

Companies Acts 1985 and 1989

Company limited by guarantee

MEMORANDUM OF ASSOCIATION OF ISACA LONDON (UK) CHAPTER

1. Name

The name of the Company is ISACA London (UK) Chapter.

2. Registered Office

The registered office of the Company is to be in England and Wales.

3. Objects

The Objects are:

- 3.1 to promote the education of and help expand the knowledge and skills of members in the inter-related fields of auditing, quality assurance, security and IT Governance.
- 3.2 to encourage a free exchange of IT Governance, quality assurance, and security techniques, approaches and problem solving by members.
- 3.3 to promote adequate communication to keep members abreast of current events in IT Governance, quality assurance, and security fields that can be of benefit to them and their employers.
- 3.4 to communicate to management, auditors, universities and to IS professionals the importance of establishing controls necessary to ensure the effective organisation and utilisation of data processing resources.

4. Powers

The Company has the following powers, which may be exercised only in promoting the Objects:

- 4.1 To promote or carry out research.
- 4.2 To provide advice.
- 4.3 To publish or distribute information.
- 4.4 To co-operate with other bodies.
- 4.5 To support, administer or set up charities.

- 4.6 To raise funds.
- 4.7 To borrow money and give security for loans.
- 4.8 To acquire or hire property of any kind.
- 4.9 To let or dispose of property of any kind.
- 4.10 To make grants or loans of money and to give guarantees.
- 4.11 To set aside funds for special purposes or as reserves against future expenditure.
- 4.12 To deposit or invest in funds in any manner.
- 4.13 To delegate the management of investments to a financial expert, but only on terms that:
 - (1) the investment policy is set down in writing for the financial expert by the Directors;
 - (2) every transaction is reported promptly to the Directors;
 - (3) the performance of the investments is reviewed regularly with the Directors;
 - (4) the Directors are entitled to cancel the delegation arrangement at any time;
 - (5) the investment policy and the delegation arrangement are reviewed at least once a year;
 - (6) all payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the Directors on receipt; and
 - (7) the financial expert must not do anything outside the powers of the Directors.
- 4.14 To arrange for investments or other property of the Company to be held in the name of a nominee company acting under the control of the Directors or of a financial expert acting under their instructions, and to pay any reasonable fee required.
- 4.15 To deposit documents and physical assets with any company registered or having a place of business in England and Wales as custodian, and to pay any reasonable fee required.

- 4.16 To insure the property of the Company against any foreseeable risk and take out other insurance policies to protect the Company when required.
- 4.17 To pay for indemnity insurance for the Directors.
- 4.18 To employ paid or unpaid agents, staff or advisers.
- 4.19 To enter into contracts to provide services to or on behalf of other bodies.
- 4.20 To establish or acquire subsidiary companies to assist or act as agents for the Company.
- 4.21 To pay the costs of forming the Company.
- 4.22 To do anything else within the law which promotes or helps to promote the Objects.

5. Benefits to Members and Directors

- 5.1 The property and funds of the Company must be used only for promoting the Objects and do not belong to the members but:
 - (1) members who are not Directors may be employed by or enter into contracts with the Company and receive reasonable payment for goods or services supplied;
 - (2) members who are Directors may be employed by or enter into contracts with the Company and receive reasonable payment for goods or services supplied, provided that it is approved by a board meeting with the tendering member absenting himself.;
 - (3) members (including Directors) may be paid interest at a reasonable rate on money lent to the Company;
 - (4) members (including Directors) may be paid a reasonable rent or hiring fee for property or equipment let or hired to the Company.
- 5.2 Whenever a Director has a personal interest in a matter to be discussed at a meeting of the Directors or a committee, he or she must:
 - (1) declare an interest before the meeting or at the meeting before discussion begins on the matter;
 - (2) be absent from the meeting for that item unless expressly invited to remain in order to provide information;

(3) not be counted in the quorum for that part of the meeting; and

(4) be absent during the vote and have no vote on the matter.

6. Limited Liability

The liability of members is limited.

7. Guarantee

Every Member promises, if the Company is dissolved while he, she or it remains a Member or within 12 months afterwards, to pay up to £1.00 towards the costs of dissolution and the liabilities incurred by the Company while he or she was a Member.

8. Dissolution

8.1 If the Company is dissolved, the assets (if any) remaining after provision has been made for all its liabilities must be applied in one or more of the following ways:

(1) by transfer to one or more other bodies established with objects that are the same or similar to the Objects;

(2) directly for the Objects.

9. Interpretation

9.1 Words and expressions defined in the Articles have the same meanings in the Memorandum.

9.2 References to an Act of Parliament are references to that Act as amended or re-enacted from time to time and to any subordinate legislation made under it.

