Supervise the management of the Association and the achievement of its purposes;

- Chair meetings of the Management Board, guide its agenda and activities, and procure the execution of its decisions;
- Deal with urgent matters arising between meetings of the Management Board seeking the advice and assistance of Board members where practicable;
- Represent the Association in formal and social matters.

Treasurer

The Treasurer will:

- Supervise and direct the financial affairs of the Association;
- Ensure that financial documents and records required under Portuguese law are prepared, maintained, and submitted to the authorities as necessary;
- Present a financial report at each meeting of the Management Board;
- Manage and direct accountancy services provided to the Association; and
- Guide and advise the Management Board on financial policy.

Secretary

The Secretary will:

- Prepare the agenda for Management Board meetings;
- Maintain the Register of Members;
- Write the minutes of Management Board meetings and keep the minute book;
- Deputise for the Chairman and/or Treasurer if required; and
- Liaise with and assist the General Assembly Board and the Fiscal Board as necessary.

7 Amendments to the Association Rules

These Rules may be amended by a simple majority at a General Meeting on the proposal of the General Assembly Board, the Management Board, or a Member and, if approved, the amendment shall come into effect immediately or on such future date as may be specified in the resolution.