We wish to be formed into a company under this Memorandum of Association:

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ARTICLES OF ASSOCIATION OF ISACA LONDON (UK) CHAPTER

1. Membership

- 1.1 The Company must maintain a register of members.
- 1.2 Membership of the Company is open to any individual or organisation interested in promoting the Objects who:
 - (1) applies to the Company in the form required by the Directors;
 - (2) is approved by the Directors; and
 - (3) pays the relevant subscription.
- 1.3 The Directors may establish different classes of membership (including informal membership), prescribe their respective privileges and duties and set the amounts of any subscriptions and when they should be paid.
- 1.4 Membership is terminated if the Member concerned:
 - (1) gives written notice of resignation to the Company;
 - (2) dies or (in the case of an organisation) ceases to exist;
 - (3) is more than sixty days in arrears in paying the relevant subscription, if any (but in such a case the Member may be reinstated on payment of the amount due); or
 - (4) is removed from membership by resolution of the Directors on the ground that in their reasonable opinion the Member's continued membership is harmful to the Company. The Directors may only pass such a resolution after notifying the Member in writing and considering the matter in the light of any written representations which the Member concerned puts forward within 14 clear days after receiving notice.
- 1.5 Membership of the Company is not transferable.

2. General Meetings

- 2.1 Members are entitled to attend general meetings either personally or (in the case of a Member organisation) by an authorised representative or by proxy. Proxy forms must be delivered to the Secretary at least 24 hours before the meeting. General meetings are called on at least 14 clear days' written notice specifying the business to be discussed.
- 2.2 The President or (if the President is unable or unwilling to do so) some other Member elected by those present presides at a general meeting.
- 2.3 Except where otherwise provided by the Articles or the Companies Acts, every issue is decided by a majority of the votes cast.
- 2.4 Except for the person presiding at the meeting, who has a second or casting vote, every Member present in person or through an authorised representative or by proxy has one vote on each issue.
- 2.5 A written resolution signed by all those entitled to vote at a general meeting is as valid as a resolution actually passed at a general meeting. For this purpose the written resolution may be set out in more than one document and will be treated as passed on the date of the last signature.
- 2.6 The Company must hold an AGM at least once in every 14 months.
- 2.7 At an AGM the members:
 - (1) receive the accounts of the Company for the previous financial year;
 - (2) receive the Directors' report on the Company's activities since the previous AGM;
 - (3) accept the retirement of all of the Directors including the President, Vice-President, Treasurer and Secretary;
 - (4) elect Directors of the Company including the President, Vice-President, Treasurer and Secretary;
 - (5) appoint the immediate past president as a Director of the Company;
 - (6) appoint auditors for the Company (if required);
 - (7) may discuss and determine any issues of policy or deal with any other business put before them by the Directors.
- 2.8 Any general meeting which is not an AGM is an EGM.

- 2.9 There is a quorum at an AGM if the number of members or authorised representatives personally present in person or by proxy (not including members who are also Directors of the Company or their proxies) is at least ten.
- 2.10 An EGM may be called at any time by the Directors on giving the members 7 clear days written notice and must be called within 14 clear days on a written request from at least 10% of the then current membership who have stated their purpose in calling the meeting. The Directors shall give the members 7 clear days written notice of the time and the venue of such EGM's and specify the business to be discussed.

3. The Directors

- 3.1 The Directors have control of the Company and its property and funds.
- 3.2 The Directors when complete consist of at least six and not more than 12 individuals, all of whom must be members aged under 75 years at the date of appointment.
- 3.3 The subscribers to the Memorandum are the first Directors.
- 3.4 The immediate past President shall automatically be appointed a Director.
- 3.5 One third (or the number nearest one third) of the Directors must retire at each AGM, those longest in office retiring first and the choice between any of equal service being made by drawing lots.
- 3.6 A retiring Director who remains qualified may be reappointed for a maximum of 10 consecutive terms of office.
- 3.7 A Director's term of office automatically terminates if he or she:
- (1) is disqualified under the Directors Disqualification Act 1986 from acting as a director;
 - (2) is incapable, whether mentally or physically, of managing his or her own affairs;
 - (3) is absent from 3 consecutive meetings of the Directors and is asked by a majority of the other Directors to resign;
 - (4) ceases to be a Member (but such a person may be reinstated by resolution passed by all the other Directors on resuming membership of the Company before the next AGM);
 - (5) resigns by written notice to the Directors (but only if at least 6

Directors will remain in office);

(6) is removed by resolution of the members present and voting at a general meeting after the meeting has invited the views of the Director concerned and considered the matter in the light of any such views;

3.8 The Directors may at any time co-opt any individual who is qualified to be appointed as a Director to fill a vacancy in their number or as an additional Director, but a co-opted Director holds office only until the next AGM.

3.9 A technical defect in the appointment of a Director of which the Directors are unaware at the time does not invalidate decisions taken at a meeting.

4. Directors' proceedings

4.1 The Directors must hold at least 4 meetings each year.

4.2 For there to be a quorum at a meeting of the Directors at least 6 Directors must be present at least 2 of whom must be either the President, Vice-President, Treasurer or Secretary.

4.3 A meeting of the Directors may be held either in person or by suitable electronic means agreed by the Directors in which all participants may communicate with all the other participants.

4.4 The President or (if the President is unable or unwilling to do so) some other Director chosen by the Directors present presides at each meeting.

4.5 Every issue may be determined by a simple majority of the votes cast at a meeting, but a written resolution signed by all the Directors is as valid as a resolution passed at a meeting. For this purpose the resolution may be contained in more than one document and will be treated as passed on the date of the last signature.

4.6 Except for the President, who has a second or casting vote, every Director has one vote on each issue.

4.7 A procedural defect of which the Directors are unaware at the time does not invalidate decisions taken at a meeting.

5. Directors' powers

The Directors have the following powers in the administration of the Company:

5.1 To delegate any of their functions to committees consisting of two or

more individuals appointed by them. At least two of every committee must be Directors and all proceedings of committees must be reported promptly to the Directors.

- 5.2 To make standing orders consistent with the Memorandum, the Articles and the Companies Acts to govern proceedings at general meetings and to prescribe a form of proxy.
- 5.3 To make rules consistent with the Memorandum, the Articles and the Companies Acts to govern their proceedings and proceedings of committees.
- 5.4 To make regulations consistent with the Memorandum, the Articles and the Companies Acts to govern the administration of the Company and the use of its seal (if any).
- 5.5 To establish procedures to assist the resolution of disputes or differences within the Company.
- 5.6 To reimburse of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred by Directors in their administration of the Company;
- 5.7 To exercise any powers of the Company which are not reserved to a general meeting.

6. Records and Accounts

- 6.1 The Directors must comply with the requirements of the Companies Acts as to keeping financial records, the audit of accounts and the preparation and transmission to the Registrar of Companies of:
 - (1) annual returns;
 - (2) annual reports; and
 - (3) annual statements of account.
- 6.2 The Directors must keep proper records of:
 - (1) all proceedings at general meetings;
 - (2) all proceedings at meetings of the Directors;
 - (3) all reports of committees; and
 - (4) all professional advice obtained.
- 6.3 Accounting records relating to the Company must be made available for inspection by any Director at any time during normal office hours

and may be made available for inspection by members who are not Directors if the Directors so decide.

- 6.4 A copy of the Company's latest available statement of account must be supplied on request to any Director or Member. A copy must also be supplied, within two months, to any other person who makes a written request and pays the Company's reasonable costs.

7. Notices

- 7.1 Notices under the Articles may be sent by hand, by post or by suitable electronic means or (where applicable to members generally) may be published in any suitable journal or national newspaper or any journal distributed by the Company.

- 7.2 The only address at which a Member is entitled to receive notices sent by post is an address in the U.K. shown in the register of members.

- 7.3 Any notice given in accordance with these Articles is to be treated for all purposes as having been received:

- (1) 24 hours after being sent by electronic means or delivered by hand to the relevant address;
- (2) two clear days after being sent by first class post to that address;
- (3) three clear days after being sent by second class or overseas post to that address;
- (4) on the date of publication of a newspaper containing the notice;
- (5) on being handed to the Member (or, in the case of a Member organisation, its authorised representative) personally; or, if earlier,
- (6) as soon as the Member acknowledges actual receipt.

- 7.4 A technical defect in the giving of notice of which the Directors are unaware at the time does not invalidate decisions taken at a meeting.

8. Dissolution

The provisions of the Memorandum relating to dissolution of the Company take effect as though repeated here.

9. Interpretation

In the Memorandum and in the Articles, unless the context indicates another meaning:

‘AGM’ means an annual general meeting of the Company;

‘the Articles’ means the Company’s articles of association;

‘authorised representative’ means an individual who is authorised by a Member organisation to act on its behalf at meetings of the Company and whose name is given to the Secretary;

‘IS’ means information security;

‘ISACA’ means Information Security and Control Association;

‘IT’ means information technology;

‘President’ means the chairman of the Directors;

‘the Company’ means the company governed by the Articles;

‘the Companies Acts’ means the Companies Acts 1985 and 1989

‘clear day’ means 24 hours from midnight following the relevant event;

‘custodian’ means a person or body who undertakes safe custody of assets or of documents or records relating to them;

‘EGM’ means an extraordinary general meeting of the Company;

‘financial expert’ means an individual, company or firm who is authorised to give investment advice under the Financial Services and Markets Act 2000;

‘financial year’ means the Company’s financial year;

‘firm’ includes a limited liability partnership;

‘indemnity insurance’ means insurance against personal liability incurred by any Director for an act or omission which is or is alleged to be a breach of trust or breach of duty, unless the Director concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty;

‘informal membership’ refers to a supporter who may be called a ‘Member’ but is not a company Member of the Company.

‘material benefit’ means a benefit which may not be financial but has a monetary value;

‘Member’ and ‘membership’ refer to company membership of the Company;

‘Memorandum’ means the Company’s Memorandum of Association;

‘month’ means calendar month;

‘nominee company’ means a corporate body registered or having an established place of business in England and Wales;

‘the Objects’ means the Objects of the Company as defined in clause 3 of the Memorandum;

‘Secretary’ means the company secretary of the Company;

‘Director’ means a director of the Company and ‘Directors’ means the directors.

‘written’ or ‘in writing’ refers to a legible document on paper [not] including a fax message;

‘year’ means calendar year.

9.2 Expressions defined in the Companies Acts have the same meaning.

9.3 References to an Act of Parliament are to that Act as amended or re-enacted from time to time and to any subordinate legislation made under it.

